

LCQ7: Small House Policy

Following is a question by the Hon Kenneth Lau and a written reply by the Secretary for Development, Mr Michael Wong, in the Legislative Council today (April 21):

Question:

According to the Small House Policy (the Policy), a New Territories male indigenous villager over 18 years old is entitled to one concessionary grant during his lifetime to build one small house. However, following a judgment handed down by the Court of First Instance of the High Court on April 8, 2019 on a judicial review case of the Policy, the Government suspended the receipt and processing of applications for building small houses on government land by way of Private Treaty Grant (PTG) and Land Exchange. In a judgment handed down on January 13, 2021 on the appeals against the ruling of the said case, the Court of Appeal ruled that the arrangements of Free Building Licence, PTG and Land Exchange under the Policy are lawful traditional rights and interests of the indigenous villagers of the New Territories within the meaning of Article 40 of the Basic Law, and are lawful and constitutional. The Government subsequently resumed on February 22, 2021 the receipt and processing of the aforesaid applications. In this connection, will the Government inform this Council:

(1) of the respective numbers of applications for building small houses which were (i) received, (ii) approved, (iii) rejected and (iv) being processed by the Government in each of the past ten years, and set out in the table below a breakdown by the aforesaid three ways of small house grant;

Year	Free Building Licence				PTG				Land Exchange			
	(i)	(ii)	(iii)	(iv)	(i)	(ii)	(iii)	(iv)	(i)	(ii)	(iii)	(iv)

(2) of a breakdown of the number of rejected applications mentioned in (1) by reason; if such figures are unavailable, whether it will compile such statistics;

(3) of the respective numbers of applications for building small houses awaiting to be processed which were submitted to the Government (i) within the period from April 8, 2019 to February 21, 2021 and (ii) on or after February 22, 2021, with a breakdown by the aforesaid three ways of small house grant; and

(4) of the measures in place to expedite the vetting and approval of applications for building small houses?

Reply:

President,

(1) The statistics of various small house applications in the past 10 years is set out in the table below:

Year	Free Building Licence (Note 1-4)				Private Treary Grant (PTG)(Note 1-4)				Land Exchange (Note 1-4)			
	(i)	(ii)	(iii)	(iv)	(i)	(ii)	(iii)	(iv)	(i)	(ii)	(iii)	(iv)
2011	1736	935	667	4330	629	89	368	2482	9	17	7	83
2012	2074	935	681	4834	553	159	496	2230	63	27	13	111
2013	2012	836	664	4828	520	147	290	2240	34	28	26	108
2014	2031	980	818	6228	457	109	358	2256	34	25	17	85
2015	1944	848	817	6528	583	125	432	2180	20	16	14	92
2016	878	728	707	6911	396	104	362	2148	23	26	11	86
2017	785	720	782	6301	309	74	268	2171	35	24	11	76
2018	973	724	751	5981	372	86	326	2173	5	20	3	69
2019 (Note 5)	1637	547	674	6396	517	13	133	0	21	5	8	23
2020 (Note 5)	814	277	553	7091	0	0	11	0	0	1	3	22

Note 1: (i) the number of small house applications received, (ii) the number of small house applications approved, (iii) the number of small house applications rejected, and (iv) the number of small house applications being processed as at December 31 in that year.

Note 2: As the processing of applications received in a year may not be completed in the same year, the applications approved, rejected and being processed in a year may not correspond with the applications received during the same year.

Note 3: The figures in item (iii) include the number of small house applications withdrawn by the applicants.

Note 4: The figures in item (iv) exclude the number of applications received but pending processing.

Note 5: In light of the judgment handed down by the Court of First Instance (CFI) on April 8, 2019 on the judicial review of the Small House Policy, the Lands Department (LandsD) suspended the receipt and processing of applications for government land to build small houses by way of PTG and Land Exchange between April 8, 2019 and February 21, 2021.

(2) In general, the main reasons for rejecting small house applications include the applicant not being the sole legal registered owner of the lot under application, the lot involving land title/boundary problems or the land registration process pending completion, or the application failing to fulfil the technical requirements under the regulatory regimes of other government departments, etc. The LandsD at present does not compile statistics on the reasons for rejecting small house applications, but will actively consider compiling such statistics on applications rejected in future.

(3) The breakdown of the number of small house applications received by the LandsD within the two periods specified below are listed as follows:

	Free Building Licence	PTG	Land Exchange
From April 1, 2019 to February 21, 2021	1670	0 (Note 6)	1 (Note 6)
From February 22, 2021 to March 31, 2021	70	30	0

Note 6: In light of the judgment handed down by the CFI on the judicial review of the Small House Policy, the LandsD suspended the receipt and processing of applications for government land to build small houses by way of PTG and Land Exchange between April 8, 2019 and February 21, 2021. Therefore, the small house applications received in the period does not include these two types of applications.

(4) The time taken by the LandsD to process each small house application will vary depending on the complexity of issues involved in each application, such as whether there are local objection, land title or boundary problems, or whether there are requirements to be fulfilled in advance under other regulatory regimes. The LandsD, through the standing communication channel with the Heung Yee Kuk, will continue to keep in view its work in processing small house applications and streamline the process where necessary with a view to shortening the time required.