ITEM FOR PUBLIC WORKS SUBCOMMITTEE OF FINANCE COMMITTEE

HEAD 711 – HOUSING Housing – Light Public Housing 1HL – Implementation of Light Public Housing

Members are invited to recommend to the Finance Committee the upgrading of the remainder of **1HL** to Category A as "Implementation of Light Public Housing – the Second Batch of Projects" at an estimated cost of \$9,837.4 million in money-of-the-day (MOD) prices for building the second batch of nine Light Public Housing (LPH) projects.

PROBLEM

We need to fill the short-term gap of public housing supply at the soonest in order to improve the living conditions and quality of life of people living in inadequate housing as soon as possible. In this connection, the Government will make use of government and private land, the long-term development plan of which will not be implemented in the near future, and adopt standardised simple design and the Modular Integrated Construction (MiC) approach to build about 30 000 LPH units before 2027-28.

2. LPH, a large-scale social project with very significant social function and value, helps narrow the wealth gap by optimising social resources to assist the disadvantaged. Focusing on people's livelihood and the difficult problems that have beset our community, LPH is not just an empty talk but an initiative which truly addresses people's concerns and difficulties in daily life, so that those with the most pressing need in the society can receive the most practical assistance.

PROPOSAL

3. The Director of the Architectural Services, with the support of the Secretary for Housing, proposes to upgrade the remainder of project **1HL** to Category A at an estimated cost of \$9,837.4 million in MOD prices. Taking into account the two batches of 13 LPH projects in total, our target is to complete the construction of about 30 000 LPH units before 2027-28.

PROJECT SCOPE AND NATURE

- 4. In March 2023, Finance Committee (FC) approved the upgrading of part of project **1HL** to Category A (i.e. project **2HL**), the scope of which includes
 - (a) the construction of the first batch of four LPH projects located at (1) Yau Pok Road in Yuen Long; (2) Tuen Mun Area 3A; (3) Choi Hing Road in Ngau Tau Kok; and (4) Olympic Avenue in Kai Tak, to provide about 17 000 units (hereinafter collectively referred to as "first batch of LPH projects"); and
 - (b) carrying out pre-construction activities for the four LPH projects in the second batch located at (1) Lin Tong Mei in Sheung Shui; (2) Tuen Mun Area 54; (3) Sheung On Street/Sheung Ping Street in Chai Wan; and (4) Lok On Pai in Siu Lam, involving about 13 000 units, including the preparation of tender documents, and connection of electricity to the aforesaid sites, etc. so as to meet the development schedule.
- 5. In taking forward LPH over the past year, we have listened to the various views of Members and the community on the choices of site. There are voices, in particular, urging the Government to offer more units in the urban area,

/and

After listening to the concerns expressed by Members on the construction costs at the meeting of the

After listening to the concerns expressed by Members on the construction costs at the meeting of the Panel on Housing held on 5 December 2022, the Government conducted a detailed review on the breakdown again. As mentioned in the discussion paper of the Public Works Subcommittee (PWSC) submitted early last year, the total estimated cost of the LPH projects was reduced by nearly \$1,000 million from the original cost of \$27,390 million to around \$26,440 million, of which the estimated cost of design and construction works for about 30 000 LPH units was reduced by around \$800 million from the original cost of around \$26,790 million to around \$25,990 million; and the estimated cost of relevant additional infrastructural works was reduced by around \$150 million from the original cost of around \$600 million to around \$450 million. At the same time, the Government decided to submit funding application for about 30 000 units in two stages, i.e. about 17 000 units in the first stage and about 13 000 units in the second stage whilst striving to minimise any impact on the completion schedule of LPH units as far as practicable.

and to actively consider utilising vacant school premises (VSPs). In light of the successful experience of converting VSPs into transitional housing and after preliminary technical assessments, we propose converting five vacant or to-bevacant school premises into LPH, and including them in the remainder of project **1HL**. These five school premises are three schools located in Kwun Tong (i.e. the Mission Covenant Church Holm Glad No. 2 Primary School, former St. Joseph's Anglo-Chinese School and Carmel Leung Sing Tak School²), Baptist Rainbow Primary School in Wong Tai Sin and Tung Wah Group of Hospitals Ma Kam Chan Memorial Primary School (Choi Yuen Annex) in Sheung Shui. It is anticipated that converting the above five school premises can provide about 600 LPH units in total within a shorter period of time and at a lower cost.

- 6. In addition, we have identified a government site at Hang Kwong Street in Ma On Shan³ which is suitable for building LPH. The preliminary estimation is that about 860 units can be provided. We propose this new site be used for LPH and be included in the remainder of project **1HL**. This site was originally reserved for primary school use but is no longer required as confirmed by the Education Bureau. Implementation timetable for the long-term development of the site is also not yet available at present.
- 7. In parallel, we have reviewed in detail the sites of the second batch of LPH projects announced last year. In view of the relatively lower cost-effectiveness of the site at Lin Tong Mei in Sheung Shui, we have decided not to proceed with the project. Besides, we will increase the number of units to be provided in the projects at Sheung On Street/Sheung Ping Street in Chai Wan and Tuen Mun Area 54⁴, and reduce the number of units in the Lok On Pai project in Siu Lam⁵.
- 8. In gist, we propose to upgrade the remainder of project **1HL** to Category A (hereinafter collectively referred to as "the second batch of LPH projects"), the scope of which includes –

/(a)

The new premises of Carmel Leung Sing Tak School and Baptist Rainbow Primary School (under **364EP** and **362EP**, which FC approved on 16 December 2022) are still under construction. The conversion works of the existing premises will only commence upon the commissioning of the new premises in 2026.

The site is currently rented out under short-term tenancy for use as a temporary sports/recreation ground. The tenancy agreement is granted on a quarterly basis, and either party may terminate the agreement by serving a written notice at least three months in advance.

The number of units to be provided in the projects at Sheung On Street/Sheung Ping Street in Chai Wan and Tuen Mun Area 54 will increase by about 120 units and about 320 units respectively.

⁵ The number of units will reduce by about 800 units.

- (a) the construction of the second batch of a total of four LPH projects located at (1) Sheung On Street/Sheung Ping Street in Chai Wan; (2) Tuen Mun Area 54; (3) Lok On Pai in Siu Lam; and (4) Hang Kwong Street in Ma On Shan respectively, to provide about 12 400 units; and
- (b) the conversion of five vacant or to-be-vacant school premises located at (1) the Mission Covenant Church Holm Glad No. 2 Primary School in Kwun Tong; (2) Tung Wah Group of Hospitals Ma Kam Chan Memorial Primary School (Choi Yuen Annex) in Sheung Shui; (3) former St. Joseph's Anglo-Chinese School in Kwun Tong; (4) Carmel Leung Sing Tak School in Kwun Tong; and (5) Baptist Rainbow Primary School in Wong Tai Sin respectively, to provide about 600 units.
- 9. The revised second batch of LPH projects under project **1HL** can provide a total of about 13 000 units. We are still able to maintain the target of providing about 30 000 LPH units before 2027-28.
- 10. The site plans and location plans of the nine sites of the second batch of LPH projects, and the typical section of LPH are at Enclosures 1 and 2 respectively.

JUSTIFICATIONS

- 11. As stated by the Chief Executive in the 2022 Policy Address and by the Housing Bureau (HB) when consulting PWSC in February 2023, the Government needs to fill the short-term gap of public housing supply in order to improve the living conditions and quality of life of people living in inadequate housing as soon as possible. In this connection, the Government will make use of government and private land, the long-term development plan of which will not be implemented in the near future, and adopt standardised simple design and the MiC approach to complete the construction of about 30 000 LPH units before 2027-28.
- 12. Shortage of public housing supply will inevitably lead to a longer waiting time for public rental housing (PRH) applicants to receive a flat offer. The Hong Kong Housing Authority has all along targeted to provide the first flat offer to general applicants (i.e. family and elderly one-person applicants) at around three years on average. However, as at end September 2023, the average waiting time for general applicants who were housed to PRH in the past 12 months was 5.6 years. Among them, the average waiting time for elderly one-person applicants was 3.9 years. According to the 2021 Population Census, the median floor area of accommodation of households living in subdivided units (SDUs) is 11.0 square metres, while the median rental payment for SDUs had increased from \$4,500 in

2016 to \$5,000 in 2021. The median rent per square foot for SDUs is \$42, which is nearly 70% higher than the territory-wide median rent of \$25 per square foot. To offer assistance as soon as possible to the grassroots who have no choice but to stay in such inadequate housing, HB must continue to implement the second batch of LPH projects, so as to expeditiously improve the living environment and quality of life of these people.

LPH INITIATIVE

Overall Planning

13. HB takes the lead in policy formulation and implementation of LPH, while ArchSD is responsible for the project design and construction. This arrangement strives to enhance the overall quality through a larger-scale development. A shorter construction period than that of traditional PRH can also be achieved. In addition, the sites selected for the second batch of LPH projects are either government land or vacant/to-be-vacant school premises. There is long-term development use for some of these sites. To optimise the utilisation of land resources, these lands or VSPs are currently put to different short-term uses. As the objective of LPH is to provide appropriate short-term accommodation for PRH applicants before the traditional PRH supply is in place, the development of the second batch of LPH projects will, similar to the first batch of LPH projects, neither affect the originally planned long-term use of the sites nor delay the development schedules of the sites that were initially planned. With the construction period deducted, it is expected that each project can be used as LPH for five years.

Design and Construction

The second batch of LPH projects will also provide self-contained 14. toilets, shower areas and open cooking spaces. Furthermore, each unit will be equipped with basic facilities such as an electric water heater and an exhaust fan in the toilet. Open space will be reserved in the estates for leisure and eventorganising purposes, and to facilitate mutual assistance among the residents. Subject to the circumstances of individual projects (e.g. site character, local transport networks, neighbouring developments and cost-effectiveness, etc.), suitable community facilities will be provided in each project to meet the needs of the residents. Besides, together with the Transport Department (TD), we have actively mapped out the appropriate ancillary transport arrangements for the LPH projects, with a view to providing adequate public transport services to serve the residents' travel needs. In order to cater for the day-to-day needs of the residents, we also plan to provide basic services for LPH residents as appropriate, such as retail shops/launderettes, study/function rooms, as well as recreational and community services, etc.

