

**For discussion  
on 6 November 2023**

## **Legislative Council Panel on Housing**

### **Housing-related Initiatives in the Chief Executive's 2023 Policy Address**

The Chief Executive (CE) delivered the 2023 Policy Address (the Policy Address) on 25 October 2023. This paper aims to introduce the initiatives which are relevant to housing in the Policy Address.

#### **POLICY VISION**

2. As stated in the Policy Address, sufficient supply of land and housing is the key to making Hong Kong a better place for living and working. The Government is taking all possible steps to spearhead land production, and we are seeing signs of improvement in housing supply. We have identified sufficient land to meet housing demands in the coming 10 years, resolving the long-term housing shortage. To improve our living environment, the Government will focus on a few other long-standing housing concerns, including subdivided units (SDUs), urban renewal, building safety, etc. The ensuing paragraphs will first report our progress last year, and then elaborate on the housing initiatives in the coming year.

#### **FIRST-YEAR PROGRESS**

3. The Task Force on Public Housing Projects (the Task Force) led by the Deputy Financial Secretary submitted a concrete report to the CE within 100 days after the current-term Government's assumption of office. The report put forward various proposals which would help expedite the construction of public housing and were included in the 2022 Policy Address. Over the past year, the Housing Bureau (HB), the Housing Department (HD) and relevant departments have been actively following up and implementing the various proposals in full speed. The Task Force has also been closely monitoring the implementation of the various measures and, where necessary, assisting in resolving problems encountered in the course of implementation and providing strategic guidance to ensure that the various proposals can be fully implemented.

4. Meanwhile, the Government worked closely with the Hong Kong Housing Authority (HA) and the Hong Kong Housing Society (HKHS) to increase public housing supply by enhancing quantity, speed, efficiency and quality, shorten the waiting time for Public Rental Housing (PRH) and enhance the sense of well-being of residents. The relevant measures are making good progress.

#### Increasing Traditional Public Housing Supply

5. Regarding traditional public housing supply, the estimated total public housing production from 2023-24 to 2027-28 is about 128 000 flats. As at end-September 2023, more than 90% of traditional public housing for the above period are completed or under construction.

#### Constructing Light Public Housing (LPH)

6. The current-term Government introduced LPH to address the short-term shortfall of public housing supply. Following the announcement in the 2022 Policy Address, HB took forward the development of LPH expeditiously and secured funding approval from the Finance Committee of the Legislative Council in March 2023. According to the target, the first batch of about 2 100 units will be completed by 2024-25 at the earliest, and a total of about 30 000 units will be completed by 2027-28.

#### Continuing to Take Forward Transitional Housing

7. At the same time, the Government continues to take forward the implementation of “transitional housing”. As at end September this year, about 8 000 flats have already come into operation, and another 13 000 units are expected to be completed in the coming two years. In other words, there will be a total of about 21 000 transitional housing units, and the overall supply has exceeded the original target of 20 000 units. To facilitate application by members of the public in need, HB has introduced a central common application form and launched the Central and Unified Platform for Transitional Housing.

#### Promoting Public-private Partnership

8. With a view to tapping into the market forces and encouraging private developers to participate in developing subsidised sale flats (SSFs), the Government has announced the policy framework of the Private SSF – Pilot Scheme (the Pilot Scheme) after careful study and communication with various stakeholders. The Government will put up three sites for tender for private developers to develop SSFs starting from 2023-24, with the first two tender sites providing at least 2 000 flats in total.

## PRH Advance Allocation Scheme

9. Last year, HA implemented the PRH Advance Allocation Scheme. With the target of advance completion of about 14 000 PRH units between 2023-24 and 2032-33, HA will continue to advance the completion of these projects by phases, enabling PRH applicants to move in earlier. At this stage, about 12 000 units are expected to be completed earlier in or before 2027-28, including over 2 000 units within the first half of 2024. In addition, HA has also implemented advance allocation of new PRH flats, allocating flats to eligible applicants from about three months to about six months before the issuance of Occupation Permits.

## Applying Innovative Construction Technologies

10. To achieve the target of having no less than half of the projects to adopt the Modular Integrated Construction (MiC) approach from 2028-29 to 2032-33, HA has identified five projects among the public housing projects to be completed from 2023-24 to 2027-28 for adopting the MiC approach, which have already commenced construction. In addition, the planning and design of another 17 projects adopting the MiC approach are underway.

## Capping the Waiting Time for PRH

11. Following the announcement in the 2022 Policy Address that the average waiting time for PRH would be “capped” at six years, the average waiting time for PRH has dropped from the peak of about six years to 5.3 years, and is on track to meet the target of reducing the composite waiting time to 4.5 years by 2026-27, reversing the rising trend of many years.

## “Well-being” Design Guidelines

12. With a view to improving the public space, facilities and estate environment of new public housing projects and enhancing the sense of well-being of public housing residents, the Government has commissioned a consultancy study on the “Well-being” design guidelines for new public housing projects as planned. At this stage, views are being collected from residents and stakeholders for reference and in-depth study, with a view to developing the “Well-being” design guidelines for use in new public housing projects and as references for the refurbishment of existing estates.

13. In addition, as a pilot scheme, HA has selected five existing PRH estates for which phased studies and implementation of thematic improvement measures would be carried out by 2027 to further enhance the estate environment, refurbish public facilities such as play/fitness equipment, ball courts, sitting-out areas, etc., with a view to creating an estate environment that will enhance the

sense of well-being of the residents.

## **MAJOR INITIATIVES IN THE COMING YEAR**

### ***Increasing Public Housing Supply***

14. According to the Long Term Housing Strategy (LTHS) Annual Progress Report 2023 (set out at **Annex 1**) published in October 2023, the total housing supply target for the coming 10-year period (i.e. 2024-25 to 2033-34) is 440 000 units. Based on the public/private housing split of 70:30, the public housing and private housing supply targets are 308 000 units and 132 000 units respectively.

15. The Government has identified sufficient land for providing about 410 000 public housing units, which can meet the supply target of 308 000 public housing units for the above-mentioned 10-year period, i.e. about 100 000 units above the supply target. It is expected that the waiting time for PRH will be substantially shorten. Of the 410 000 units, about one-third are scheduled for completion in the first five-year period (i.e. 2024-25 to 2028-29) whereas the other two-thirds fall in the second five-year period (i.e. 2029-30 to 2033-34).

16. According to the forecast as at September 2023, traditional public housing production in the first five-year period (i.e. 2024-25 to 2028-29) is about 142 000 units, comprising about 92 000 PRH / Green Form Subsidised Home Ownership Scheme (GSH) units and about 50 000 other SSFs. The relevant public housing production forecast and project information are set out at **Annex 2**.

17. The total public housing supply, including LPH, will reach 172 000 units. Compared with the five-year period at the beginning of the current-term Government (i.e. 2022-23 to 2026-27), an additional of 67 000 households will be benefitted, some 9% higher than that in the previous five-year period (i.e. 2023-24 to 2027-28). As a result of the Government's effort in enhancing speed and quantity, the public housing supply in the second five-year period will increase and the PRH waiting time be shortened substantially.

### ***Enhancing Public Housing***

18. In addition to increasing public housing supply, the Government will also enhance public housing. Main measures are as below –

#### **Relaxing the Arrangements for Mortgage Default Guarantee of SSFs**

19. HA has been providing mortgage default guarantee arrangements to banks and authorised financial institutions. For the primary market, according to the existing deeds of guarantee, the maximum mortgage default guarantee period of Home Ownership Scheme (HOS) and GSH flats is 30 years counting

from the date of first assignment from HA to the purchasers of individual flats. Under this arrangement, purchasers will be able to obtain a mortgage loan up to 95% for Green Form applicants or 90% for White Form applicants of the purchase price for a maximum loan repayment period of up to 25 years. The maximum mortgage default guarantee period of 30 years is also applicable to flats sold in the Secondary Market. The maximum mortgage loan is 95% of the assessed value or purchase price of the flat (whichever is the lower) for Green Form applicants; and 90% of the assessed value or purchase price of the flat (whichever is the lower) for White Form applicants.

