

## **TASK FORCE ON LAND SUPPLY**

### **Village Type Development in the New Territories**

#### **PURPOSE**

This paper provides Members with an overview of the land zoned village type development in the New Territories (NT) and the factors which may be relevant when considering the question as to whether such land could be better utilised for more intensive development.

#### **BACKGROUND**

##### ***Small House Policy***

2. Under the Small House Policy, in general, a male indigenous villager aged 18 years old or above who is descended through the male line from a resident in 1898 of a recognised village in NT may apply to the authority for permission to build for himself a small house on a suitable site within his own village once during his lifetime<sup>1</sup>. At present, there are a total of 642 recognised villages in the territory.

3. Since the implementation of the Small House Policy in 1972, as at September 2017, the Lands Department (“LandsD”) had executed a total of 42 131 small house grants, with 8 823 applications being processed and 2 707 applications pending processing. Based on the small house applications approved in the past 10 years (i.e. between 2007 and 2016), about 86% of the cases involved private land granted by way of Building License. Government land granted by way of Private Treaty Grant took up about 11% while less than 3% of the approved applications

---

<sup>1</sup> If the villager has his own land, he can apply for a Building License to build a small house on his own land or exchange his land with Government. If he does not own any land, he can apply for a Private Treaty Grant on government land, if available. At present, a small house should not exceed three storeys and have a roofed-over area of not exceeding 65.03m<sup>2</sup>.

involved land exchange.

### ***VE and “V” Zones***

4. In general, the construction of small houses is restricted to areas within the Village Environs (“VE”) delineated administratively, as well as the Village Type Development (“V”) zone as stipulated in statutory town plans. VE refers to the area within a 300-foot radius from the edge of the last Village Type House built in the recognised village before the introduction of the Small House Policy on 1 December 1972. Separately, land within “V” zones on statutory town plans is primarily intended for development of small houses by indigenous villagers. “V” zones are drawn up having regard to a series of planning factors including the location of existing villages, the delineation of VE, the local topography, the existing settlement pattern, site characteristics, the surrounding environment, environmental, transport and other infrastructural constraints, as well as the estimate of demand for small houses in the coming 10 years<sup>2</sup>. The boundaries of “V” zones may not necessarily coincide with those of VEs.

5. Currently, there are about 700 “V” zones with a total area of about 3,380 hectares (ha) mainly distributed across the 642 recognised villages (**Plan 1**). As at October 2017, about 60 % of land on “V” zones is under private ownership, while about 40% are on government land. **Annex 1** provides a breakdown of “V” zones by district. From time to time, there is misunderstanding that over 900 ha of unleased and unallocated government land within “V” zones (based on statistics on such unallocated and unleased land compiled in 2012) is lying idle and wasted. It should be noted that a considerable portion of the land involve empty spaces or passageways between existing small houses, slopes, and other fragmented or irregular land parcels. Even if individual land parcels are relatively more complete in shape, their development potential may be confined by factors such as topography, area, existing infrastructural constraints, etc. **Annex 2** demonstrates with the illustration of two examples why not all the unallocated and unleased government land is suitable for small house development, let alone other types of developments.

---

<sup>2</sup> The ten-year forecast for small house demand is provided by the Village Representatives of individual villages for Government’s reference.

6. Applications from eligible indigenous villagers for building small houses within the relevant VE and “V” zone may be considered. Consideration may also be given to an application if the proposed small house site lies outside a VE but is located within a “V” zone on the relevant statutory plan, provided that the “V” zone concerned encircles or overlaps with the VE. As regards sites within a VE but outside of a “V” zone, depending on the requirements of the land use zone on which the proposed small house site lies, the applicant may apply for planning permission from the Town Planning Board (TPB), and the small house application may also be considered if a planning permission is granted.

7. From time to time, questions have been raised about the future demand for small houses. Under prevailing practice, relevant Village Representatives would be asked to provide a forecast of demand for small houses in the next ten years for consideration by Planning Department in drawing up “V” zones on statutory town plans or by TPB in vetting planning applications for small house development. That said, the information received is only one of the many factors to be taken into account by the Planning Department and TPB in dealing with the cases. In practice, the implementation of the Small House Policy is subject to availability of land an indigenous villager can apply for building a small house and is not driven by the estimation of the number of eligible indigenous villagers.