- 15. LPH projects provide units in different sizes, ranging from small units for one to two persons to large units for four to five persons, so as to cater for different applicants, especially families. In planning individual projects, we will also consider their locations and site conditions in order to determine a suitable unit ratio. The internal floor area of the units in the second batch of LPH projects mainly ranges from about 13 to 31 square metres⁶. The floor plan and artist's impression of interior design of various types of LPH units are at Enclosures 3 and 4 for reference.
- 16. For the second batch of LPH projects located at Sheung On Street/Sheung Ping Street in Chai Wan; Tuen Mun Area 54; Lok On Pai in Siu Lam and Hang Kwong Street in Ma On Shan, we will adopt the MiC approach and provide more units by having more storeys (about 19 to 24 storeys). These projects will require additional piling works, mechanical and electrical installations and the provision of lifts, as well as corresponding arrangements to cater for construction safety and site facilities. Other relevant infrastructure works outside the site boundary such as road improvement works, provision of sewerage collection and treatment facilities, as well as drainage and water supply facilities, etc. may also be required to be carried out by other public works departments depending on the land conditions of individual LPH projects. After deducting the time required for the advance design work, technical assessments and the necessary infrastructure works, the construction period of the above LPH which adopts the MiC approach will be some two years in general (subject to the number of storeys).
- As for the conversion of the five vacant or to-be-vacant school premises into LPH, the projects will have about five to eight storeys. In some school premises, redesign and alteration of the existing structures and layouts, upgrade or addition of mechanical and electrical installations and lifts, as well as provision of more infrastructure support may be required. After deducting the time required for the advance design work, technical assessments and other relevant infrastructure works, it is estimated that the construction period will range from about 9 to 15 months.
- 18. The site areas, current land uses and long-term development uses, project scales and implementation timetables of the 13 LPH projects are at Enclosure 5.

/Timetable

Owing to limitations posed by the existing structural partitioning, the internal floor area of some of the LPH units converted from the five vacant or to-be-vacant school premises may vary.

Timetable

- 19. As for the second batch of LPH projects, we are currently conducting various pre-construction activities, such as technical assessments and connection to electricity supply, etc. To speed up the process, ArchSD has already invited tenders for the design and construction contracts of the second batch of projects located at Sheung On Street/Sheung Ping Street in Chai Wan, Tuen Mun Area 54 and Lok On Pai in Siu Lam, so that the works can commence immediately upon funding approval by FC, hence helping those with pressing housing needs as soon as possible.
- 20. Tenders for the contracts of the LPH project located at Hang Kwong Street in Ma On Shan, and the conversion of five vacant or to-be-vacant school premises into LPH will be subsequently invited according to the established procedures and regulations of the Government. The Dedicated Team on Light Public Housing (DTLPH) led by the Under Secretary for Housing and ArchSD will conduct detailed assessments and selection, so as to ensure that the entire process complies with relevant regulations and that public funds are properly used. Subject to FC's approval of the second batch of LPH projects, ArchSD will progressively commence the construction works of the projects in 2024-25 and complete most of the units in 2026-27 according to the current estimation. Some of the LPH units converted from the school premises are expected to be completed in 2025-26 at the earliest, while the remaining units will be completed in phases in 2026-27 depending on the decanting programme of the schools concerned.
- 21. To enable effective monitoring of the implementation of LPH projects by the Legislative Council (LegCo) and the public, HB will report regularly to LegCo the progress, financial position and operation of the LPH projects.

FINANCIAL IMPLICATIONS

22. We estimate that the capital cost of the second batch of LPH projects is to be \$9,837.4 million⁷ in MOD prices, the breakdown of which is as follows –

/(a)

With reference to the tender prices of the first batch of LPH projects, ArchSD considers that the total estimated cost of LPH can be further reduced. Specifically, the latest total estimated cost of all 30 000 LPH units is around \$24,750.0 million, of which \$24,550.0 million is the design and construction cost of LPH units, while \$199.0 million is the cost of other relevant infrastructure works. Compared with the estimated cost of around \$26,440.0 million in the discussion paper of PWSC early last year, \$1,690.7 million has been reduced (around 6%). As for the funding for the second batch of LPH projects, the total construction funding required can be reduced from the original estimate of \$11,528.1 million to \$9,837.4 million, which represents a decrease of \$1,690.7 million (around 15%).

\$ million

		(in MOD prices)			
(a)	Site works ⁸	101.4			
(b)	Foundation ⁹	968.1			
(c)	Building 10	5,424.5			
(d)	Building services 11	1,723.8			
(e)	Drainage ¹²	204.0			
(f)	External works ¹³	278.6			
(g)	Furniture and equipment ¹⁴	45.8			
(h)	Energy conservation and greening features	4.5			
(i)	Consultants' fees for	62.6			
	(i) tender documentation and contract administration ¹⁵	55.4			
	(ii) management of resident site staff (RSS)	7.2			
(j)	Remuneration of RSS	57.1			

/(k)

Site works cover site formation, site hoarding, provision of covered walkways for site and other general site works.

⁹ Foundation works cover construction of piles and all related tests and monitoring.

¹⁰ Building works cover construction of substructure and superstructure of the buildings.

Building services works cover electrical installation, ventilation and air-conditioning installation, fire services installation, lift and other miscellaneous installations.

Drainage works cover provision of sewage treatment and pumping facilities, and installation of drainage and sewerage pipes in each building for connecting to the main drainage and sewerage system within the site.

External works cover external pavement, planting of flowers and trees, fence wall construction and connection to electricity supply, etc.

Furniture and equipment cover electric water heaters and exhaust fans.

The estimated fee covers quantity surveying services, site supervision and project management, etc.

\$ million	
(in MOD pri	ices)

(k)	Other relevant infrastructural wo	orks 16	72.7
(1)	Contingencies		894.3
		Total	9,837.4

The estimated costs of design and construction works for the second batch of LPH projects and other relevant infrastructural works are around \$9,757.4 million and \$80 million respectively. As such, the total funding for the second batch of LPH projects amounts to around \$9,837.4 million. The breakdown of the cost is at Enclosure 6.

- 23. To better coordinate the LPH projects in a comprehensive manner for achieving synergy, ArchSD has engaged consultants to undertake the tender documentation work of all the LPH projects after obtaining funding approval from FC in March 2023. A detailed breakdown of the estimate for consultants' fees and RSS costs by man-months is at Enclosure 7.
- 24. For reference, for the transitional housing projects currently funded by the Government with three to four storeys in general, the government funding is \$550,000 per unit. To maximise the land usage, some LPH projects will have more storeys. Together with the extra foundation, structural strengthening and electrical facilities due to the high-rise construction, the average unit cost of high-rise LPH buildings was estimated to be around \$650,000 as set out in the discussion paper of PWSC early last year. After making reference to the tender prices of the first batch of projects, the latest average unit cost of high-rise LPH buildings estimated by ArchSD can be adjusted downward to around \$590,000 ¹⁷.

/25.

Other relevant infrastructural works cover road improvement works, provision of sewerage collection and treatment facilities, as well as drainage and water supply facilities, etc. to be undertaken by other works departments.

With reference to the tender prices of the first batch of projects, the cost of the second batch of projects adopting the MiC approach (i.e. the projects at Sheung On Street/Sheung Ping Street in Chai Wan, Tuen Mun Area 54, Lok On Pai in Siu Lam and Hang Kwong Street in Ma On Shan), as per the latest estimates by ArchSD, is around \$19,300 per square metre for the total construction cost per unit of high-rise LPH buildings, which is lower than that of transitional housing with three to four storeys in general at around \$23,900 per square metre. It is also lower than the estimated cost at around \$20,500 per square metre set out in the PWSC paper early last year.

25. As for the projects involving the conversion of the five vacant or tobe-vacant school premises into LPH, the provision of LPH units can be achieved within a shorter period of time at a lower cost. According to the preliminary estimates of ArchSD, the average unit cost is around \$500,000, which is comparable to that of similar transitional housing projects at present.

26. Subject to funding approval, we plan to phase the expenditure as follows –

\$ million (in MOD pr	
768.8	
2,125.5	
4,816.7	,
923.3	
587.9)
372.7	,
242.5	
9,837.4	
2,125.5 4,816.7 923.3 587.9 372.7 242.5	,

We have derived the MOD estimates on the basis of the Government's latest set of assumptions on the trend rate of change in the prices of public sector building and construction output for the period of 2024 to 2031. We will deliver the construction works using New Engineering Contract (NEC)¹⁸ for design and construction. The contract will provide for price adjustment.

/28.

NEC is a suite of contracts developed by the Institution of Civil Engineers, United Kingdom. It is a contract form that emphasises cooperation, mutual trust and collaborative risk management between contracting parties.

- Apart from the design and construction of LPH, the Government will be spearheading the operation and management of each project. We preliminarily estimate that the total operation cost of the second batch of LPH projects would be about \$1,890 million¹⁹. In addition, to dovetail with the completion of the first batch of LPH projects, we anticipate to announce the first phase of application arrangements in the second quarter of 2024, and projects in the urban area and the New Territories will be available for application. The operation, allocation and intake arrangements in respect of LPH projects are set out at Enclosure 8.
- 29. LPH enables provision of a large number of better equipped housing units with a more pleasant living environment at lower rents within a short period of time. For people with pressing housing needs, LPH is a valuable social project which represents significant social benefits that cannot be easily quantified. As such, we should not consider the cost of LPH a bunch of cold figures. The hardships of those who are in poor living environments every day is what our society needs to take into account. The Government's spending of over \$100 billion each year on social welfare is to help people get out of their difficult situations, alleviate their suffering and bring hope to the society. This is exactly the aim of LPH.