20. The Policy Address stated that the arrangements for mortgage default guarantee would be relaxed to help the circulation of flats, including extending the current maximum mortgage default guarantee period of the second-hand market from 30 years to 50 years. As to the mortgage repayment period, taking consideration of the market situation, HA will work towards extending the maximum mortgage repayment period of flats in the primary and second-hand markets from 25 years to 30 years, so that the authorised financial institutions participating in the provision of mortgage loans for HOS and GSH flats can provide maximum mortgage repayment period of 30 years. HD will submit the proposals and implementation details to the Subsidised Housing Committee of HA for consideration and then for announcement as soon as possible.

### Sustaining Redevelopment Projects

21. HA is now proceeding with 10 redevelopment projects, comprising Pak Tin Estate (older part), Mei Tung Estate (older part), Wah Fu Estate, Sai Wan Estate, Ma Tau Wai Estate, Shek Lei Interim Housing, Yip On Factory Estate, Sui Fai Factory Estate, Wang Cheong Factory Estate and Kwai On Factory Estate. The 10 redevelopment projects above involve demolition of about 17 000 domestic units and about 4 800 factory estate units, and are estimated to provide a total of about 32 800 domestic units after the redevelopment. It will also take the opportunity to provide additional local open space and recreational facilities in the redeveloped public housing estates.

22. Apart from the 10 redevelopment projects that HA is currently proceeding and planning, HA will select one more PRH estate to commence redevelopment study and will make an announcement in due course. HA will carefully consider the actual circumstances having regard to the four basic principles, namely structural conditions of buildings, cost-effectiveness of repair works, availability of suitable rehousing resources in the vicinity of the estates to be redeveloped, and build-back potential upon redevelopment, in selecting the PRH estate for the study.

### Enhancing Estate Management

23. HA has been promoting smart estate management. The Policy Address stated that HA would select 10 public housing estates as pilot sites for trial adoption of innovative technologies, such as the use of Internet of Things (IoT) sensors, Artificial Intelligence (AI) and mobile devices to assist in daily estate management and enhance service quality, including-

- (i) Maintenance and repair: using IoT sensors to facilitate repair and maintenance of estate facilities, such as monitoring proper function of electricity supply system and water pumps and alerting on drainage system blockage in advance; and
- (ii) Estate Road Monitoring: using IoT sensors for estate road monitoring (illegal parking or obstruction of main access) and flooding alert in respect of carparks below ground level.

### Enhancing Speed, Efficiency and Quality by Adopting MiC Approach

24. To accelerate housing production, HA will continue to apply innovative construction technologies, test and improve the technique of MiC approach to enhance building quality and expedite the construction process, as well as to adopt the MiC approach in suitable public housing projects. HA has also been developing the second generation MiC (MiC 2.0) on the basis of current MiC technology. Through the adoption of a more efficient structural connecting method, the required installation time for MiC modules could be shortened, which would further enhance construction site safety and efficiency, and would relieve the tight labour situation of the construction industry.

### ***Tackling the Issue of SDUs***

25. As stated in the Policy Address, the issue of SDUs stems from the prolonged shortage of land and public housing. It is very complicated and requires meticulous planning to resolve. The increase in the supply of public housing has provided an opportunity resolving this long-standing problem.

### Implementing Tenancy Control on SDUs

26. Part IVA of the Landlord and Tenant (Consolidation) Ordinance (the Ordinance), which implements tenancy control on SDUs, has come into effect since 22 January 2022. The Ordinance provides protection to SDU tenants in various aspects, which include four-year security of tenure; restricting the rate of rent increase on tenancy renewal, which must not exceed the percentage change of the territory-wide rental index for all classes of private domestic properties during the relevant period, and capped at 10%; prohibiting landlords from

overcharging tenants on utilities and services (such as water and electricity), etc. The Government will continue its proactive promotion on SDU tenancy control through various channels, as well as strengthening enforcement, so as to protect the rights of SDU tenants. To this end, the Rating and Valuation Department will check landlords of no less than 1 000 SDU households on whether they have committed offences for regulated tenancies in the coming year.

### Establishing a Task Force on Tackling the Issue of SDUs

27. To further address the issue of SDUs, the Policy Address announced the establishment of a Task Force on Tackling the Issue of SDUs, led by the Deputy Financial Secretary and with the Secretary for Housing as deputy, to conduct an in-depth study on the issue of SDUs, with a view to putting up recommendations in ten months' time along the following directions:

- (i) set the minimum standards of living conditions for SDUs in terms of their building safety, fire safety and hygiene requirements, living space, etc.;
- (ii) suggest measures to eradicate substandard SDUs;
- (iii) prevent the resurgence of substandard SDUs; and
- (iv) put forward solutions to address the problem in an orderly manner, covering necessary administrative and legislative proposals.

## ***Private Housing***

### Private Housing Supply

28. According to the latest projection in LTHS, the supply target for private housing in the next 10-year period is 132 000 units. The Government will make available sufficient land in the next five years to provide about 80 000 units. While stabilising the supply of private housing, the Policy Address stated that the Government would continue to offer SSFs including the HOS, the GSH, the Starter Homes for Hong Kong Residents, the new Private SSF – Pilot Scheme, etc. This overall framework enriches the housing ladder that bridges the public housing and private housing markets, and also encourages better-off PRH tenants to acquire their own homes, thereby releasing their PRH units for PRH applicants with more pressing housing needs.

## Adjusting the Demand-side Management Measures for Residential Properties

29. Over the past year, interest rates have risen significantly, various economies have shown moderated growth, and transactions of the local residential property market have declined alongside a downward adjustment of property prices. With the increasing housing supply in Hong Kong in the coming years and having considered the overall situation, it was announced in the Policy Address that the Government would adjust the demand-side management measures (DSMMs) for residential properties with effect from 25 October 2023 (i.e. the day of announcement) as follows:

- (i) shorten the applicable period of the Special Stamp Duty (SSD) from three years to two years. In other words, if a property owner disposes of his/her property two years after acquisition, he/she will no longer need to pay the SSD, which amounts to 10% of the property price;
- (ii) reduce the respective rates of the Buyer's Stamp Duty (BSD) and the New Residential Stamp Duty (NRSD) by half, from 15% to 7.5%. This arrangement will help alleviate the financial burden on Hong Kong Permanent Residents (HKPRs) who have already owned residential properties in their acquisition of another residential property, as well as reduce the costs of non-HKPRs in their acquisition of residential properties; and
- (iii) introduce a stamp duty suspension arrangement for incoming talents' acquisition of residential properties. This is an enhancement of the stamp duty refund arrangement introduced last year for eligible incoming talents, whereby an incoming talent is required to pay the BSD and the NRSD at the time of property acquisition and will get a refund of the stamp duty paid when the talent concerned has resided in Hong Kong for seven years and become a HKPR. Under the suspension arrangement, the payment of stamp duty concerned is suspended at the time of property acquisition, but the talent is required to pay the relevant amount if he/she is subsequently unable to become a HKPR. This new arrangement applies to any sale and purchase agreement entered into from 25 October 2023 onwards.

30. The aforementioned adjustments of the DSMMs will be implemented through the Stamp Duty (Amendment) (Residential Properties) Bill 2023 (the Bill). The CE has made the Public Revenue Protection (Stamp Duty) (No. 2) Order 2023 (the Order) by exercising his statutory powers to give full force and effect of law to the Bill so long as the Order remains in force. The Order and the Bill were published in the Gazette on 25 and 27 October 2023 respectively. The Bill will be introduced into the Legislative Council on 8 November 2023 for First Reading and commencement of Second Reading debate.



## ***Support Families with Newborns***

31. To tie with the policy target of encouraging childbearing and creating a positive child-rearing environment, the Policy Address announced a series of initiatives, including schemes for families with newborns, namely the “Families with Newborns Flat Selection Priority Scheme” (“Flat Selection Scheme”) and the “Families with Newborns Allocation Priority Scheme” (“Allocation Scheme”) to be introduced by HA.

