

LCQ7: Supply of various types of housing and their vacancy rates

Following is a question by Hon Chan Hoi-yan and a written reply by the Secretary for Transport and Housing, Mr Frank Chan Fan, in the Legislative Council today (March 20):

Question:

Regarding the supply of housing, will the Government inform this Council:

(1) of the respective numbers and vacancy rates of the various types of public and private residential units at present;

(2) whether it knows, regarding the residential developments the acquisition of which respectively by (i) the Urban Renewal Authority (URA) and (ii) the Hong Kong Housing Society (HKHS) has been completed and are awaiting redevelopment at present, the number of years for which they have been left vacant, as well as the timetable for the relevant redevelopment projects and the number of units to be supplied;

(3) whether it knows, regarding the vacated rental estates under HKHS which are awaiting redevelopment at present, the number of years for which they have been left vacant, as well as the timetable for the relevant redevelopment projects and the number of units to be supplied;

(4) of the number of transitional housing projects successfully facilitated by the Task Force on Transitional Housing since its establishment and the number of such kind of projects currently receiving support from the Task Force, and set out their locations, site areas, number of units to be supplied, average floor area of such units, as well as the number of years for which the relevant lands may be used for transitional housing; and

(5) whether it will form a working group with URA and HKHS to explore the provision of transitional housing by making use of vacant lands and vacant properties; if so, of the details; if not, the reasons for that?

Reply:

President,

Having consulted the Development Bureau, I set out below my consolidated reply to the question raised by the Hon Chan Hoi-yan.

(1) The latest information on various types of public and private housing is as follows:

According to the records of the Hong Kong Housing Authority (HA) and the Hong Kong Housing Society (HKHS), as at the fourth quarter of 2018, there

were about 825 200 public rental housing (PRH) units (Note 1) and 410 500 subsidised sale flats (SSFs) (Note 2).

As at end-December 2018, the number of HA's lettable PRH units was around 784 000. The number of lettable vacant flats was about 6 700 and the vacancy rate was about 0.8 per cent (Note 3). For HKHS, as at end-December 2018, the number of lettable rental units was about 32 000. The number of lettable vacant rental units was about 250 and the vacancy rate was about 0.8 per cent (Note 4). The Government does not have information on the vacancy rate of SSFs.

As for private housing, according to the preliminary figures (Note 5) of the Rating and Valuation Department (RVD), the stock of private residential units was 1 194 000 as at end-2018. The vacancy rate was 4.3 per cent, which was lower than the longstanding average vacancy rate of 5 per cent during the period from 1998 to 2017.

(2) HKHS does not have any residential development the acquisition of which has been completed and is awaiting redevelopment at present.

The projects of the Urban Renewal Authority (URA) where acquisition has commenced and the date of delivery of vacant possession has expired but demolition works have yet to commence are set out in Annex 1.

(3) Under its two-pronged approach, HKHS has on the one hand carried out rehabilitation works for its aged rental estates, including installing lifts, upgrading security and fire safety systems, improving the appearance of exterior walls and lobbies, etc. On the other hand, HKHS has taken forward its redevelopment programmes in an orderly and gradual manner having regard to the building conditions and availability of appropriate rehousing resources in the vicinity of the estates. Undergoing or planned redevelopment projects of HKHS include Ming Wah Dai Ha, Yue Kwong Chuen, Kwung Tong Garden Estate Site II and Chun Seen Mei Chuen. Details are at Annex 2.

In an effort to increase the supply of transitional housing by optimising the use of existing rental housing resources, HKHS launched in July 2018 its first "T-Home" Transitional Housing Scheme. Under the Scheme, 217 small-sized flats which had been vacated under Phase I of redevelopment programme of Yue Kwong Chuen and are estimated to be demolished after five years were refurbished by HKHS and made available for eligible persons who had been waiting for PRH for a certain period of time for temporary stay.

Phase I of redevelopment programme of Ming Wah Dai Ha is estimated to be completed in 2019-20. The newly completed rental units will be used for rehousing existing households affected by Phase II of the redevelopment programme, so as to facilitate the commencement of HKHS's demolition works of Phase II. Currently, there are around 200 units which have been vacated under Phase II of redevelopment programme and are estimated to be demolished one year later.

Vacant rental units in the other two rental estates of HKHS which are awaiting redevelopment (i.e. Kwun Tong Garden Estate Site II and Chun Seen

Mei Chuen) are allocated to eligible PRH applicants under the established mechanism. There is no vacant rental unit which can be converted to transitional housing. HKHS will continue to streamline redevelopment processes as far as possible, so as to optimise the use of existing rental housing resources by minimising the number of vacant rental units awaiting redevelopment and shortening the vacancy period.

(4) and (5) The Government has been addressing the problem of inadequately housed households (IHHs) amongst the low-income families by increasing the supply of PRH. As pointed out in the Chief Executive's 2017 and 2018 Policy Addresses, since it takes time to identify land for housing construction, the Government will, on top of the long-term housing policy and measures, support and facilitate the implementation of various short term initiatives put forward and carried out by the community to provide transitional housing for alleviating the hardship faced by families awaiting PRH and other IHHs. To this end, the Transport and Housing Bureau (THB) has set up a task force to provide one-stop co-ordinated support to facilitate the implementation of transitional housing projects by the community.

The Task Force on Transitional Housing (the Task Force) has, over a period of time in the past, facilitated the implementation of a number of transitional housing projects initiated by the community, including several projects in existing vacant residential buildings through the "Community Housing Movement" operated by the Hong Kong Council of Social Service (HKCSS). The organisations responsible for these projects have made use of community resources flexibly to provide transitional housing, and, at the same time, appropriate support to meet the needs of the tenants. As at February 2019, a total of nine transitional housing projects provided about 610 units, of which about 220 were launched under the "Community Housing Movement" of HKCSS. Details of these projects are set out in Annex 3.

The Task Force has also been deliberating on other proposals, but given that these projects are currently still at their advocacy stages, the Government considers it more appropriate to defer to the proponents to announce these projects when they have reached a more mature stage.

The Task Force meets with different organisations (including HKHS and URA) from time to time to discuss ways to increase the supply of transitional housing. The Task Force also welcomes organisations in the community to suggest potential sites for transitional housing.

Note 1: Including (i) PRH units and interim housing units under HA; and (ii) rental flats and Senior Citizen Residences Scheme flats under HKHS.

Note 2: Including (i) HA's Home Ownership Scheme (HOS), Private Sector Participation Scheme, Middle Income Housing Scheme, Buy or Rent Option Scheme, Mortgage Subsidy Scheme, Green Form Subsidised Home Ownership Pilot Scheme, Tenants Purchase Scheme flats sold with premium not yet paid and 14 unsold HOS flats arising from rescinded cases, as well as (ii) HKHS' Flats-for-Sale Scheme, Sandwich Class Housing Scheme and Subsidised Sale Flats Projects flats sold with premium not yet paid; but excluding those flats sold

by HA and HKHS but not yet completed and the 322 flats provided by URA on a one-off basis in 2015/16.

Note 3: Vacancy rate refers to the percentage of lettable vacant units (excluding those units which have been offered for PRH applicants' consideration and are expected to be let out in the short term) out of the total lettable PRH stock.

Note 4: Not including units affected by demolition and units awaiting alteration.

Note 5: firmed figures will be published in RVD's "Hong Kong Property Review 2019" in April 2019.