PUBLIC CONSULTATION

- 30. We consulted the LegCo Panel on Housing on 15 December 2023 regarding the proposal of taking forward the second batch of LPH projects and the relevant funding arrangements. Members supported taking forward the works projects in principle. We already submitted the relevant supplementary information on 19 January 2024 in response to the request of the Members of Panel on Housing.
- 31. In addition, for the three sites in the second batch of LPH projects located at Sheung On Street/Sheung Ping Street in Chai Wan, Tuen Mun Area 54 and Lok On Pai in Siu Lam, district consultation has already been conducted and support was generally received from relevant District Councils and their subcommittees. As for the five vacant or to-be-vacant school premises and the new LPH project at Hang Kwong Street in Ma On Shan, we are concurrently consulting the relevant District Councils and their sub-committees in the first quarter of 2024.

/ENVIRONMENTAL

The figure above is preliminary estimate. The actual operation cost is subject to the awarded contract sum of LPH projects.

ENVIRONMENTAL IMPLICATIONS

- 32. The above nine LPH projects are not designated projects under the Environmental Impact Assessment (EIA) Ordinance (Cap. 499). The Preliminary Environmental Review (PER) has been completed for three of the projects located at Sheung On Street/Sheung Ping Street in Chai Wan, Tuen Mun Area 54 and Lok On Pai in Siu Lam. The studies showed that these three projects would not cause long-term adverse impact on the environment. We will also conduct PER for the five vacant/to-be-vacant school premises and the new LPH project at Hang Kwong Street in Ma On Shan to ensure that the projects will not cause adverse impacts on the environment.
- 33. We will incorporate requirements into the works contract to require the contractor to implement mitigation measures proposed in the approved PER report so as to control the environmental impacts during construction to within the established standards and guidelines.
- At the planning and design stages, we have considered measures to reduce the generation of construction waste where possible (e.g. using metal site hoardings and signboards so that these materials can be recycled or reused in other projects). In addition, we will require the contractor to reuse inert construction waste (e.g. use of excavated materials for filling within the site) on site or in other suitable construction sites as far as possible, in order to minimise the disposal of inert construction waste at public fill reception facilities (PFRFs)²⁰. We will encourage the contractor to maximise the use of recycled or recyclable inert construction waste, and the use of non-timber formwork to further reduce the generation of construction waste.
- 35. At the construction stage, we will require the contractor to submit for approval a plan setting out the waste management measures, which will include appropriate mitigation means to avoid, reduce, reuse and recycle inert construction waste. We will ensure that the day-to-day operations on site comply with the approved plan, and will require the contractor to separate the inert portion from non-inert construction waste on site for disposal at appropriate facilities. We will control the disposal of inert and non-inert construction waste at PFRFs and landfills respectively through a trip-ticket system.

/36.

PFRFs are specified in Schedule 4 of the Waste Disposal (Charges for Disposal of Construction Waste) Regulation (Cap. 354N). Disposal of inert construction waste in PFRFs requires a licence issued by the Director of Civil Engineering and Development.

36. We estimate that the implementation of the second batch of LPH projects will generate about 112 510 tonnes of construction waste in total. Of these, 10 870 tonnes (9.7%) of inert construction waste will be reused on site and about 77 940 tonnes (69.3%) of inert construction waste will be delivered to PFRF for subsequent reuse. We will dispose of the remaining 23 700 tonnes (21.0%) of non-inert construction waste at landfills. The cost for the disposal of construction waste at PFRF and landfill sites is estimated to be around \$15.43 million (based on a unit charge rate of \$87 per tonne for disposal at PFRF and \$365 per tonne for disposal at landfills as stipulated in the Waste Disposal (Charges for Disposal of Construction Waste) Regulation (Cap. 354N) and Waste Disposal (Charges for Disposal of Construction Waste) Regulation (Amendment of Schedules) Notice 2023).

HERITAGE IMPLICATIONS

- 37. The site at Tuen Mun Area 54 in the second batch of LPH projects falls partly within the Siu Hang Tsuen Site of Archaeological Interest and partly within the Kei Lun Wai Site of Archaeological Interest. The archaeological assessment of the Tuen Mun Area 54 project (project plans 666CL and 844CL) was completed by the Civil Engineering and Development Department in 2019. The assessment findings show that some parts in the project boundary have low potential archaeological value, while some parts in the project boundary have no potential archaeological value. Cultural heritage impact assessment is not required for this project. Moreover, ArchSD has completed a PER for this LPH project in 2023. The assessment findings show that some parts in the project boundary have extremely low potential archaeological value, while some parts in the project boundary have no potential archaeological value, and future works will not pose noteworthy adverse impact to its archaeological potential. Hence, it is recommended that no archaeological mitigation measures are required prior to the commencement of works or during the course of the works. Nevertheless, as a precaution, in case of discovery of any antiquities or supposed antiquities within the project boundary during construction, the project-in-charge has to inform the Antiquities and Monuments Office (AMO) of Development Bureau immediately to take appropriate follow-up actions.
- 38. Besides, among the second batch of LPH projects, the project at former St. Joseph's Anglo-Chinese School is in close proximity to the Ex-Royal Air Force Station (Kai Tak). Cultural heritage impact assessment is not required for this project, but we will conduct monitoring during construction and arrange mitigation measures if necessary. We believe that such measures will not have any impact on the construction costs and construction period.

39. The remaining seven LPH projects in the second batch will not affect any heritage sites, i.e. all declared monuments, proposed monuments, graded historic sites/buildings/structures, sites of archaeological interest, all sites/buildings/structures on the list of newly proposed grade items, and government historic sites identified by AMO.

ENERGY CONSERVATION, GREEN AND RECYCLED FEATURES

- 40. LPH aims to provide those in pressing housing needs with adequate short-term accommodation. In order to balance energy efficiency and optimal use of resources, we will adopt energy efficient features such as LED type light fittings and energy-saving lift systems where reasonably practicable.
- 41. For greening features, we will provide simple greening features at appropriate locations for environmental benefits.
- 42. The total estimated cost of adoption of the above features in the second batch of LPH projects is around \$4.5 million (including \$4.05 million for energy efficient features), which has been included in the cost estimate of this project. The energy efficient features will achieve 10% energy savings in the annual energy consumption with a payback period of about 3 years.

LAND ACQUISITION

43. As stated in paragraph 8 above, we have earmarked four government sites and five vacant or to-be-vacant school premises for the development of the second batch of LPH. With the construction period deducted, it is anticipated that the LPH sites can be used as LPH for about five years. No acquisition of private land is involved for the second batch of LPH projects. If the duration of use for individual projects need to be extended beyond five years in the future, we will discuss with relevant departments separately.

TRAFFIC IMPLICATIONS

44. Together with TD, we have proactively started knocking out the necessary ancillary transport arrangements for different projects, including the addition of suitable alighting and boarding facilities and enhancement of public

transport services for LPH projects so as to cater for the travel needs of future LPH residents. Traffic impact assessment (TIA) has been completed for the three LPH projects located at Sheung On Street/Sheung Ping Street in Chai Wan, Tuen Mun Area 54 and Lok On Pai in Siu Lam. We will also conduct TIA for the five vacant/to-be-vacant school premises and the new LPH project at Hang Kwong Street in Ma On Shan, including the impact on local traffic during construction and upon completion for intake. We will take forward the recommended traffic improvement measures with TD and relevant works departments based on the assessment findings, and arrange necessary public transport services with a view to providing suitable ancillary transport facilities for the LPH residents.

BACKGROUND INFORMATION

- 45. On 17 March 2023, FC approved the upgrading of part of **1HL** to Category A as **2HL** "Implementation of Light Public Housing the First Batch of Projects" at approved project estimate of \$14,911.9 million in MOD prices for building the first batch of four LPH projects (about \$14,861.7 million) and carrying out pre-construction activities of the second batch of remaining four LPH projects (about \$50.2 million). The construction contracts of the first batch of LPH projects were awarded on 28 November 2023 and commenced progressively starting from December 2023. It is anticipated that the projects will be completed in phases from the first quarter of 2025 at the earliest.
- 46. Investigation works for the three LPH projects located at Sheung On Street/Sheung Ping Street in Chai Wan, Tuen Mun Area 54 and Lok On Pai in Siu Lam among the second batch of LPH projects have been competed or have commenced, and consultants have been engaged to undertake various services, including ground investigation, PER, TIA, EIA and preparation of tender documents, etc. The total cost of investigation works and consultancy services for all the projects of the second batch of LPH is around \$37.58 million. The investigation works and services provided by the consultants were funded under block allocation **Subhead B100HX** "Minor housing development related works, studies and investigations for items in Category D of the Public Works Programme". The above works and consultancy services will help finalise the scope and estimated cost of the projects.
- 47. Of about 246 trees within and adjacent to the boundary of all the projects in the proposed second batch of LPH, about 145 trees will be retained. Subject to the final design, the proposed project will involve removing about 101

trees. All trees to be removed are not "trees of particular interest" ²¹. Proposals for tree planting will be incorporated into the proposed works, including the planting of about 101 trees, as well as shrubs, groundcovers and turf.

48. We estimate that the 1 770 jobs created (1 565 for labourers and 205 for professional or technical staffs) in taking forward the second batch of LPH projects will provide a total employment of 57 420 man-months.