### **“Flat Selection Scheme”**

32. To raise the chances for families with newborns to purchase SSFs successfully, HA will introduce the “Flat Selection Scheme”. Starting from the next HOS sale exercise (i.e. 2024), a quota of flats will be reserved for balloting and priority flat selection by families with newborns in each of the HOS or GSH sale exercise. Family applicants with babies born on or after 25 October 2023 will enjoy the relevant benefits, until the children reach the age of three.

33. Under the current arrangement, HA sets aside 30% of flats put up for sale for the eligible applicants of “Priority Scheme for Families with Elderly Members” for balloting. Under the new arrangement, an additional 10% (i.e. in total 40%) of flats will be set aside for applicants of “Priority Scheme for Families with Elderly Members” and “Flat Selection Scheme” for balloting. Even if the applicants cannot purchase a flat successfully under the flat selection priority schemes, they can still take part in the balloting with other ordinary family applicants to purchase a flat.

34. During flat selection, successful applicants of “Flat Selection Scheme” and “Priority Scheme for Families with Elderly Members” will be accorded the same flat selection priority, which is higher than ordinary family applicants and one-person applicants.

### **“Allocation Scheme”**

35. In terms of allocation of PRH, HA will introduce the “Allocation Scheme”. PRH applications of families with babies born on or after 25 October 2023 will have their waiting time for PRH flats reduced by one year. The arrangement concerned will be effective starting from April 2024. HA will advance the handling of the eligible applications by 12 months, and hence the waiting time of the relevant PRH applications will be shortened. Applicants have to register before the baby reaches the age of one.

36. The Government will refine the detailed arrangements of the two schemes for families with newborns mentioned above and seek the approval of HA before implementation.

## **INDICATORS FOR INDICATORS FOR SPECIFIED TAKS**

37. To monitor the progress and effectiveness for specified tasks under various policy areas, the Government has adopted different indicators (including key performance indicators), which are set out in the Annex to the Policy Address. The indicators for specified tasks concerning HB are at **Annex 3**.

## **WAY FORWARD**

38. The Government will spare no efforts in taking forward the new initiatives stated in the Policy Address, continue to implement the LTHS, and work closely with HA and HKHS to increase public housing supply by enhancing the quantity, speed, efficiency and quality of housing production, improve our living environment and enhance the sense of well-being of residents.

## **ADVICE SOUGHT**

39. Members are invited to note and offer comments on the paper.

**Housing Bureau**  
**November 2023**

**Long Term Housing Strategy  
Annual Progress Report 2023  
(for the 10-year period from 2024-25 to 2033-34)**

## **PURPOSE**

This paper sets out the latest progress of key aspects of the Long Term Housing Strategy (LTHS) as at September 2023.

## **BACKGROUND**

2. Following deliberations of the LTHS Steering Committee and a three-month public consultation, the Government formulated and announced LTHS in December 2014. LTHS adopts a “supply-led” and “flexible” strategy and establishes three major strategic directions to gradually avert the current supply-demand imbalance –

- (a) provide more public rental housing (PRH) units and ensure the rational use of existing resources;
- (b) provide more subsidised sale flats (SSFs), expand the forms of subsidised home ownership and facilitate market circulation of existing stock; and
- (c) stabilise the residential property market through steady land supply and appropriate demand-side management measures, and promote good sales and tenancy practices for private residential properties.

The current-term Government reaffirms its commitment towards increasing the supply of housing units on the basis of LTHS.

3. According to the LTHS, the Government updates the long term housing demand projection annually and presents a **rolling 10-year housing supply target** to capture social, economic and market changes over time, and makes timely adjustments where necessary. This supply target is determined by quantitative projections of different demand components, not by the supply of land available at the time.

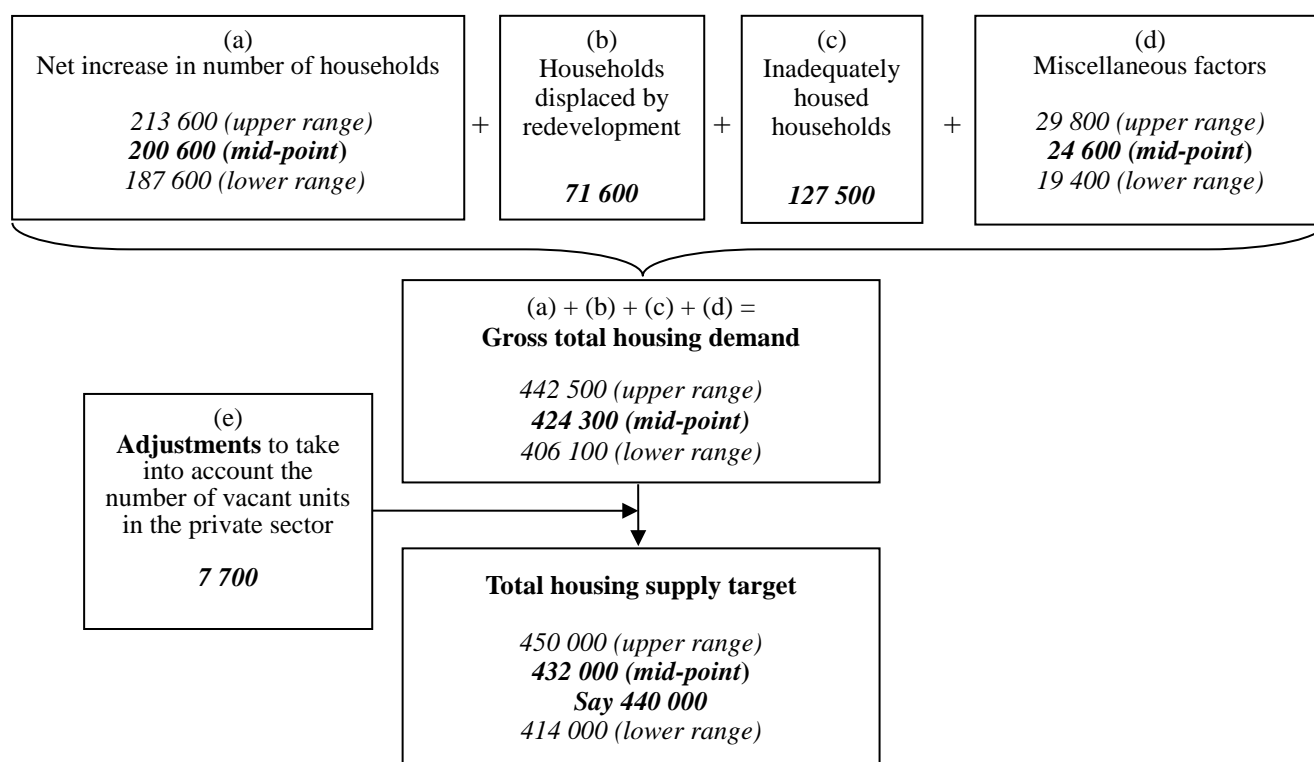
4. This annual exercise serves as an important policy tool to enable the Government to continually plan ahead on developing land and housing, in order to meet the housing needs of the community over the long term. The relevant work is set out in the ensuing paragraphs.

## HOUSING DEMAND PROJECTION FOR 2024-25 TO 2033-34

### 10-year Housing Supply Target

5. Based on the latest projection, the projected **total housing supply target for the 10-year period from 2024-25 to 2033-34** is 432 000 units (rounded up to **440 000 units**), with an upper and lower range of 450 000 and 414 000 units respectively. Such target is 10 000 units more than the supply target of 430 000 units for the 10-year period from 2023-23 to 2032-33 as announced in 2022. This is mainly due to the increase in the net increase in the number of households, which is independently assessed by the Census and Statistics Department (C&SD) based on its latest domestic household projections<sup>1</sup>.

6. The projection results are set out in detail at **Annex**, and summarised in the following diagram –



<sup>1</sup> The latest domestic household projections, which are compiled based on the new set of population projections covering the period from 2022 to 2046 and the results of the 2021 Population Census, have been published on C&SD's website ([https://www.censtatd.gov.hk/en/web\\_table.html?id=150-12001](https://www.censtatd.gov.hk/en/web_table.html?id=150-12001)).

