

Box 3.1

Latest Government measures on housing and land supply (October 2022)

In the 2022 Policy Address, the Chief Executive announced a number of measures and plans on housing and land supply, as summarised below.

Public Housing Supply

- Public housing production in the coming five-year period (2023-24 to 2027-28) will increase to about 158 000 units, a significant increase of about 50% as compared to the about 105 000 units in the previous five-year period (2022-23 to 2026-27), with the introduction of the “Light Public Housing (LPH)” and “Public Rental Housing (PRH) Advance Allocation Scheme” :
 - To build about 30 000 LPH units in the coming five years by making use of government and private land with no development plan in the near future as well as adopting standardised simple design and the Modular Integrated Construction approach. They will be provided mainly to applicants who have been waiting for PRH for not less than three years, with priority for families.
 - To implement the PRH Advance Allocation Scheme by advancing the completion of around 12 000 PRH units by phases in the next five years (2023-24 to 2027-28) and doubling the time of advance allocation to eligible PRH applicants from currently about three months before the Occupation Permit is issued to six months before, for PRH applicants to move in earlier-than-scheduled.
- A new index of Composite Waiting Time for Subsidised Rental Housing will be introduced, which reflects the applicants’ waiting time for PRH or LPH. The target is to reduce the composite waiting time from about 6 years to about 4.5 years in four years’ time (in 2026-27).
- A new Pilot Scheme on Private Developer Participation in Subsidised Housing Development will be introduced. Three sites will be put up for tender in batches from the next financial year for developers to build subsidised sale flats. Developers are also encouraged to apply for rezoning of their own private land for subsidised sale flat development.
- A 10-year forecast of supply of public housing will be published on a regular basis.

Private Housing Supply

- Sufficient land will be made ready for providing no less than 72 000 residential units in the next five years (2023-24 to 2027-28).
- Dedicated Processing Units will be established in the Buildings Department to expedite the approval process of general building plans submitted for high-yield private residential projects (500 units or more), with the target of approving about 80% of the plans on their first or second submission.

Housing for Young People

- Starter Homes projects will be launched again in the Land Sale Programme in the next financial year.

Box 3.1 (Cont'd)

- Youth Hostel Scheme (YHS) will be expanded with the target of providing about 3 000 additional hostel places within five years. Suitable land sale sites will also be identified, on which developers will be required to set aside a certain number of flats to support the YHS on a pilot basis.

Land Supply

- Land resumption procedures for all development projects in the Northern Metropolis are targeted to commence within five years, and 40% of the new development land (around 1 300 hectares) are targeted to be formed and 40% of the new flats to be completed within ten years. As a guideline, a higher maximum plot ratio of 6.5 for residential sites and 9.5 for commercial sites will be adopted for land resources in the Northern Metropolis.
- Development proposals on the Kau Yi Chau Artificial Islands, which will provide 1 000 hectares of new land, will be put forward within this year. To enhance accommodation and living space, the average flat size of public and private housing will be increased by a range of 10% to 20% as the assumption when planning land development, and the ratios of land for open space and land for community facilities to population will also be raised.
- In the new round of study on “Green Belt” zone, about 255 hectares of “Green Belt” sites with potential for housing development, which can provide 70 000 units, have been shortlisted to meet the land demand and build up the land reserve.
- Development proposal for Tseung Kwan O Area 137, which is expected to provide 50 000 residential units with the first population intake in 2030 at the earliest, will be put forward this year.
- Various statutory procedures with respect to planning, environmental impact assessment, land resumption and infrastructure will be streamlined through legislative amendments to reduce the time required for turning “primitive land” into “spade-ready sites” by one-third to half.
- Regularisation of the arrangement for charging land premium at standard rates for redevelopment of industrial buildings, and extension of the standard rates approach to cover agricultural land in the New Territories located outside New Development Areas will be considered, with specific implementation plan put forward by mid-2023.
- The compulsory sale application thresholds for private buildings aged 50 or above and industrial buildings in non-industrial zoning aged 30 or above are proposed to be lowered to speed up the consolidation of property interests to facilitate urban renewal of old areas. Meanwhile, the requirements on compulsory sale applications covering abutting lots will be relaxed; the legal procedures for compulsory sale will be streamlined; and a dedicated office will be set up to provide additional support to affected minority owners.
- The Steering Committee on Land and Housing Supply will formulate and publish a 10-year forecast of supply of developable land on a yearly basis.

These measures and plans will address short-term public housing shortage and ensure a steady private housing supply while enhancing the quantity, speed, efficiency and quality in land production, thereby putting in place a long-term plan to steadily increase supply.