Housing Bureau Architectural Services Department January 2024

[&]quot;Trees of particular interest" are defined in paragraph 3.3 of the "Guidelines for Tree Risk Assessment and Management Arrangement" promulgated by the Development Bureau. Examples of trees of particular interest are listed as follows –

⁽a) Old and Valuable Trees (OVTs) and trees that are potentially registerable in the Register of OVTs;

⁽b) Trees of 100 years old or above;

⁽c) Trees with trunk diameter equal to or exceeding 1.0 metre (measured at 1.3 metres above ground level), or with height/canopy spread equal to or exceeding 25 metres;

⁽d) Stonewall trees or trees of outstanding form (taking account of overall tree sizes, shape and any special features);

⁽e) Rare tree species listed in "Rare and Precious Plants of Hong Kong" (https://www.herbarium.gov.hk/en/publications/books/book2/index.html) published by the Agriculture, Fisheries and Conservation Department;

⁽f) Endangered plant species protected under the Protection of Endangered Species of Animals and Plants Ordinance (Cap. 586);

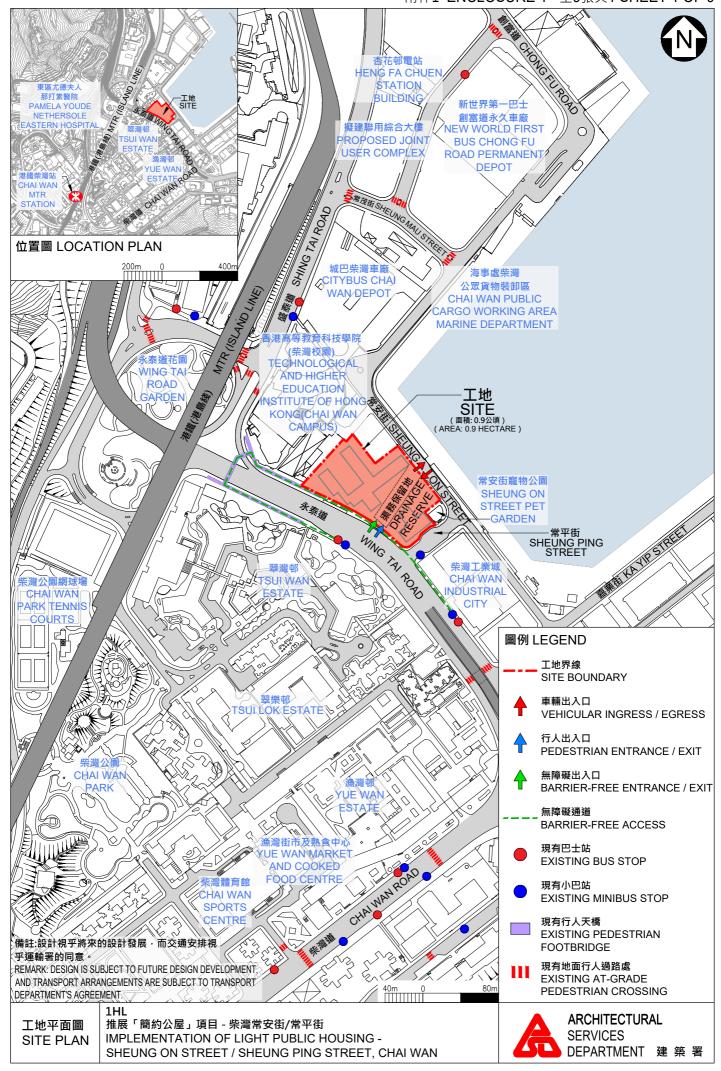
⁽g) Tree species listed in the Forestry Regulations (Cap. 96A) under the Forests and Countryside Ordinance (Cap. 96);

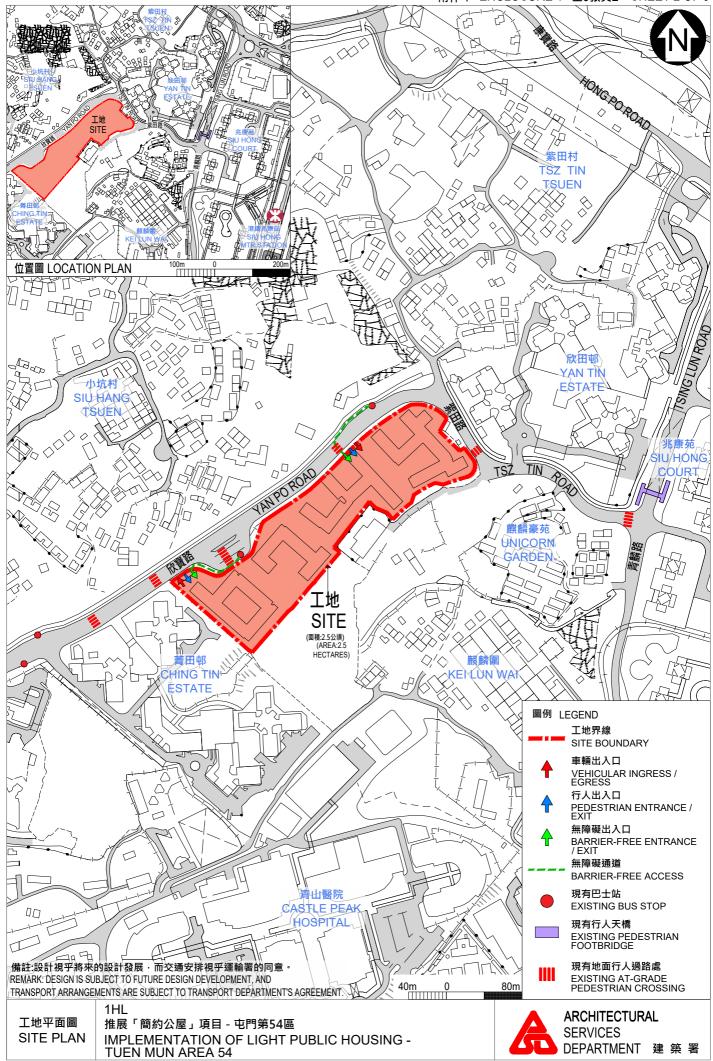
⁽h) Known Fung Shui trees;

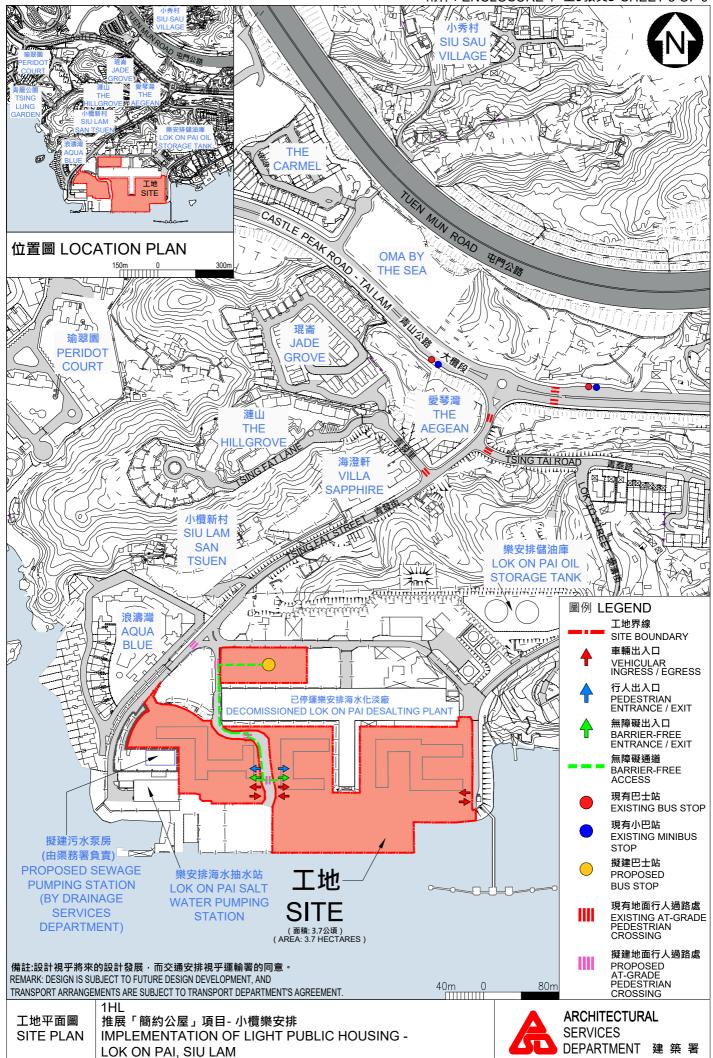
 ⁽i) Landmark trees with evidential records to support the historical or cultural significance of the trees:

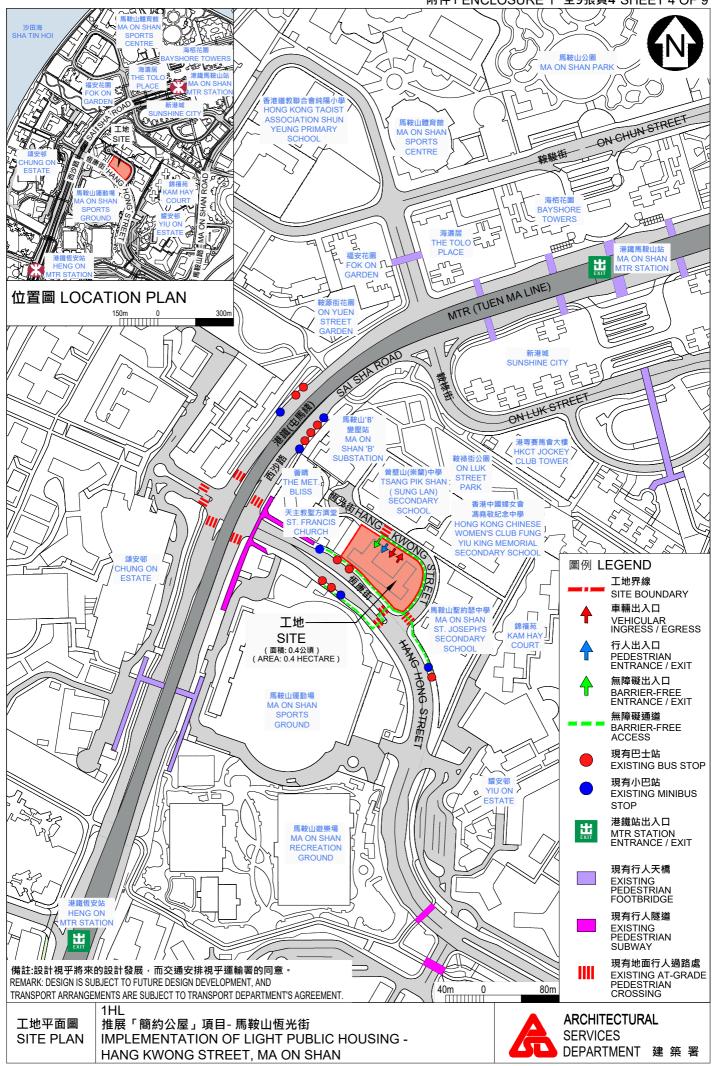
⁽j) Trees which may arouse widespread public concerns; and