## Public/Private Split of Total Housing Supply Target

7. Since the LTHS annual update in 2018, we have revised the public/private split of new housing supply from 60:40 to 70:30. Balancing the Government's commitment to increase public housing supply substantially to meet the community's demand and the demand for private housing, we will **maintain the public/private split of 70:30** for the next 10-year period from 2024-25 to 2033-34. Accordingly, out of the total housing supply target of 440 000 units, the **public housing supply target will be 308 000 units and the private housing supply target will be 132 000 units.**

8. In line with the established practice, we will continue to review this ratio on an annual basis, taking into account prevailing socio-economic circumstances at the time.

## Split within the Public Housing Supply Target

9. In recent years, the ratio between PRH/Green Form Subsidised Home Ownership Scheme (GSH) and other SSFs has been kept at 70:30. As demand for all types of public housing has remained strong, we will maintain this ratio for the 10-year period from 2024-25 to 2033-34. Correspondingly, the public housing supply target of 308 000 units will comprise **216 000 units for PRH/GSH and 92 000 units for other SSFs.** We will continue to review this split in the annual update under LTHS each year.

## Looking Ahead

10. As the projection model for the rolling 10-year total housing supply target involves many variables, we will continue to keep in view the evolving environment and consider how best to reflect new developments in the projection methodology as well as the supply targets each year.

## HOUSING SUPPLY PROJECTION FOR 2024-25 TO 2033-34

### Public Housing

11. As at end-September 2023, the **estimated total public housing production** of the Hong Kong Housing Authority (HA) and the Hong Kong Housing Society (HS) **in the five-year period from 2024-25 to 2028-29** is about **141 800 units**, comprising about 92 000 PRH/GSH units and about 49 800 other

SSFs. Comparing the above projected housing production with that for the previous four five-year periods (i.e. the five-year periods counting from 2020-21 onwards), **the trend has been on the rise in general –**

	<b>HA housing production (PRH/GSH + other SSFs)</b>	<b>HS housing production (PRH<sup>^</sup> + SSFs)</b>	<b>Total housing production (PRH/GSH + other SSFs)</b>
2020-21 to 2024-25	89 300 (62 600 + 26 700)	4 500 (3 100 + 1 400)	93 800 (65 700 + 28 100)
2021-22 to 2025-26	101 500 (71 700 + 29 800)	8 100 (4 000 + 4 200)	109 600 (75 600 + 34 000)
2022-23 to 2026-27	97 300 (64 500 + 32 800)	11 800 (4 000 + 7 900)	109 200 (68 500 + 40 700)
2023-24 to 2027-28	110 400 (77 700 + 32 700)	17 200 (6 500 + 10 700)	127 600 (84 200 + 43 400)
2024-25 to 2028-29	124 000 (84 800 + 39 100)	17 800 ( 7 100 + 10 700)	141 800 (92 000 + 49 800)

Note: Figures may not add up to total due to rounding.

<sup>^</sup> There is no GSH production under HS.

12. As announced in the Chief Executive's 2023 Policy Address, **the Government has identified sufficient land for providing about 410 000 public housing units** in the coming 10-year period from 2024-25 to 2033-34, which can meet the estimated public housing demand of 308 000 units as set out in paragraph 7 above. Such supply, in terms of housing units, mainly comes from New Development Areas and major development projects (about 43%), site rezoning (about 37%), and other projects (about 20%). The Government would make the best use of the valuable land resources through optimisation of development potential (such as increasing plot ratio and building height where feasible and appropriate), to increase public housing production.

13. Of the 410 000 units, about **one-third** are scheduled for completion in the first five-year period (i.e. 2024-25 to 2028-29) whereas the other **two-thirds** fall in the second five-year period (i.e. 2029-30 to 2033-34). The timetable of projects within the first five-year period is relatively more certain as most of these projects are under construction or at the later stage of land production. For projects with scheduled completion dates within the second five-year period,

most sites are at land production/study stage and their availability for public housing construction hinges on the timely completion of the necessary processes (e.g. rezoning, consultation with local communities, infrastructure construction, land resumption, clearance, reprovisioning of affected facilities, funding approval by the Legislative Council, site formation works, etc). Their production programme is more fluid. All Government departments concerned will press ahead with the relevant work and to improve internal coordination, with a view to completing the necessary processes and making the sites ready for housing development in time.

## **Private Housing**

14. As for private housing, the Government will get ready land capable of providing around **80 000 units** through land sale and railway property developments in the coming five years. Coupled with development projects undertaken by the Urban Renewal Authority and other private land development projects, we should be able to meet the private housing supply target under LTHS. The Government will continue to spare no efforts in creating sufficient land to meet the private housing supply target of 132 000 units for the 10-year period from 2024-25 to 2033-34.

15. As regards private housing supply in the shorter term, based on the latest projection as at end-September 2023, **the supply of first-hand private residential flats for the coming three to four years is about 107 000 units.**

**Housing Bureau**  
**October 2023**

**Housing Supply Target Projection  
for the 10-year period from 2024-25 to 2033-34**

**Gross Housing Demand Projection (424 300 units)**

According to the projection methodology adopted by the Long Term Housing Strategy (LTHS) promulgated in December 2014, housing demand is defined as the total number of new housing units required to provide adequate housing to each and every household over the long term. The methodology takes into account the following components in projecting the number of new housing units required –

- A. net increase in the number of households;
- B. households displaced by redevelopment;
- C. inadequately housed households (IHHs); and
- D. miscellaneous factors<sup>1</sup>.

**A. Net increase in the number of households (200 600 units)**

2. The trend-based domestic household projections by the Census and Statistics Department (C&SD) form the basis of assessing the overall housing demand from the net increase in the number of households. Based on the latest set of domestic household projections published by C&SD in August 2023<sup>2</sup>, the net increase in the number of households from mid-2024 to mid-2034 is about **200 600** units. This is adopted for the 10-year period from 2024-25 to 2033-34.

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<sup>1</sup> The miscellaneous factors taken into account include (a) private permanent living quarters occupied by households with mobile residents only; (b) non-local students who may take up accommodation in Hong Kong; and (c) non-local buyers who take up flats without selling or leasing them.

<sup>2</sup> The domestic household projections published in August 2023 are compiled by C&SD based on the new set of population projections covering the period from 2022 to 2046 and the results of the 2021 Population Census.



3. In line with previous projection exercises, an econometric modelling exercise has been conducted to quantify the relationship between household formation and (a) economic performance (as proxied by real Gross Domestic Product (GDP) growth rate); and (b) housing market situations (as proxied by vacancy rate of private flats) in order to reflect possible changes to household formation under different economic and property market situations. Results show that the net increase in households ranges from 187 600 to 213 600, representing a  $\pm 6.5\%$ <sup>3</sup> from C&SD's domestic household projection of 200 600.

## **B. Households displaced by redevelopment (71 600 units)**

4. Households displaced by redevelopment of old buildings in the public and private sectors have to be rehoused, thus generating new housing demand on top of the net increase in the number of households. Taking into account redevelopment need of public housing units under the Hong Kong Housing Authority (HA) and the Hong Kong Housing Society (HS), as well as past trends in the private sector, we propose to make a provision of about **71 600** units for households displaced by redevelopment for the 10-year period from 2024-25 to 2033-34, with breakdown as follows –

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<sup>3</sup> According to the econometric model, the number of households formed is higher when local macroeconomic performance is better or the housing market is less tight. The Office of Government Economist has advised that under the base case, in order to project the household formation in the next 10 years, as a working assumption, it is assumed that the real GDP growth in the next 10 years will average around 3% per annum; and for the private domestic vacancy rate in the next 10 years, it is assumed to be the average rate over the past 10 years from 2013 to 2022 (4.0%).

To work out a lower limit of households formed, it is assumed that the real economic growth and the private domestic vacancy rate would be 1% point lower than the base case. Under this lower case scenario, the household formation in the next 10 years would be around 6.5% lower than the base case.

To work out an upper limit of households formed, it is assumed that the real economic growth and the private domestic vacancy rate would be 1% point higher than the base case. Under this upper case scenario, the household formation in the next 10 years would be around 6.5% higher than the base case.