## **DEVELOPMENT POTENTIAL AND CONSTRAINTS OF “V” ZONES**

8. There is concern about the sustainability of the Small House Policy when land suitable for accommodating low-rise 3-storey houses is not unlimited. Questions have also been raised as to whether small house development is an optimal use of scarce land resources in the light of the general public’s keen demand for residential housing (including public and private housing).

### ***Village Expansion Area***

9. To provide for better planning of village developments and to cater for the housing needs of the indigenous villagers who do not own land, the Village Expansion Area (VEA) scheme was introduced in 1981. Under the VEA scheme, the Government would form suitable sites (on government land and resumed private land) in accordance with village

layout plans, and eligible villagers may apply for Private Treaty Grants of Government land to build small houses. Over the years, the Government has developed 36 VEAs for provision of around 2 000 small house sites, of which close to 1 800 small houses were approved. While the development of new VEAs have been frozen since 1999 pending a review of the Small House Policy, there have been suggestions that the VEA scheme, compared to isolated, ad hoc applications for small houses on scattered sites, does provide for better layout and infrastructural planning as well as better utilization of land within a “V” zone.

### ***Increasing development intensity of small house developments***

10. The development intensity of “V” zones is by their nature low with each building restricted to three storeys (8.23 metre (m)). In view of scarcity of land, there have been suggestions to increase the development intensity of “V” zones by allowing “high rise” small house developments, thereby achieving more optimal land use with the same amount of land, and serving the same policy objective of catering to the needs of indigenous villages.

11. In exploring the possibility for more dense residential development in “V” zones, as with other new housing development, a key consideration is whether the capacity of the existing transport network, infrastructure (e.g. water, sewage) and other “Government, Institution or Community” (G/IC) facilities in the surrounding can absorb the additional population, and (if not) whether it is technically feasible to enhance the capacity suitably. It is worth noting that in devising “V” zone, as mentioned in paragraph 4 above, a range of factors including the location of individual villages, compatibility with the surrounding land uses, urban design, environmental and topographical constraints, the provision of infrastructure, etc. has already been taken into account. Proposed increase to the development intensity by permitting “high rise” small house developments, even without any change to the site area, would require detailed technical assessments to confirm the feasibility.

12. Planning consideration aside, it is noted that some in the community may debate whether such “high rise” developments would go against the rural setting expected for indigenous villages under the Small House Policy.

13. Currently, existing small village houses meeting, inter alia, the dimension requirement of the Buildings Ordinance (Application to the New Territories) Ordinance (Cap. 121) are exempt from certain provisions of the Buildings Ordinance (Cap. 123) and its subsidiary regulations, especially those concerning the need to obtain prior approval and consent to the commencement of works from the Buildings Department. Any proposed changes to the development model of small houses will likely result in the structures deviating from the requirements as stipulated in the existing Cap. 121, thus rendering them subject to the full building control regime under Cap. 123. This implies that such “small house” developments would need to adhere to all building requirements which apply to other typical residential developments, such as building heights, site coverage, plot ratio, lighting and ventilation, etc., unless another specified scheme or statutory control is devised for these intensified “small house” developments.

#### ***Upzoning of “V” zones to alternative uses***

14. Other than piecemeal approach to increasing development intensity of individual site in “V” zones, there is suggestion that consideration should be given to bring about major changes to the “V” zones which occupy a vast area of relatively flat land in the NT, through converting “V” zones to other land uses of higher density not bearing any relationship to the Small House Policy. One argument for such upzoning is to provide opportunity for comprehensive review and enhancement in the development potential of the land in “V” zones, similar to the approach for developing concentrated brownfield sites in the NT or even New Development Area (NDA), in order to provide the necessary infrastructural upgrading in support of high-density housing and other land-efficient uses.