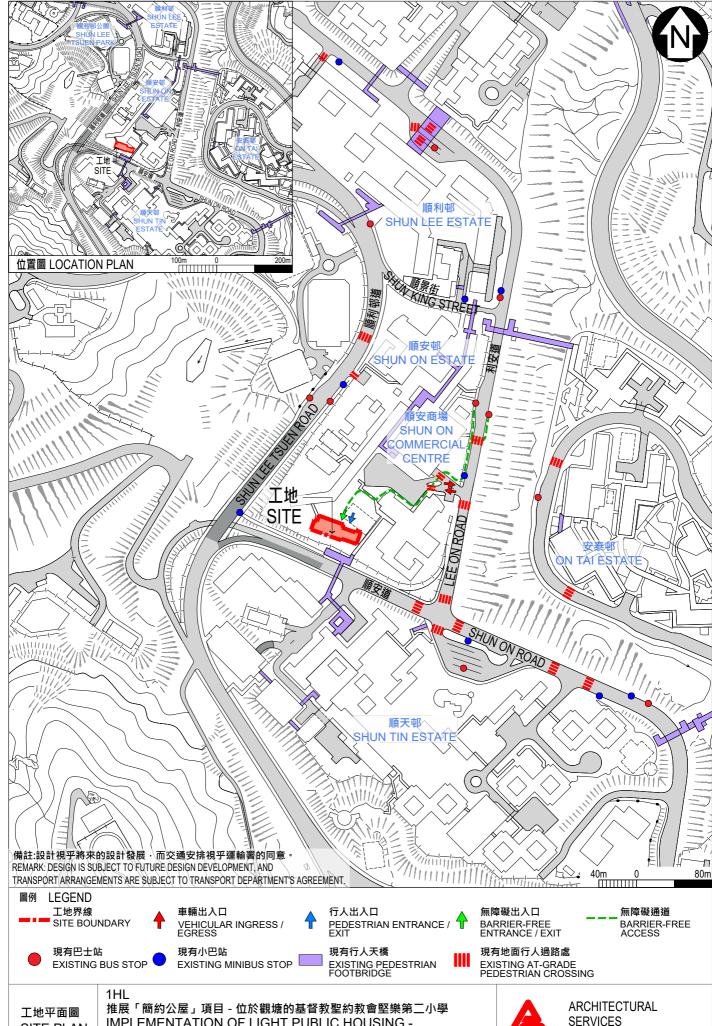
⁽k) Trees which may be subject to strong local objections on removal.











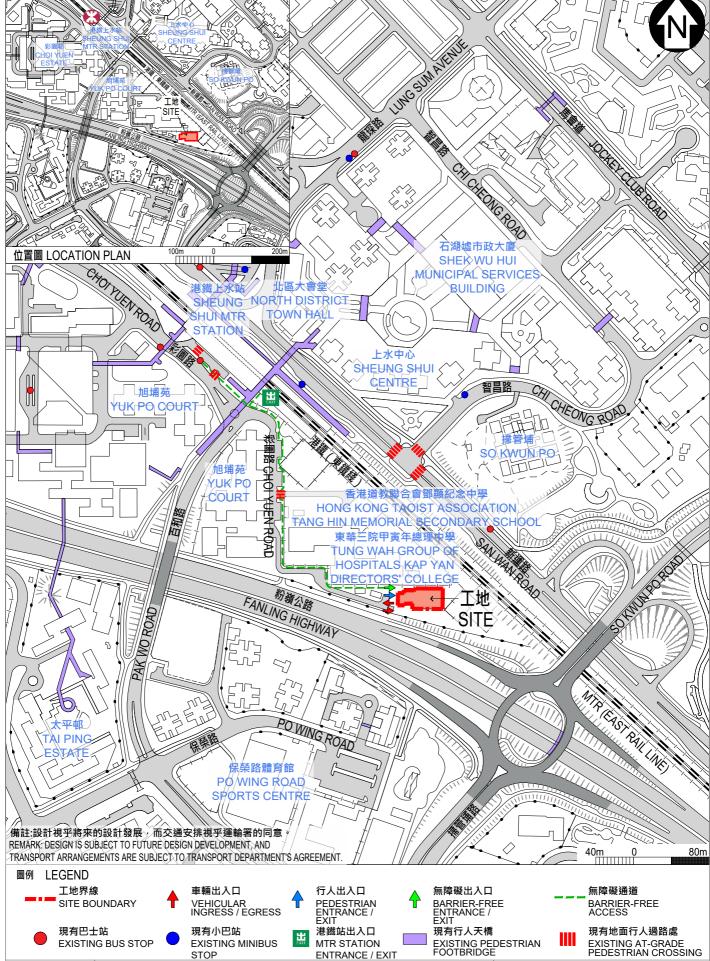
SITE PLAN

IMPLEMENTATION OF LIGHT PUBLIC HOUSING -THE MISSION COVENANT CHURCH HOLM GLAD NO. 2 PRIMARY SCHOOL IN KWUN TONG



SERVICES DEPARTMENT

建築署



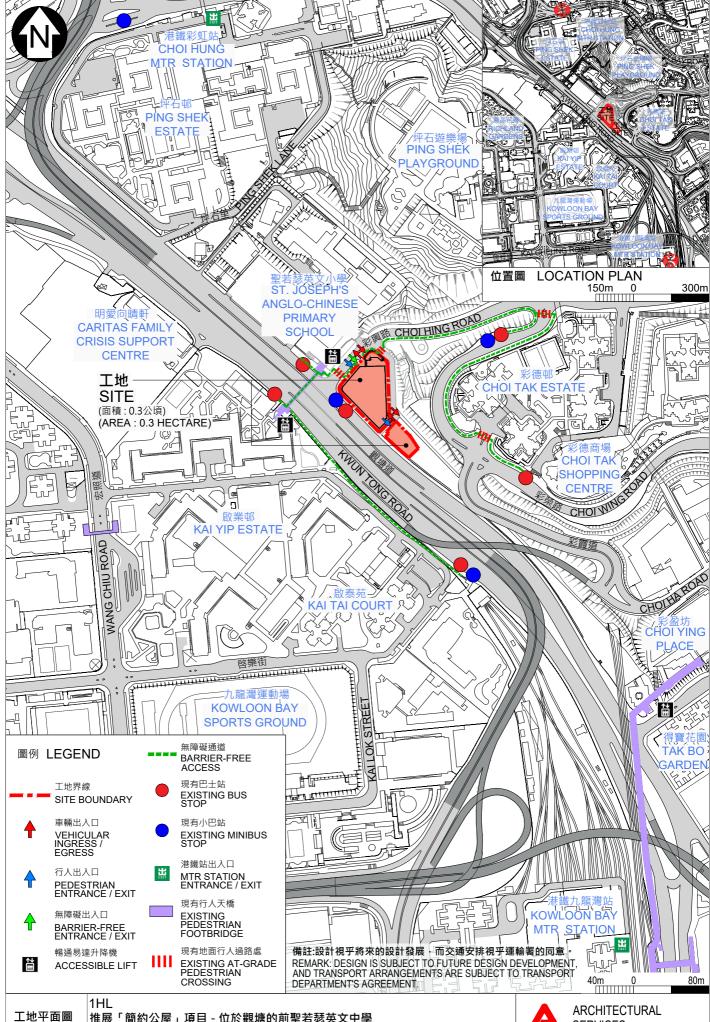
工地平面圖 SITE PLAN 1HL 推展「簡約公屋」項目 - 位於上水的東華三院馬錦燦紀念小學 (彩園分校) IMPLEMENTATION OF LIGHT PUBLIC HOUSING -TUNG WAH GROUP OF HOSPITALS MA KAM CHAN MEMORIAL PRIMARY SCHOOL

(CHOI YUEN ANNEX) IN SHEUNG SHUI



ARCHITECTURAL **SERVICES DEPARTMENT**

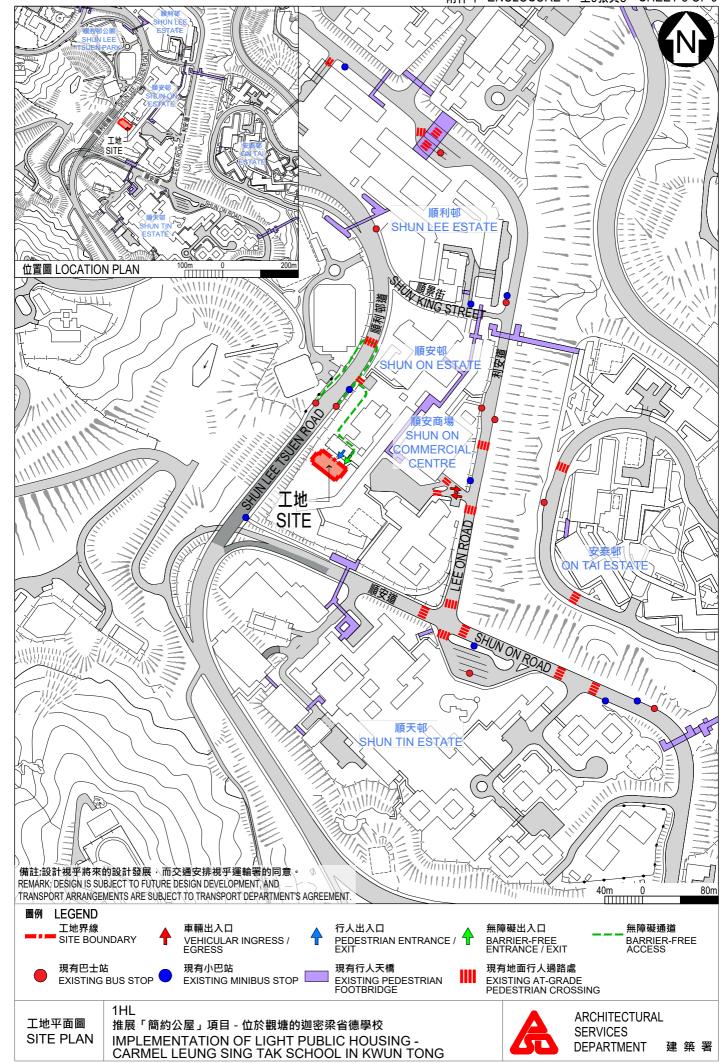
建築署



SITE PLAN

推展「簡約公屋」項目 - 位於觀塘的前聖若瑟英文中學 IMPLEMENTATION OF LIGHT PUBLIC HOUSING - FORMER ST. JOSEPH'S ANGLO-CHINESE SCHOOL IN KWUN TONG