<b>Redevelopment programmes</b>	<b>Number of units</b>
(a) <u>Redevelopment of public housing units</u> (based on the estimated number of public housing units to be redeveloped by HA and HS in the next 10 years from 2024-25 to 2033-24) (see paragraphs 5 to 7 below)	31 600
(b) <u>Redevelopment of private units</u> (based on past trend of private flats demolished from 2013 to 2022 <sup>4</sup> )	40 000
<b>Total = (a) + (b)</b>	<b>71 600</b>

5. According to the established methodology, we have projected the housing demand for the coming 10 years (covering the period from 2024-25 to 2033-34) arising from households displaced by public housing redevelopment by taking the higher of –

- (a) the number of public housing units to be redeveloped in the **next 10 years**, based on –
  - (i) *known* public housing redevelopment programmes of HA and HS; and
  - (ii) *potential/possible* redevelopment need of PRH estates aged 50 years and above by the end of the 10-year projection period; and
- (b) the number of public housing units demolished in the **past 10 years**.

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<sup>4</sup> From 2013 to 2022, the average number of private flats demolished was about 2 000 per year. As regards the number of households displaced by private redevelopment, there may be more than one household in a unit in older private buildings, and this should be taken into account in the projection. However, there is currently no reliable data to come up with this projection. The only benchmark from which we can make reference is the Urban Renewal Authority (URA)'s data. According to URA's data from its urban redevelopment projects commencing between 2013-14 and 2022-23, there were on average about two households living in each private unit demolished/to be demolished. Therefore, it is estimated that the number of households displaced by redevelopment in the projection period will be 40 000 (i.e. 2 000 x 2 x 10).

6. The estimated number of public housing units under known redevelopment programmes of HA and HS is **16 200**<sup>5</sup> (paragraph 5(a)(i)). Drawing reference from the Rating and Valuation Department (RVD)'s data<sup>6</sup>, it is estimated that the additional housing demand from public rental estates aged 50 years and above would be **15 400** units<sup>7</sup> (about 19.2% of the 80 200 units in question) by the end of the 10-year projection period (paragraph 5(a)(ii)). Accordingly, the estimated total number of public housing units to be redeveloped in the next 10 years is **31 600** (i.e. 16 200 under paragraph 5(a)(i) + 15 400 under paragraph 5(a)(ii)).

7. The number of public housing units demolished in the past 10 years (from 2013-14 to 2022-23) was 8 600 units (paragraph 5(b)). In accordance with the methodology set out in paragraph 5, the higher figure from paragraph 5(a) and 5(b), i.e. **31 600** units, has been adopted as the estimated housing demand arising from public housing redevelopment from 2024-25 to 2033-34.

### **C. Inadequately housed households (IHHs) (127 500 units)**

8. Households living in public housing which have been built to satisfy the housing needs of the community are regarded as living in adequate housing. As regards households living in private housing, the following circumstances are taken into account in determining whether households are inadequately housed for the purpose of the projection –

- (a) whether the housing unit is made up of temporary structures (e.g. huts, squatters and roof-top structures);
- (b) whether the unit is located in a non-residential building (e.g. commercial and industrial building);

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<sup>5</sup> Based on the known redevelopment programmes under HA and HS, the housing demand for 16 200 units in the 10-year period from 2024-25 to 2033-34 arises from the following redevelopments: (a) 2 100 units in HA's Ma Tau Wai Estate; (b) 8 000 units in HA's Wah Fu Estate; (c) 800 units in HA's Sai Wan Estate; (d) 1 300 units in HS' Ming Wah Dai Ha, (e) 800 units in HS' Yue Kwong Chuen; (f) 2 200 units in HS' Kwun Tong Garden Estate; and (g) 1 000 units in HS' Chun Seen Mei Chuen.

<sup>6</sup> Reference is made to RVD's data on the demolition situation of the 36 000 private domestic units that were built before 1960 as at the end of 2009 (i.e. having reached age 50 in 2010). From 2013 to 2022, about 690 of these 36 000 units were demolished annually, representing a demolition rate of 19.2% over a 10-year period (i.e. 690 units x 10 years / 36 000 units). The demolition rate of 19.2% is used for projecting potential/possible redevelopment need for those PRH estates aged 50 years and above.

<sup>7</sup> There will be 80 200 units in 28 public rental estates (including 21 under HA and 7 under HS) aged 50 years and above in the coming 10 years which are not yet on the redevelopment timetable. Therefore, the estimated number of households to be displaced by public redevelopment in these estates will be 15 400 (= 80 200 x 19.2%).

- (c) whether the unit is shared with other households (e.g. those living in rooms, cubicles, bedspaces and cocklofts in private permanent buildings); and
- (d) whether the unit is a subdivided unit (SDU).

9. It has been our established practice to estimate the housing demand of IHHs based on relevant statistics/projection of C&SD (i.e. with reference to data in its Population Censuses/By-Censuses, Thematic Household Surveys on SDUs and related trend data). However, our latest references to estimate the housing demand of IHHs are the results of the 2021 Population Census (21C) and the 2016 Population By-census conducted by C&SD in 2021 and 2016 respectively. It should be noted that the above surveys were conducted before the launch of Transitional Housing (TH) in 2021, the effect of TH which should lead to a drop in the number of IHHs, has not been reflected. This methodology for projecting the number of IHHs based on past trend data would need to be further reviewed after the flow of residents from IHHs to TH can be established as more TH come into operation<sup>8</sup>. In the meantime, in order not to distort the housing demand arising from IHHs in this round of annual update, we suggest keeping the housing demand of IHHs as projected in LTHS Annual Progress Report 2022 (i.e. keeping the figure at **127 500** units) with the following breakdown –

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<sup>8</sup> If we were to adopt past trend data as in previous years, it is estimated that there were about 24 400 households under category (a), 7 000 households under category (b) and 3 200 households under category (c). Regarding category (d), the number of households living in SDUs is estimated to be 109 600. After deducting the number of SDUs located in private buildings aged above 50 years (i.e. 16 700) to avoid double counting, the housing demand from households living in SDUs is estimated to be 92 900 (i.e. 109 600 – 16 700).

	<b>Category of IHHs</b>	<b>Projected figures in LTHS Annual Progress Report 2022<sup>9</sup> (to be adopted in this round of annual update)</b>
(a)	Households living in units made up of temporary structures	<b>23 700</b>
(b)	Households living in non-residential buildings	<b>7 000</b>
(c)	Households sharing the same unit with other households	<b>3 200</b>
(d)	Households living in SDUs	<b>93 600</b>
	<b>Total</b>	<b>127 500</b>

#### **D. Miscellaneous factors (24 600 units)**

10. Apart from the above three demand components, there may also be demands in the next 10 years which are not covered in C&SD's domestic household projections. These include –

- (a) private permanent living quarters occupied by households with mobile residents<sup>10</sup> only –

The estimated increase of such households is **700** each year based on past trends as observed from Population Censuses/By-censuses conducted by C&SD;

<sup>9</sup> The estimate of the four categories of IHHs are compiled on the basis of the 21C conducted by C&SD. Details are depicted in paragraphs 8 to 13 of the Annex of LTHS Annual Progress Report 2022.

<sup>10</sup> Mobile residents refer to Hong Kong permanent residents who have stayed in Hong Kong for at least one month but less than three months during the six months before or after the reference time-point, regardless of whether they are in Hong Kong or not at the reference time-point.

(b) non-local students who might take up accommodation in Hong Kong –

The estimated housing demand is **660** units each year, having regard to the average increase of about 2 200 student visas each year from 2013-14 to 2022-23; and on the assumptions that about 60% of these students (including undergraduates and postgraduate students) are not living in residential halls/hostels provided by post-secondary institutions according to information from the Education Bureau and the University Grants Committee; and that on average two non-local students will be sharing one housing unit; and

(c) buyers from outside Hong Kong who may purchase flats without channeling them back to the market<sup>11</sup> (i.e. not selling or leasing out their units) –

Drawing reference from statistics of the Inland Revenue Department (IRD) and RVD, it is estimated that the housing demand from such buyers ranges from 580 to 1 620 units per year, i.e. a mid-point of about **1 100** units per year<sup>12</sup>.