15. Given the scattered and irregular parcels of land within “V” zones, to unleash the full development potential of the area and for major infrastructural works, extensive land resumption and clearance are inevitable, involving compensation and rehousing for eligible land owners and households in the villages. Such upzoning and transformation of “V” zones, if so pursued, will require detailed studies and assessments to confirm the feasibility of all aspects. Coupled with the necessary statutory processes in rezoning, road gazettal and environmental impact assessment, the proposed conversion of “V” zones would most probably take no less than 10 years to complete before the land could become developable for high-density developments.

16. In addition to the above planning and technical considerations, any proposal on the upzoning of “V” zones to the extent of releasing the land for alternative uses should be considered in the light of the Small House Policy. As mentioned above, “V” zones are mainly intended for small houses development by indigenous villagers. Reducing the number or area of “V” zones would call into question whether a similar amount of land is required for relocating or accommodating villagers, thus leading to a zero-sum game in terms of land supply.

### ***Revisiting the Small House Policy***

17. There are views suggesting that the Small House Policy should be reviewed, having regard to the prevailing circumstances of Hong Kong. Some opine that, in view of acute shortage of land and housing, it would not be sustainable to cater for the self-perpetuating demand for land for small house development in the long run.

18. The existing Small House Policy has been in operation for a long period of time. Any review inevitably involves complicated issues in aspects such as legal, environment, land use planning and demand on land, as highlighted above; all of which require careful examination. For any proposed change to the Small House Policy, it will likely be a subject of intense debate and controversy that would take time to resolve. Separately, given that the Small House Policy is currently subject to a judicial review, the Government is not in a position to make any public comment on issues that may prejudice its handling of the case.

### **ADVICE SOUGHT**

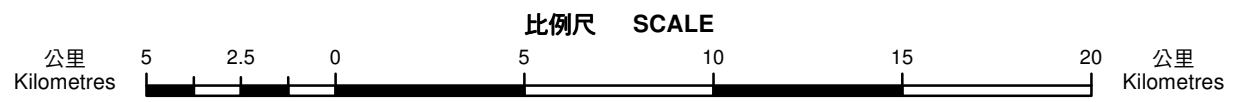
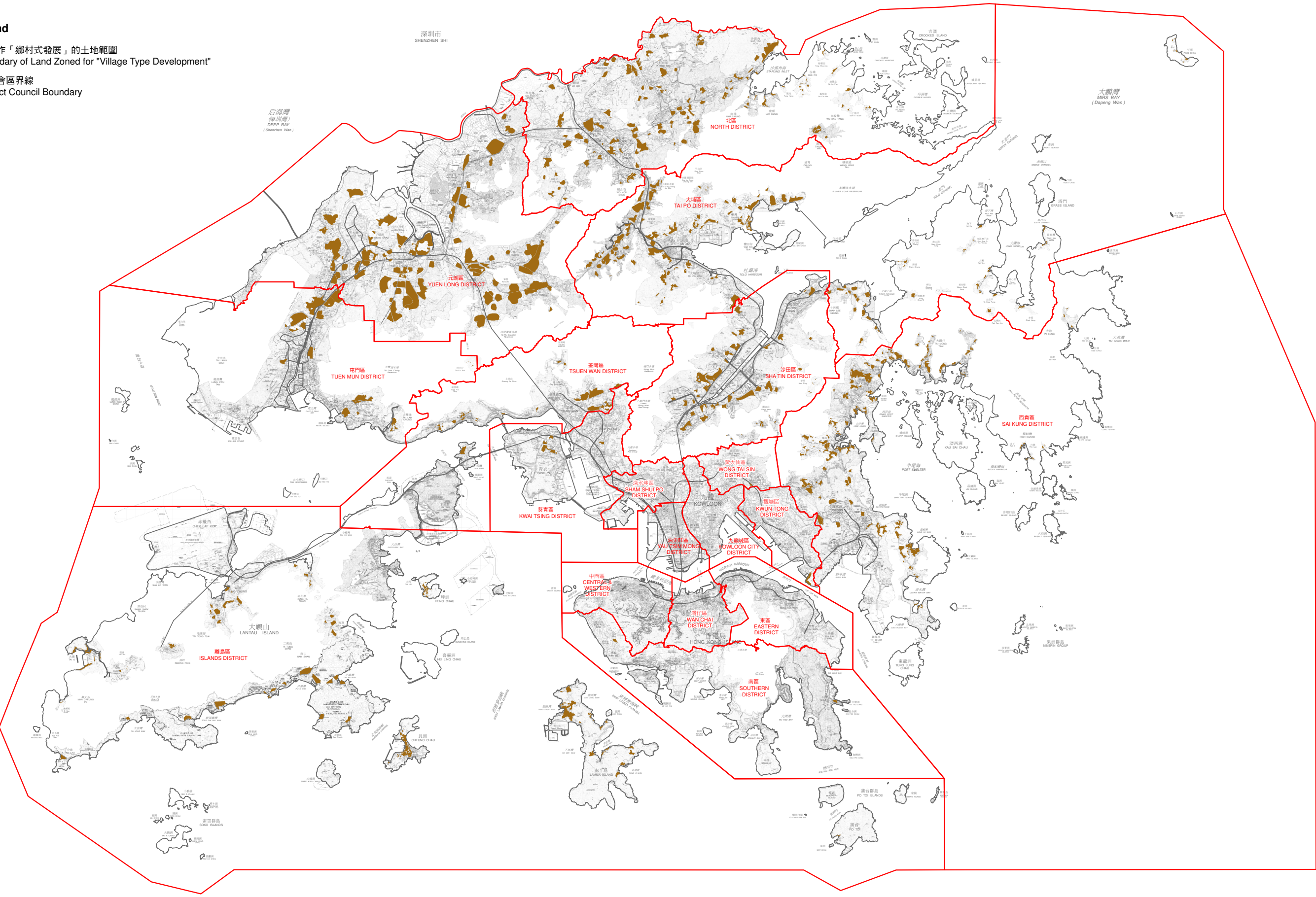
19. Members are invited to note and offer comments on the development potential and challenges in the planning and development of land zoned village type development in NT.