現有小巴站 **EXISTING MINIBUS**

STOP

現有行人天橋

EXISTING PEDESTRIAN FOOTBRIDGE

現有地面行人過路處 EXISTING AT-GRADE PEDESTRIAN CROSSING

工地平面圖 SITE PLAN

現有巴士站

EXISTING BUS STOP

1HL 推展「簡約公屋」項目 - 位於黃大仙的浸信會天虹小學 IMPLEMENTATION OF LIGHT PUBLIC HOUSING -BAPTIST RAINBOW PRIMARY SCHOOL IN WONG TAI SIN

MTR STATION **ENTRANCE / EXIT**



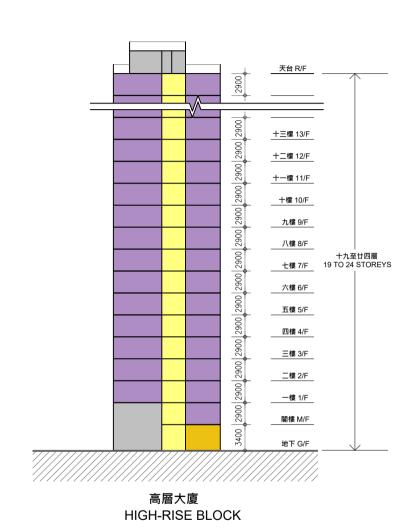
ARCHITECTURAL SERVICES DEPARTMENT

建築署

PLANT ROOM

社區配套設施

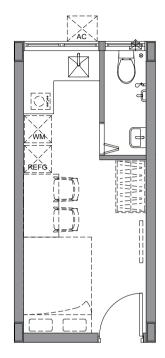
COMMUNITY FACILITIES



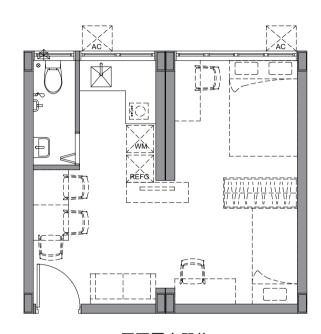
備註: 樓宇的設計、層數及尺寸只供参考・並視乎將來「簡約公屋」各項目承建商的實際設計而定。 REMARK: THE DESIGN, NUMBER OF STOREYS AND DIMENSIONS OF THE HOUSING BLOCKS ARE FOR REFERENCE ONLY AND SUBJECT TO THE ACTUAL DESIGN OF THE CONTRACTOR OF EACH LIGHT PUBLIC HOUSING PROJECT IN THE FUTURE.

標準剖面圖 TYPICAL SECTION

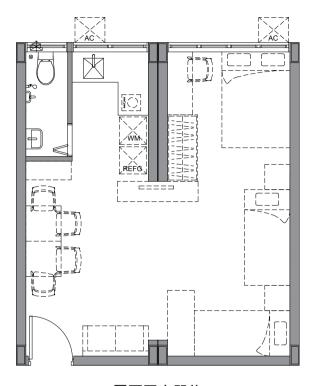




一至二人單位 ONE TO TWO-PERSON UNIT (13 平方米 m²)



三至四人單位 THREE TO FOUR-PERSON UNIT (25 平方米 m²)



四至五人單位 FOUR TO FIVE-PERSON UNIT (31 平方米 m²)

備註: REMARK:

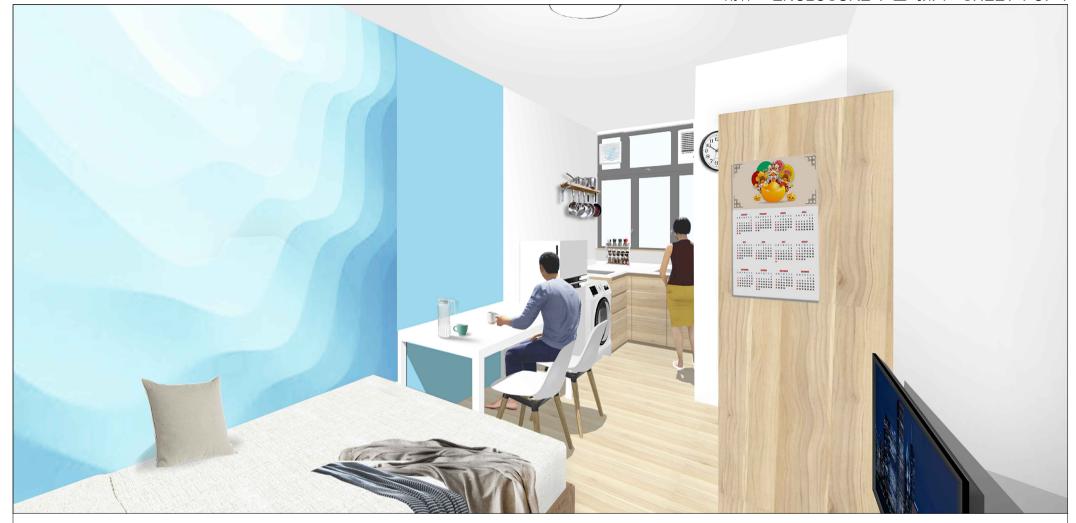
- 1. 各類單位的設計及布局只供参考・並視乎將來「簡約公屋」各項目承建商的實際設計而定。
- THE DESIGN AND LAYOUT OF EACH TYPE OF UNIT ARE FOR REFERENCE ONLY AND SUBJECT TO THE ACTUAL DESIGN OF THE CONTRACTOR OF EACH LIGHT PUBLIC HOUSING PROJECT IN THE FUTURE.
- 2. 各類单位只提供及安装電熱水爐及位於洗手間的抽氣扇等基本設備。 EACH TYPE OF UNIT WILL PROVIDE AND INSTALL ONLY BASIC EQUIPMENT LIKE ELECTRIC WATER HEATER AND EXHAUST FAN IN THE BATHROOM.
- 3. 樓面平面圖以虛線所顯示的家具及電器只供參考·並不包括在「簡約公屋」項目的範圍內。
 THE FURNITURE AND ELECTRIC APPLIANCES INDICATED IN DOTTED LINE IN THE FLOOR PLAN ARE FOR REFERENCE ONLY AND EXCLUDED FROM THE SCOPE OF THE LIGHT PUBLIC HOUSING PROJECTS.
- 4. 以上平面圖或不適用於五間空置或即將空置校舍項目。
 THE ABOVE FLOOR PLAN MAY NOT BE APPLICABLE TO THE FIVE PROJECTS OF VACANT OR TO-BE-VACANT SCHOOL PREMISES.

標準單位樓面平面圖 TYPICAL UNIT FLOOR PLAN 1HL

推展「簡約公屋」項目 IMPLEMENTATION OF LIGHT PUBLIC HOUSING



1m 0

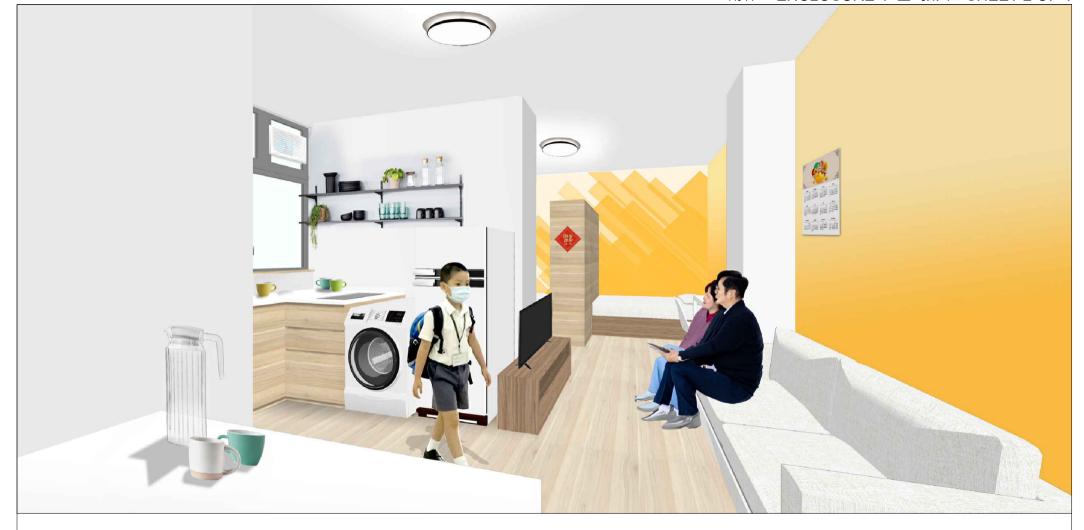


一至二人單位的室內設計構思圖 (13 平方米)
ARTIST'S IMPRESSION OF INTERIOR DESIGN OF A ONE TO TWO-PERSON UNIT (13 m²)

註:單位的設計及布局只供參考,並視乎將來「簡約公屋」各項目承建商的實際設計而定。單位只提供及安裝電熱水爐和位於洗手間的抽氣扇等基本設備,並不包括構思圖所展示的家具、其他電器及裝飾。
REMARK: THE DESIGN AND LAYOUT OF THE UNIT ARE FOR REFERENCE ONLY AND SUBJECT TO THE ACTUAL DESIGN OF THE CONTRACTOR OF EACH LIGHT PUBLIC HOUSING PROJECT IN THE
FUTURE. THE UNIT WILL PROVIDE AND INSTALL ONLY BASIC EQUIPMENT LIKE ELECTRIC WATER HEATER AND EXHAUST FAN IN THE BATHROOM, BUT EXCLUDE THE FURNITURE, OTHER ELECTRICAL
APPLIANCES AND DECORATIONS SHOWN IN THE ARTIST'S IMPRESSION.