11. Assuming that the above past trends will continue in the next 10 years, the estimated additional housing demand arising from miscellaneous factors is 2 460 units per year (i.e. 700 + 660 + 1 100), or **24 600** units over the 10-year period from 2024-25 to 2033-34, with an upper and lower range of 29 800 and 19 400 units respectively.

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<sup>11</sup> Although these units are bought by non-local buyers without being channeled back to the market, this does not imply that they are vacant units. These units may be occupied by owners as residence, second home, vacation home or for other purposes.

<sup>12</sup> Using the average annual stamped transactions from 2013 to 2022 (about 64 633 cases as provided by IRD) as a rough indication, the purchases by non-local buyers would be around 3 232 cases per year as the upper range (on a crude assumption that about 5.0% of purchases were by non-local buyers) and 767 cases per year as the lower range (on a crude assumption that about 1.2% of purchases were by non-local buyers) in the coming 10 years. Applying the ratios of purchases by non-local buyers which would eventually be owner-occupied or left vacant, the projected demand from non-local buyers who may purchase flats without channeling them back to the market is around 1 620 units per year at the upper range (assuming 50% of non-local buyers' purchases would fall under this category) and 580 units at the lower range (assuming 75% of non-local buyers' purchases would fall under this category) in the coming 10 years, and the mid-point is about 1 100 units per year.

### **Gross total housing demand (424 300 units)**

12. Taking the above four demand components together, the estimated gross total housing demand is **424 300** units, being the mid-point between the upper and lower range of 442 500 and 406 100 units respectively for the 10-year projection period from 2024-25 to 2033-34.

### **Vacancy adjustment in the private housing sector (7 700 units)**

13. As there are always a certain number of flats left vacant in the private housing sector at any point in time, we need to take into account the vacancy situation when setting the total housing supply target. In accordance with the established methodology under LTHS, the total housing supply target is derived by **adding a vacancy adjustment** (which is the change in the estimated number of vacant private housing units over the 10-year projection period) to the gross total housing demand to take into account the vacancy situation in the private housing sector.

14. With reference to RVD's data on the average number of vacant units and the average vacancy rate in the private housing sector in the past 10 years (i.e. about 47 200 units and 4.0% respectively from 2013 to 2022), the vacancy adjustment for the 10-year projection period from 2024-25 to 2033-34 is **7 700 units**<sup>13</sup>.

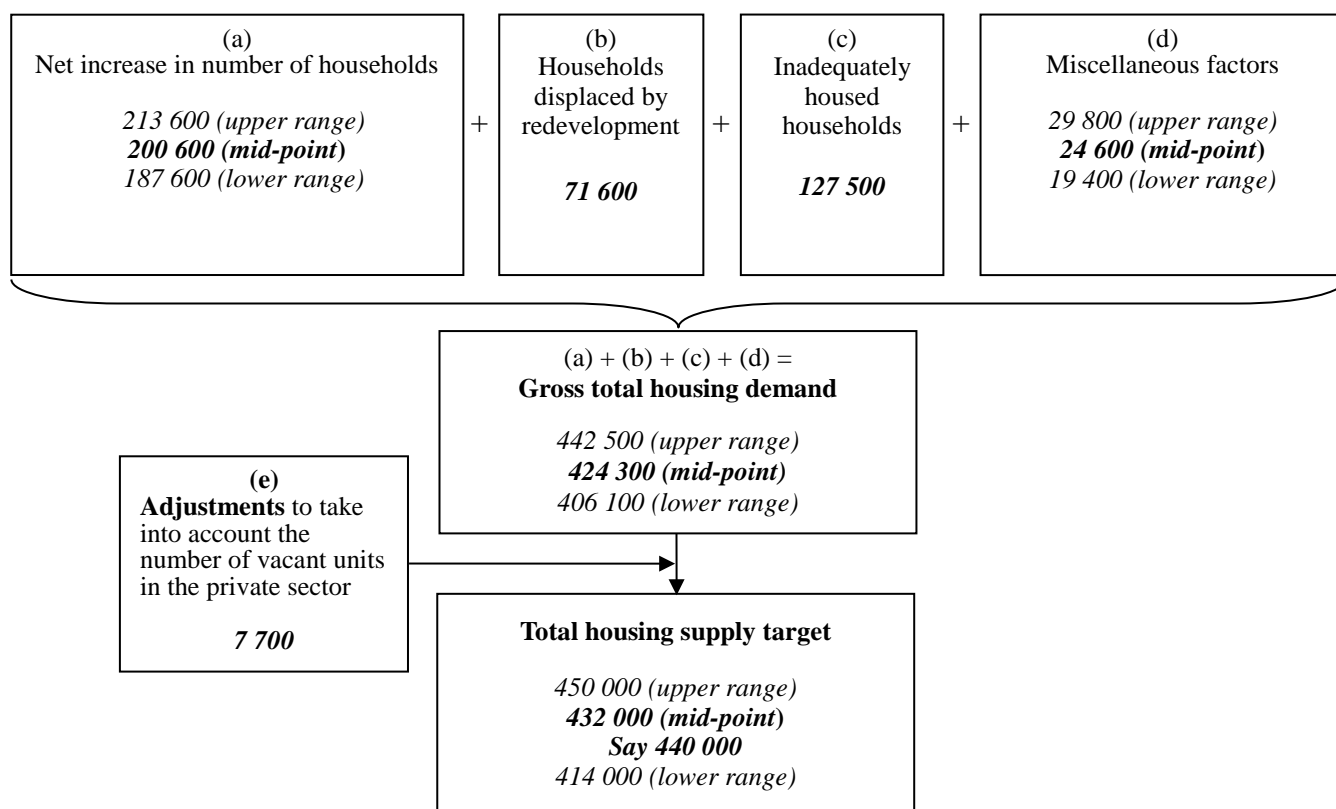
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<sup>13</sup> Vacancy adjustment is estimated by –

$$\begin{aligned} &= \text{Estimated total number of private housing units at the end of projection period} \times \text{Average vacancy rate in the past 10 years} - \text{Average number of vacant units in the past 10 years} \\ &= 1\,372\,000 \text{ units} \times 4.0\% - 47\,200 \text{ units} \\ &= 54\,900 \text{ units} - 47\,200 \text{ units} \\ &= 7\,700 \text{ units} \end{aligned}$$

## Total housing supply target

15. Upon taking into account the above vacancy adjustment in the private housing sector, the projected total housing supply target for the 10-year projection period from 2024-25 to 2033-34 is **432 000 units (say 440 000 units)**, with an upper and lower range of 450 000 and 414 000 units respectively. Details are summarised below –





**Public Housing Production Forecast of the Hong Kong Housing Authority (HA) and  
the Hong Kong Housing Society (HKHS) in 2023-24  
(Based on the Forecast as at September 2023)**

**(A) HA's Public Rental Housing (PRH) / Green Form Subsidised Home Ownership Scheme (GSH) and Other Subsidised Sale Flats (SSFs)**

District Council Districts	Project Title	Housing Type	Estimated Flat Number
Sham Shui Po	Pak Tin Phase 10	PRH/GSH	900
Wong Tai Sin	Kai Chuen Court # @	PRH/GSH	2 100
Kwai Tsing	Ching Hong Road North Phase 1	PRH/GSH	900
	Ching Hong Road North Phase 2	PRH/GSH	600
	Lai Yiu Estate @	PRH/GSH	800
Tai Po	Tai Po Area 9	PRH/GSH	6 800
Tuen Mun	Yip Wong Road Phase 1	PRH/GSH	700
<b>Sub-total of PRH/GSH</b>			<b>12 800</b>
Eastern	Kei Wah Court	Other SSFs	200
<b>Sub-total of Other SSFs</b>			<b>200</b>
<b>Yearly Total</b>			<b>13 000</b>

**Remarks**

1. Flat numbers are rounded to the nearest hundred and may not add up to the total due to rounding.

2. The figures are subject to amendments at the detailed design stage.

# GSH Project.

@ Project completed.