**Development Bureau**  
**14 December 2017**

「鄉村式發展」地帶的分佈  
Distribution of "Village Type Development" Zone

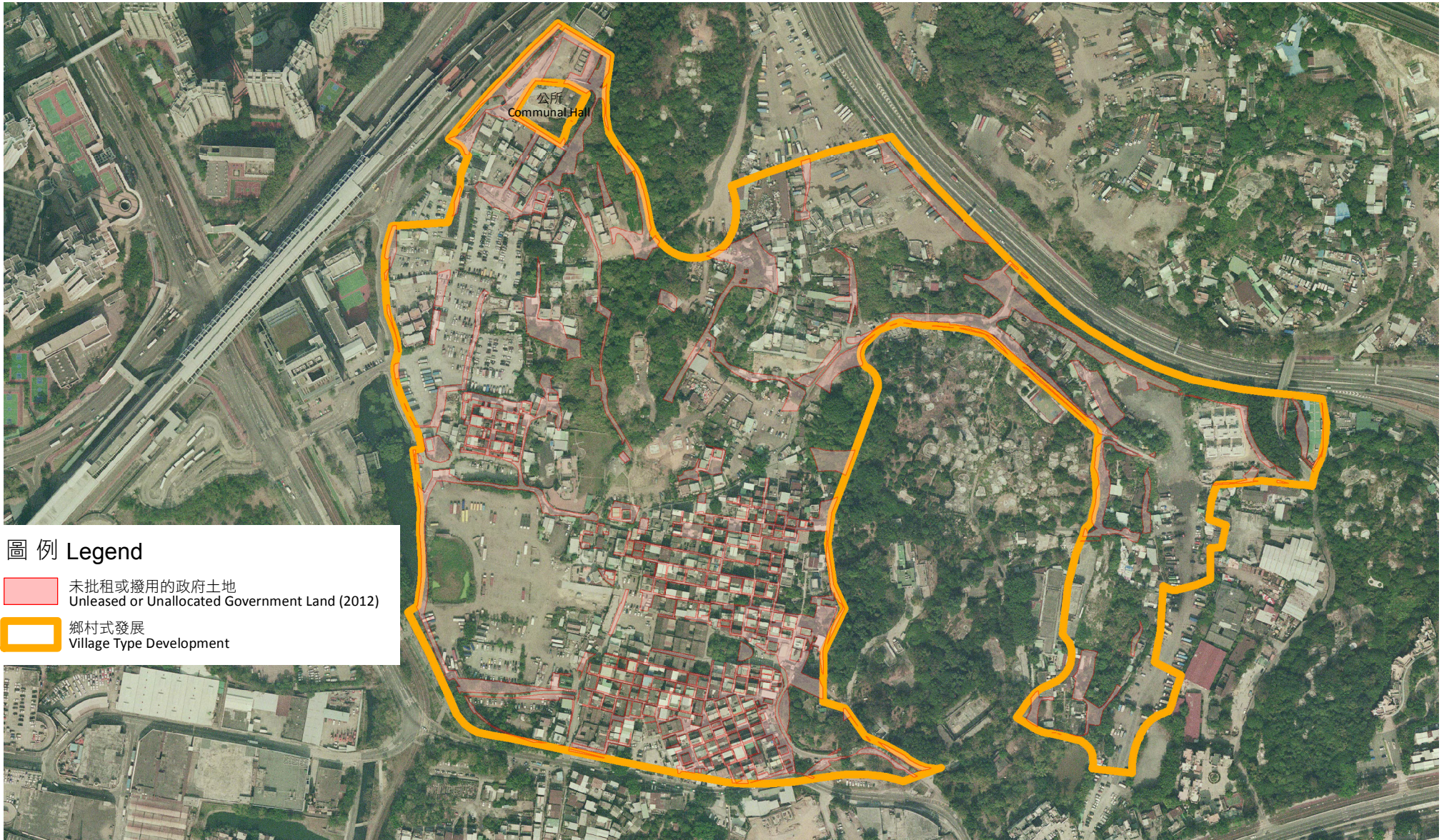


- 圖例 Legend
- 規制作「鄉村式發展」的土地範圍  
Boundary of Land Zoned for "Village Type Development"
  - 區議會區界線  
District Council Boundary



**Area of Village Type Development (“V”) zone by District Council**  
(as at 29 Nov 2017)

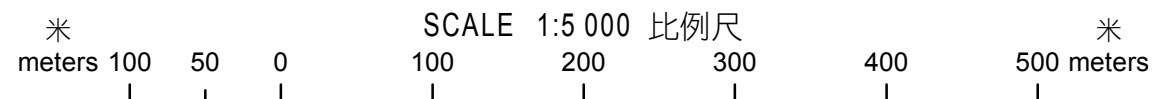
<b>District Council</b>	<b>Total Area (ha)</b>
Islands District	266
Kwai Tsing District	20
Kwun Tong District	8
North District	503
Sai Kung District	349
Sha Tin District	219
Southern District	5
Tai Po District	448
Tsuen Wan District	96
Tuen Mun District	226
Wong Tai Sin District	1
Yuen Long District	1,236
<b>Total :</b>	<b>3,378</b>