構思圖 ARTIST'S IMPRESSION





三至四人單位的室內設計構思圖 (25 平方米)
ARTIST'S IMPRESSION OF INTERIOR DESIGN OF A THREE TO FOUR-PERSON UNIT (25 m²)

註:單位的設計及布局只供參考,並視乎將來「簡約公屋」各項目承建商的實際設計而定。單位只提供及安裝電熱水爐和位於洗手間的抽氣扇等基本設備,並不包括構思圖所展示的家具、其他電器及裝飾。
REMARK: THE DESIGN AND LAYOUT OF THE UNIT ARE FOR REFERENCE ONLY AND SUBJECT TO THE ACTUAL DESIGN OF THE CONTRACTOR OF EACH LIGHT PUBLIC HOUSING PROJECT IN THE
FUTURE. THE UNIT WILL PROVIDE AND INSTALL ONLY BASIC EQUIPMENT LIKE ELECTRIC WATER HEATER AND EXHAUST FAN IN THE BATHROOM, BUT EXCLUDE THE FURNITURE, OTHER ELECTRICAL
APPLIANCES AND DECORATIONS SHOWN IN THE ARTIST'S IMPRESSION.

構思圖 ARTIST'S IMPRESSION





四至五人單位的室內設計構思圖 (31 平方米)
ARTIST'S IMPRESSION OF INTERIOR DESIGN OF A FOUR TO FIVE-PERSON UNIT (31 m²)

註:單位的設計及布局只供參考,並視乎將來「簡約公屋」各項目承建商的實際設計而定。單位只提供及安裝電熱水爐和位於洗手間的抽氣扇等基本設備,並不包括構思圖所展示的家具、其他電器及裝飾。
REMARK: THE DESIGN AND LAYOUT OF THE UNIT ARE FOR REFERENCE ONLY AND SUBJECT TO THE ACTUAL DESIGN OF THE CONTRACTOR OF EACH LIGHT PUBLIC HOUSING PROJECT IN THE
FUTURE. THE UNIT WILL PROVIDE AND INSTALL ONLY BASIC EQUIPMENT LIKE ELECTRIC WATER HEATER AND EXHAUST FAN IN THE BATHROOM, BUT EXCLUDE THE FURNITURE, OTHER ELECTRICAL
APPLIANCES AND DECORATIONS SHOWN IN THE ARTIST'S IMPRESSION.

構思圖 ARTIST'S IMPRESSION





高層樓宇的構思透視圖 PERSPECTIVE VIEW OF HIGH-RISE BLOCKS

構思圖 ARTIST'S IMPRESSION



Implementation of Light Public Housing

Information on Light Public Housing (LPH) Projects

	2HL - First Batch of LPH Projects								
Project	1 2 3		3	4					
	Yau Pok Road,	Choi Hing Road	Area 3A	Olympic Avenue					
Site location	Yuen Long	Ngau Tau Kok	Tuen Mun	Kai Tak					
Development mode	Low-rise development	High-rise development	High-rise development	High-rise development					
Source of land	Private	Government	Government	Government					
Current major land use/status	Construction site	Construction site	Construction site	Construction site					
Long-term development use(s)	To be confirmed by the private developer	School and service reservoir	District health centre and sports centre	Commercial use and open space					
Site area (ha)	8.7	1.1	0.8	5.7					
Estimated number and distribution of units*	About 2 100 units	About 2 300 units	About 1 900 units	About 10 700 units					
A) One to two-person units	About 11 700 units								
	69%								
B) Three to four-person units	About 3 300 units								
	19%								
C) Four to five-person units	About 2 000 units								
	12%								
Area of ancillary facilities (m²)	About 860	About 370	About 300	About 1 720					
Commencement date of works	Q4 2023	Q4 2023	Q4 2023	Q4 2023					
Anticipated earliest completion date of works#	Q1 2025	First and second phases: Q2 2025	Q4 2025	First phase: Q4 2025 Second phase: Q3 2026					

Note: *The number and distribution of each type of units are for reference only. The actual figures are subject to the actual situation and the project design in future.

#The anticipated completion date of works depends on other factors such as the progress of drainage and electricity upgrading works, etc.

Information on Light Public Housing (LPH) Projects

	1HL - Second Batch of LPH projects									
Project	5	6	7	8	9	10	11	12	13	
Site location	Sheung On Street / Sheung Ping Street Chai Wan	Area 54 Tuen Mun	Lok On Pai	Hang Kwong Street	The Mission Covenant Church Holm Glad No. 2 Primary School Kwun Tong	Tung Wah Group of Hospitals Ma Kam Chan Memorial Primary School (Choi Yuen Annex) Sheung Shui	Former St. Joseph's Anglo-Chinese School Kwun Tong	Carmel Leung Sing Tak School	Baptist Rainbow Primary School Wong Tai Sin	Total (First batch and Second batch)
Development mode	High-rise development	High-rise development	High-rise development	High-rise development	Conversion of school premises	Conversion of school premises	Conversion of school premises	Conversion of school premises	Conversion of school premises	
Source of land	Government	Government	Government	Government	Government (within the land lease boundary of existing estate under the Hong Kong Housing Authority (HA))	Government (within the land lease boundary of existing estate under HA)	Government	Government (within the land lease boundary of existing estate under HA)	Government (within the land lease boundary of existing estate under HA)	-
Current major land use / status	Temporary car park	Work site of government department / Formation works in progress	Work site of government department	Temporary sports / recreation ground of a nearby school	To-be-vacant school premises	To-be-vacant school premises	Vacant school premises	To-be-vacant school premises	To-be-vacant school premises	-
Long-term development use(s)	Open space	School and sports centre	Comprehensive development area and open space	Government, Institution or Community use (long-term use is still under review)	to be reviewed	to be reviewed	Government, Institution or Community use	to be reviewed	to be reviewed	-
Site area (ha)	0.9	2.5	3.7	0.4	0.1	0.1	0.3	0.1	0.25	24.65
Estimated number and distribution of units*	About 1 720 units	About 5 620 units	About 4 200 units	About 860 units	About 130 units	About 110 units	About 150 units	About 110 units	About 100 units	About 30 000 units [First batch of projects (Items 1 to 4): About 17 000 units; Second batch of projects (Items 5 to 13): About 13 000 units]
A) One to two-person units					About 9 500 units					About 21 200 units
					73%					70%
B) Three to four-person units					About 2 600 units					About 5 900 units
					20%					20%
C) Four to five-person units					About 900 units					About 2 900 units
					7%		1	1	1	10%
Area of ancillary facilities (m ²)	About 250	About 2 140	About 2 000	About 130	About 70	About 120	About 250	About 150	About 220	At least 8 500
Anticipated earliest commencement date of works	Q2 2024	Q2 2024	Q2 2024	Q4 2024	Q4 2024	Q4 2024	Q4 2024	Q3 2026	Q3 2026	-
Anticipated earliest completion date of works#	Q2 2026	First phase: Q3 2026 Second phase: Q4 2026	Q3 2026	Q4 2026	Q4 2025	Q4 2025	Q1 2026	Q1 2027	Q1 2027	-

Note: *The number and distribution of each type of units are for reference only. The actual figures are subject to the actual situation and the project design in future.

[#]The anticipated completion date of works depends on other factors such as the progress of drainage and electricity upgrading works, etc.

1HL - Implementation of Light Public Housing

Cost breakdown of the funding provision for the second batch of Light Public Housing (LPH) projects

	Second batch of LPH projects										
Projects	1	2	3	4	5	6	7	8	9		
Site location	Sheung On Street / Sheung Ping Street	Area 54	Lok On Pai	Hang Kwong Street	The Mission Covenant Church Holm Glad No.2 Primary School	Tung Wah Group of Hospitals Ma Kam Chan Memorial Primary School (Choi Yuen Annex)	Former St. Joseph's Anglo- Chinese School	Carmel Leung Sing Tak School	Baptist Rainbow Primary School	Total	
	Chai Wan	Tuen Mun	Siu Lam	Ma On Shan	Kwun Tong	Sheung Shui	Kwun Tong	Kwun Tong	Wong Tai Sin		
Construction and related works (to be undertaken by Architectural Services Department)	\$ million (in money-of-the-day prices)										
(a) Site works	8.7	26.4	42.3	3.9			20.1			101.4	
(b) Foundation	152.1	457.6	259.5	98.9			-			968.1	
(c) Building	827.8	2,401.3	1,657.5	399.9			138.0			5,424.5	
(d) Building services	251.0	747.5	520.0	115.7			89.6			1,723.8	
(e) Drainage	21.4	62.1	100.3	9.4			10.8			204.0	
(f) External works	20.1	53.4	189.0	8.5	7.6				278.6		
(g) Furniture and equipment	6.4	19.6	14.4	3.1	2.3				45.8		
(h) Energy conservation and greening features	0.7	1.7	1.3	0.3	0.5				4.5		
(i) Consultants' fees	8.7	26.8	20.3	4.5			2.3			62.6	
(j) Remuneration of resident site staff	8.6	24.8	18.3	4.0			1.4			57.1	
(la) Contingencies	130.6	382.1	282.3	64.8			27.2			887.0	
Sub-total (1):	1,436.1	4,203.3	3,105.2	713.0			299.8			9,757.4	
(k) Additional infrastructural works (to be undertaken by other works departments)						nillion -the-day prices)					
(i) Road improvement works	8.5								8.5		
(ii) Sewage collection and treatment facilities	treatment 36.3							36.3			
(iii) Drainage facilities								9.0			
(iv) Water supply facilities	10.2							10.2			
(v) Related design, remuneration of resident site staff and ground investigation	8.7						8.7				
(lb) Contingencies	7.3								7.3		
Sub-total (2):					80.0					80.0	