**(B) HKHS's Public Rental Housing (PRH) and Subsidised Sale Flats (SSFs)**

District Council Districts	Project Title	Housing Type	Estimated Flat Number
Sha Tin	Jat Min Chuen	PRH	100
<b>Sub-total of PRH</b>			<b>100</b>
<b>Yearly Total</b>			<b>100</b>

**Remarks**

1. Flat numbers are rounded to the nearest hundred and may not add up to the total due to rounding.

2. The figures are subject to amendments at the detailed design stage.

**Public Housing Production Forecast of the Hong Kong Housing Authority (HA) and  
the Hong Kong Housing Society (HKHS)  
(from 2024-25 to 2028-29)  
(Based on the Forecast as at September 2023)**

**(A)HA's Public Rental Housing (PRH) / Green Form Subsidised Home Ownership  
Scheme (GSH) and Other Subsidised Sale Flats (SSFs)**

<b>District Council Districts</b>	<b>Project Title</b>	<b>Housing Type</b>	<b>Estimated Flat Number</b>
<b>Estimated Project Completion in 2024-25</b>			
Kwun Tong	Ko Wang Court #	PRH/GSH	2 000
Islands	Tung Chung Area 99	PRH/GSH	4 800
	Tung Chung Area 100	PRH/GSH	5 200
Tuen Mun	Hin Fat Lane	PRH/GSH	900
	Tuen Mun Area 29 (West)	PRH/GSH	1 000
	Yip Wong Road Phase 2	PRH/GSH	2 600
North	Ching Tao Court #	PRH/GSH	800
<b>Sub-total of PRH/GSH</b>			<b>17 300</b>
Kowloon City	Kai Yan Court	Other SSFs	1 800
	Kai Yuet Court	Other SSFs	2 000
	Kwun Shan Court	Other SSFs	500
Sai Kung	On Sau Court	Other SSFs	1 900
	On Ying Court	Other SSFs	1 100
	On Wah Court	Other SSFs	1 000
	Anderson Road Quarry Site R2-7	Other SSFs	400
	On Lai Court	Other SSFs	1 400
	Chiu Ming Court	Other SSFs	600
Tuen Mun	Siu Tsui Court	Other SSFs	500
<b>Sub-total of Other SSFs</b>			<b>11 300</b>
<b>Yearly Total</b>			<b>28 600</b>

District Council Districts	Project Title	Housing Type	Estimated Flat Number
<b>Estimated Project Completion in 2025-26</b>			
Kwun Tong	Hiu Ming Street	PRH/GSH	1 100
	Wang Chiu Road Phase 1	PRH/GSH	2 600
	Wang Chiu Road Phase 2	PRH/GSH	1 500
Sha Tin	Kam Pak Court #	PRH/GSH	1 900
North	Fanling North Area 15 East Phase 1	PRH/GSH	1 000
	Kwu Tung North Area 19 Phase 1	PRH/GSH	4 300
	Sheung Shui Areas 4 & 30 Site 1 Phase 1	PRH/GSH	1 500
	Sheung Shui Areas 4 & 30 Site 2 Phase 2	PRH/GSH	1 400
<b>Sub-total of PRH/GSH</b>			<b>15 300</b>
Kowloon City	Kai Tak Site 2B5	Other SSFs	1 700
Islands	Tung Chung Area 103	Other SSFs	2 000
	Tung Chung Area 109	Other SSFs	1 300
Yuen Long	Long Tin Court	Other SSFs	3 100
<b>Sub-total of Other SSFs</b>			<b>8 200</b>
<b>Yearly Total</b>			<b>23 500</b>
<b>Estimated Project Completion in 2026-27</b>			
Southern	Wah King Street	PRH/GSH	1 200
Kwun Tong	Tak Tin Street	PRH/GSH	500
Sham Shui Po	Northwest Kowloon Reclamation Site 1 (East)	PRH/GSH	2 400
Kwai Tsing	San Kwai Street	PRH/GSH	800
	Tai Wo Hau Road Phase 2	PRH/GSH	400
North	Fanling North Area 15 East Phase 1	PRH/GSH	2 100
	Fanling North Area 15 East Phase 2	PRH/GSH	3 000
	Kwu Tung North Area 19 Phase 1	PRH/GSH	600
Yuen Long	Kam Sheung Road Site 1 Phase 1	PRH/GSH	1 000
	Kam Sheung Road Site 1 Phase 2	PRH/GSH	2 800
	Kam Sheung Road Site 6 Phase 1^	PRH/GSH	700
<b>Sub-total of PRH/GSH</b>			<b>15 400</b>
Kowloon City	Kai Tak Site 2B3	Other SSFs	1 300
	Kai Tak Site 2B4	Other SSFs	1 800
Tuen Mun	Wu Shan Road	Other SSFs	2 600
North	San Wan Road	Other SSFs	400
<b>Sub-total of Other SSFs</b>			<b>6 200</b>
<b>Yearly Total</b>			<b>21 700</b>

District Council Districts	Project Title	Housing Type	Estimated Flat Number
<b>Estimated Project Completion in 2027-28</b>			
Southern	Wah Lok Path^	PRH/GSH	400
Sham Shui Po	Pak Tin Phase 13	PRH/GSH	2 600
Wong Tai Sin	Mei Tung (Older Part)	PRH/GSH	2 900
Kwai Tsing	Tai Wo Hau Road Phase 1	PRH/GSH	600
	Shek Li Street	PRH/GSH	1 700
Islands	Tung Chung Area 23 Phase 1^	PRH/GSH	500
	Tung Chung Area 42 Phase 1	PRH/GSH	1 700
North	Kwu Tung North Area 19 Phase 2	PRH/GSH	4 300
Yuen Long	Kam Sheung Road Site 4a Phase 1^	PRH/GSH	1 400
	Kam Sheung Road Site 6 Phase 2^	PRH/GSH	900
<b>Sub-total of PRH/GSH</b>			<b>16 900</b>
Kwun Tong	Pik Wan Road Site A	Other SSFs	2 400
	Pik Wan Road Site B^	Other SSFs	900
Sai Kung	Ying Yip Road^	Other SSFs	1 600
Yuen Long	Wang Chau Site B	Other SSFs	1 900
<b>Sub-total of Other SSFs</b>			<b>6 700</b>
<b>Yearly Total</b>			<b>23 600</b>

District Council Districts	Project Title	Housing Type	Estimated Flat Number
<b>Estimated Project Completion in 2028-29</b>			
Central and Western	Ka Wai Man Road Phase 1	PRH/GSH	900
Kowloon City	To Kwa Wan Road <sup>^</sup>	PRH/GSH	700
Sham Shui Po	Pak Tin Phase 12	PRH/GSH	1 900
Sha Tin	Mei Tin	PRH/GSH	500
	Sui Fai Factory Estate	PRH/GSH	1 300
Islands	Tung Chung Area 42 Phase 2	PRH/GSH	2 600
	Tung Chung Area 46 <sup>^</sup>	PRH/GSH	900
	Tung Chung Area 114 <sup>^</sup>	PRH/GSH	2 600
	Tung Chung Area 117 <sup>^</sup>	PRH/GSH	2 700
Yuen Long	Wang Chau Site A	PRH/GSH	2 500
	Kam Sheung Road Site 4a Phase 2 <sup>^</sup>	PRH/GSH	1 600
Tuen Mun	Tuen Mun Area 54 Site 4A (South)	PRH/GSH	1 000
North	Fanling Area 48 <sup>^</sup>	PRH/GSH	800
<b>Sub-total of PRH/GSH</b>			<b>19 900</b>
Central and Western	Ka Wai Man Road Phase 1	Other SSFs	300
Kwun Tong	Yip On Factory Estate	Other SSFs	2 300
Sham Shui Po	373 Lai Chi Kok Road <sup>^</sup>	Other SSFs	300
Wong Tai Sin	Junction Road <sup>^</sup>	Other SSFs	200
Islands	Tung Chung Area 119 <sup>^</sup>	Other SSFs	1 600
North	Ching Hiu Road <sup>^</sup>	Other SSFs	600
Yuen Long	Shap Pat Heung Road	Other SSFs	700
Tuen Mun	Tuen Mun Area 54 Site 5	Other SSFs	700
<b>Sub-total of Other SSFs</b>			<b>6 700</b>
<b>Yearly Total</b>			<b>26 600</b>
<b>Five-year (2024-25 to 2028-29) Total</b>			<b>124 000</b>

#### **Remarks**

1. Flat numbers are rounded to the nearest hundred and may not add up to the total due to rounding.

2. The figures are subject to amendments at the detailed design stage.

# GSH Projects.

<sup>^</sup> Sites that have not been handed over to the HA.