圖例 Legend

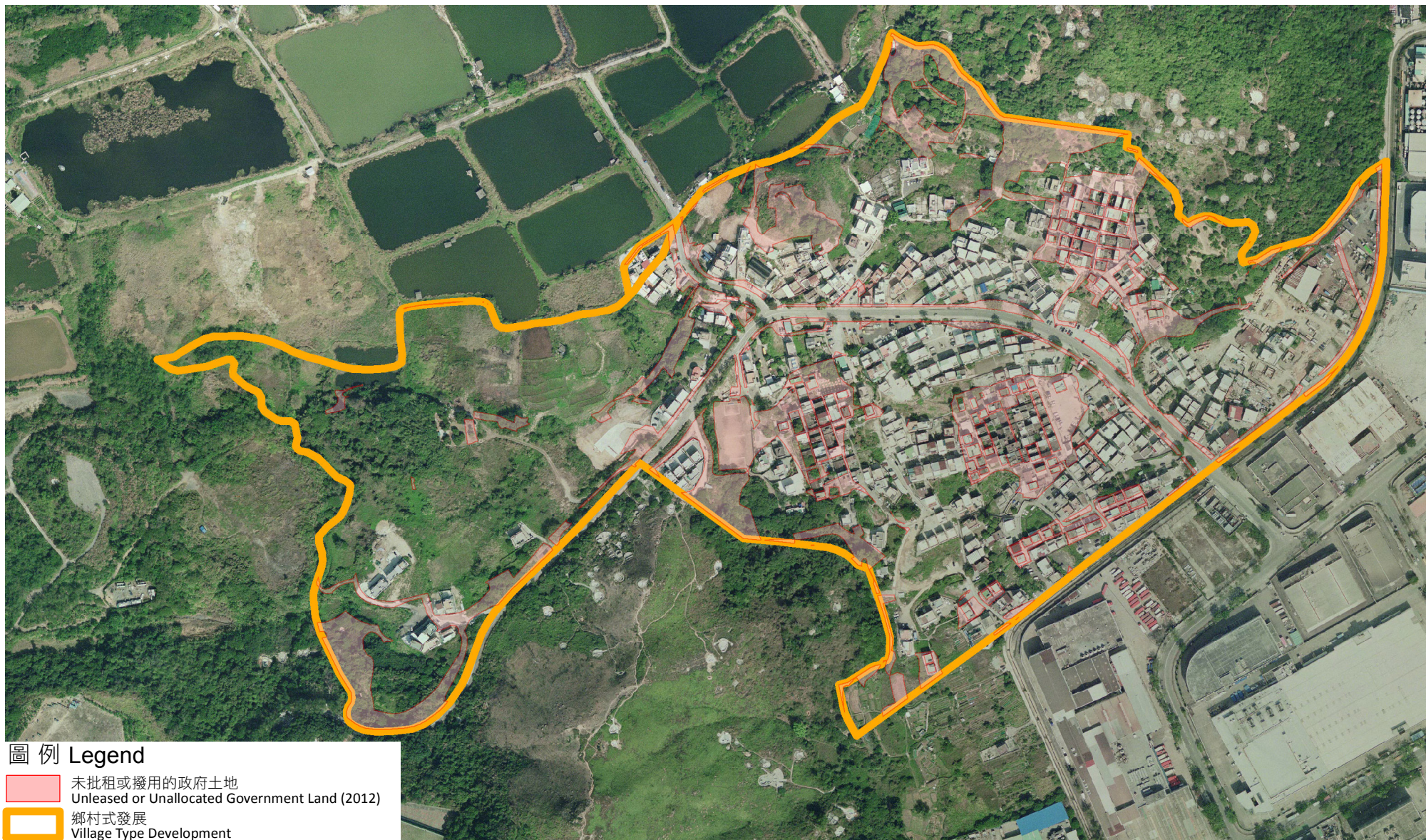
-  未批租或撥用的政府土地  
Unleased or Unallocated Government Land (2012)
-  鄉村式發展  
Village Type Development

航空照片 Orthophoto (Dec. 2015 Release)



只作識別用  
FOR IDENTIFICATION PURPOSES ONLY

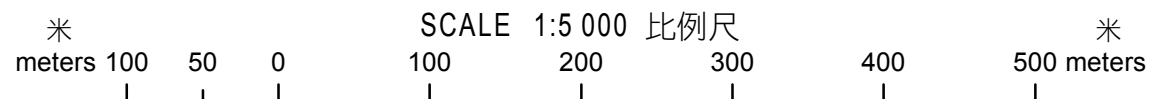
# 元朗大井圍 Tai Tseng Wai, Yuen Long



## 圖例 Legend

-  未批租或撥用的政府土地  
Unleased or Unallocated Government Land (2012)
-  鄉村式發展  
Village Type Development

航空照片 Orthophoto (Dec. 2015 Release)



只作識別用  
FOR IDENTIFICATION PURPOSES ONLY

日期 Date : 13/12/2017