Total (1)+(2):	9,837.4	9,837.4

1HL - Implementation of Light Public Housing

Breakdown of the estimates for consultants' fees and resident site staff costs (in September 2023 prices)

				Estimated man- months	Average MPS* salary point	Multiplier (Note 1)		ated fee iillion)
(a)		iltants' fees for	Professional	_	_	_		27.5
	docun	ration of tender nents and contract histration (Note 2)	Technical	_	_	_		21.5
						Sub-total		49.0#
(b)	Resid		Professional	86	38	1.6		12.5
	(RSS) costs (Note 3) Comprising -		Technical	856	14	1.6		44.4
						Sub-total	_	56.9
	_	_						
	 (i) Consultants' fees for Management of RSS (ii) Remuneration of RSS 						6.4#	
							50.5#	
						Total	_	105.9

^{*} MPS = Master Pay Scale

Notes

- 1. A multiplier of 1.6 is applied to the average MPS salary point to estimate the cost of RSS supplied by the consultants (as at now, MPS salary point 38 = \$90,540 per month and MPS salary point 14 = \$32,430 per month).
- 2. The consultant's fees for preparation of tender documents and contract administration are calculated in accordance with the consultancy agreement under the project. The relevant works in the consultancy agreement will only be executed subject to the Finance Committee's approval to upgrade the project to Category A.

3. The consultants' fee for site supervision and staff cost are calculated based on the estimate prepared by the Director of Architectural Services. We will only know the actual man-months and actual costs after completion of the construction works.

Remarks

The cost figures in this Enclosure are shown in constant prices to correlate with the MPS salary point of the same year. The cost figures marked with # are shown in MOD prices in paragraph 22 of the main paper.

Operation, Allocation and Intake Arrangements of the Light Public Housing (LPH)

Project Operation and Management

- Apart from the design and construction of LPH, the Government will be 1. spearheading the operation and management of each project. As stated by the Government earlier, in order to encourage participation of different stakeholders in the community, the Government plans to adopt a collaborative approach by inviting tenders from experienced organisations to take up the operation, management and daily maintenance of LPH. In this connection, the Housing Bureau (HB) held a briefing session in May 2023 on the operation of LPH. Organisations (including nongovernment organisations (NGOs) and property management agencies) that are interested in the operation were briefed on the operation and management plan of LPH, as well as the tender process of the operation and management contracts. The briefing session also provided a platform for the organisations to exchange views and share Responses to the briefing session were highly positive, and quite a number of organisations expressed that they would actively consider taking part in the operation of LPH.
- 2. Over the recent past, we have listened to many views on the operation and management of LPH. Taking into account various factors (such as cost-effectiveness and future needs of residents), we have finalised the contractual period for the operation and management of LPH, which will comprise, among others, a "pre-management period" (for soliciting tenants and allocating units, etc.) of about seven months and an operation period of five years (the first three years of which are the basic operation period). After three years of operation, the operating organisations may continue to run the LPH for two more years provided that their performance is considered satisfactory. In other words, they may operate for a total of five years starting from the intake of LPH residents according to the contract.
- 3. Apart from housing, LPH will also provide various services and facilities for the residents and the local community. Therefore, the operation service requirements of LPH are different from those of common property management contracts. In addition to tenancy management (including allocating units in accordance with the criteria set by the Government, arranging tenants to move in, etc.), property management (including cleansing, security, insurance, management of communal areas, environmental management, handling requests and complaints from residents, etc.) and

daily maintenance (including flat refurbishment, minor maintenance and repair works, building services and emergency repairs, etc.), the requirements also cover social services (such as formulating and implementing exit plans for tenants, assisting and arranging tenants' removal, and providing various types of social services, which include assistance to tenants on community involvement, career, financial management, physical and psychological health, as well as assistance specially for the elderly, children and persons with disability, and even to residents on finding jobs and schools), and the management and operation of ancillary facilities (such as study/function rooms, recreational and community service facilities). We preliminarily estimate that the net cost of operating about 30 000 LPH units is around \$4.39 billion¹.

- 4. In view of the above, the operating organisations of LPH should have sufficient size, management capability and experience. Organisations participating in the tender exercises for the operation of LPH may include experienced NGOs and property services companies, or a collaboration between them. In addition, having regard to the required resources and management efficiency, we will split the operation and management contracts of larger LPH projects (such as projects at Olympic Avenue in Kai Tak and Tuen Mun Area 54), i.e. a single contract entails the operation and management of about 4 500 units at most. Each operating organisation may take up not more than five operation and management contracts.
- 5. To ensure service quality, we will lay down the scoring criteria and carry out technical assessment based on a series of factors, including the management capability, relevant experience and past service performance of the organisations, as well as the proposed modes of operation and management, social service support to be provided, feasibility of exit plan and use of innovation and information technology as stated in their proposals, such that the ancillary facilities and services of LPH can meet the needs of the residents and the local community. The tender price will then be comprehensively evaluated so as to decide on the most suitable organisations for operating LPH projects.
- 6. The Government will continue to monitor the operation of LPH and maintain close communications with the operating organisations to ensure that the operation and management of LPH, as well as the provision of services and facilities comply with the required standards. In this connection, HB will formulate a series of key performance

The above figure is only the preliminary estimate. The actual operation expenditure will depend on the awarded tender prices of individual LPH projects.

indicators, such as the specified time frame for the operating organisation to finish processing the applications for occupancy, security effectiveness, cleanliness, repair and maintenance, social services and residents' satisfaction, etc. If the performance of the operating organisation fails to meet the required standards, the operating cost will be adjusted in accordance with the contract.

According to the current plan, we intend to invite tenders for the operation and management contract of the first completed LPH project (i.e. Yau Pok Road in Yuen Long) in the first quarter of 2024, with a view to awarding the contract as soon as possible so that the operating organisation will have sufficient time to carry out the necessary advance work, including publicity, preparation for the operation and management of the facilities and services, and arrange for the residents to move in as early as possible. With the experience gained from inviting tenders for the first operation and management contract, as well as feedback from the industry, we will continue to enhance the operation and management contracts for other LPH projects, and invite tenders in phases according to the works progress of the projects.

Application for LPH

- 8. LPH will mainly cater for those who have been waiting for traditional public rental housing (PRH) for not less than three years, with priority given to family applicants. Those who choose to move into LPH may retain their position in the queue and eligibility for traditional PRH, but they will no longer be eligible to receive the allowance under the Cash Allowance Trial Scheme.
- 9. Since the completion time of LPH projects varies, we will take the initiative to issue letters to all eligible applicants in phases and invite them to apply for LPH. The Government will establish a set of simple and objective scoring criteria and calculate the score of each applicant based on the said criteria so that priority can be given to the families in greater needs to move into LPH. Some of the considerations include the waiting time for traditional PRH; the presence of elderly, children or newborn in the family; present type of accommodation (e.g. whether the accommodation is a sub-divided unit, roof-top structure, etc.); and other special health conditions, etc.
- 10. To streamline the application procedures of LPH and facilitate the public, an online application platform is being developed. In addition to submitting paper

application forms, the applicants can choose to submit their applications online. To dovetail with the completion of the first batch of LPH projects, we anticipate to announce the first phase of application arrangements of LPH in the second quarter of 2024, and projects in the urban area and the New Territories will be available for application.

11. Meanwhile, to raise the public awareness of LPH and provide the latest information of different projects (such as the ancillary facilities and services), the Government will roll out publicity measures progressively, including launching the official website of LPH, carrying out publicity through the media and social media platforms, and setting up an information counter in the Hong Kong Housing Authority Customer Service Centre in Lok Fu.

Rent and Intake Arrangements

- 12. As stated by the Government earlier, the rent of LPH will be linked to that of traditional PRH, and set at around 90% of the rent of newly completed traditional PRH in the same district. Based on the rent of traditional PRH in October 2023, the rents of LPH are initially estimated to range from about \$740 to \$2,650 (internal floor area ranging from about 13 to 31 square metres). The actual rent will depend on the area of the units and the district in which they are located. Taking a unit in the urban area as an example, the current rent of a newly completed traditional PRH unit of about 31 square metres is around \$2,940, while that of an LPH unit of similar size in the same district is estimated to be around \$2,650. If the unit is in the New Territories, the rent of a newly completed traditional PRH unit of the same size is around \$1,960, while that of an LPH unit is estimated to be around \$1,760.
- 13. To ensure prudent use of public resources, it is necessary for the applicants to submit income and asset declarations, as with the procedure for traditional PRH, in order to verify their application eligibility before we officially grant the eligibility for LPH to the applicants. Hence, the operating organisations will require the LPH applicants to provide proof of their income and asset, and make an income declaration, so as to ascertain whether their household income is still within the income limit for traditional PRH. Moreover, even after the applicants have moved into LPH, the Housing Department will still conduct random checks on these tenants to see whether they continue to meet the income and asset limits for traditional PRH. If any non-compliance or illegal situation is found, we will, apart from reserving our rights to take

legal actions, require the persons concerned to move out of their LPH units within a specified time frame and disqualify them from applying for traditional PRH.

14. LPH residents can live in the unit until the allocation of traditional PRH, or until the site for the project needs to be returned for long-term development, whichever is the earlier. After the residents refuse an offer of traditional PRH for three times, they will be required to move out of the LPH unit within a reasonable period of time under the existing mechanism, and will no longer be offered any traditional PRH.