**(B) HKHS's Public Rental Housing (PRH) and Subsidised Sale Flats (SSFs)**

<b>District Council Districts</b>	<b>Project Title</b>	<b>Housing Type</b>	<b>Estimated Flat Number</b>
<b>Estimated Project Completion in 2024-25</b>			
Southern	Shek Pai Wan Road	PRH	600
North	Pak Wo Road	PRH	500
	Pak Wo Road*	PRH	300
Yuen Long	Hung Shui Kiu/Ha Tsuen New Development Dedicated Rehousing Estate Phase IB	PRH	400
<b>Sub-total of PRH</b>			<b>1 700</b>
Sai Kung	Anderson Road Quarry Site R2-3	SSFs	400
North	Pak Wo Road	SSFs	700
Yuen Long	Hung Shui Kiu/Ha Tsuen New Development Dedicated Rehousing Estate Phase IA	SSFs	300
<b>Sub-total of SSFs</b>			<b>1 400</b>
<b>Yearly Total</b>			<b>3 200</b>
<b>Estimated Project Completion in 2025-26</b>			
Kwun Tong	Ting On Street	PRH	400
Kowloon City	Kai Tak Area 1E1	PRH	1 500
<b>Sub-total of PRH</b>			<b>1 800</b>
Kowloon City	Kai Tak Area 1E1	SSFs	700
Sai Kung	Anderson Road Quarry Site R2-2	SSFs	1 400
North	Jockey Club Road	SSFs	600
<b>Sub-total of SSFs</b>			<b>2 700</b>
<b>Yearly Total</b>			<b>4 600</b>
<b>Estimated Project Completion in 2026-27</b>			
Kowloon City	Kai Tak Area 2B1	SSFs	1 800
Sai Kung	Anderson Road Quarry Site R2-4	SSFs	1 000
Yuen Long	Hung Shui Kiu/Ha Tsuen New Development Dedicated Rehousing Estate Phase II	SSFs	1 000
<b>Sub-total of SSFs</b>			<b>3 700</b>
<b>Yearly Total</b>			<b>3 700</b>

District Council Districts	Project Title	Housing Type	Estimated Flat Number
<b>Estimated Project Completion in 2027-28</b>			
Eastern	Ming Wah Dai Ha Phase 2	PRH	1 600
Kowloon City	Ma Tau Kok	PRH	400
North	Kwu Tung North Area 24	PRH	900
<b>Sub-total of PRH</b>			<b>2 900</b>
Kowloon City	Ma Tau Kok	SSFs	800
North	Kwu Tung North Area 24	SSFs	2 000
<b>Sub-total of SSFs</b>			<b>2 800</b>
<b>Yearly Total</b>			<b>5 700</b>
<b>Estimated Project Completion in 2028-29</b>			
Wong Tai Sin	Chuk Yuen United Village Site B Phase 1^	PRH	700
<b>Sub-total of PRH</b>			<b>700</b>
<b>Yearly Total</b>			<b>700</b>
<b>Five-year (2024-25 to 2028-29) Total</b>			<b>17 800</b>

#### Remarks

1. Flat numbers are rounded to the nearest hundred and may not add up to the total due to rounding.

2. The figures are subject to amendments at the detailed design stage.

\* Senior Citizen Residences Scheme Project.

^ Sites that have not been handed over to the HKHS.

## **Indicators for Specified Tasks under Housing Bureau (set out in the Annex to the Policy Address)**

### **I. New Indicators for Specified Tasks**

#### Solving the problem of Subdivided Units (SDUs)

1. Establish a Task Force on Tackling the Issue of SDUs to be led by the Deputy Financial Secretary by end-2023 for putting forward proposals to set for SDUs the minimum standards of living environment and suggest measures to eradicate substandard SDUs, etc., within 10 months.
2. Step up enforcement of tenancy control on SDUs in 2024-25 by having the Rating and Valuation Department to check landlords of no less than 1 000 SDU households on whether they have committed offences for regulated tenancies.

#### Relaxing the arrangements for mortgage default guarantee of subsidised sale flats (SSFs)

3. Relax the arrangements for mortgage default guarantee for SSFs from the first half of 2024, including extending the current maximum mortgage default guarantee period of the second-hand market from 30 to 50 years and allowing purchasers to obtain mortgage loans of longer tenor, to help the circulation of second-hand flats.

#### Enhancing estate management

4. Select 10 Public Rental Housing (PRH) estates as pilot sites in 2024 for trying out innovative technologies to assist in daily estate management work, thereby enhancing estate management effectiveness and service quality.

#### Supporting families with newborns

5. Starting from the Sale of Home Ownership Scheme Flats 2024 (i.e. mid-2024), introduce the “Families with Newborns Flat Selection Priority Scheme” under SSF sale exercises.
6. Starting from April 2024, introduce the “Families with Newborns Allocation Priority Scheme”.



## **II. On-going and Valid Indicators for Specified Tasks Introduced in the 2022 Policy Address**

### **Increase public housing supply**

7. Increase public housing (including traditional PRH, Light Public Housing (LPH), Green Form Subsidised Home Ownership Scheme and Home Ownership Scheme flats) production in the five-year period from 2024-25 to 2028-29 to about 172 000 units, which is 9% more than the about 158 000 units in the previous five-year period from 2023-24 to 2027-28.
8. The first batch of about 2 100 LPH units will be completed in 2024-25, and a total of about 30 000 LPH units will be completed by 2027-28.
9. Rationalise PRH resources by vetting no less than 450 000 Income and Assets Declaration Forms under the Well-off Tenants Policies within a two-year cycle, and conducting in-depth investigation of no less than 10 000 households involving cases related to income and assets declaration and occupancy position per year.

### **Shorten waiting time**

10. Reduce the Composite Waiting Time for Subsidised Rental Housing to about 4.5 years in 2026-27, on the basis that the number of new PRH applications and the number of recovered PRH units available for allocation will remain at the current level.

### **Speed up construction**

11. Continue to identify more suitable projects for adoption of the Modular Integrated Construction (MiC) approach, including the second generation MiC (MiC 2.0) currently under development, to meet the target of having no less than half of the projects scheduled for completion from 2028-29 to 2032-33 to adopt the MiC approach; and adopt the Design for Manufacture and Assembly approach for the remaining projects.
12. Adopt the “Design and Build” procurement model in at least half of the total number of public housing flats scheduled for completion from 2028-29 to 2032-33.

### Improve facilities

13. Complete the “Well-Being” design guidelines within 2024, and proceed with the phased study and implementation of various improvement measures in five PRH estates under a pilot scheme by 2027.
14. Select about 10 PRH estates for facade beautification and/or minor estate improvement works, and about 20 PRH estates for landscape improvement per year.

### Advance moving-in

15. Arrange PRH applicants to move in earlier-than-scheduled by advancing the completion of around 12 000 PRH units by phases from 2023-24 to 2027-28, reaching a total of about 14 000 PRH units from 2023-24 to 2032-33.

### Enhance transparency

16. Publish the information on public housing projects in the first five-year period on a quarterly basis<sup>1</sup>.

### Improve environmental hygiene

17. Conduct about 500 joint environmental hygiene operations with different stakeholders in PRH estates under the Hong Kong Housing Authority on a yearly basis.

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<sup>1</sup> The Development Bureau will publish the information on the progress of land production of public housing projects in the second five-year period on a yearly basis.