

TOWN PLANNING BOARD

TPB Paper No. 11053

**For Consideration by
the Town Planning Board on 20.3.2026**

**REVIEW OF APPLICATIONS NO. A/NE-LYT/862 AND 863
UNDER SECTION 17 OF THE TOWN PLANNING ORDINANCE**

**Proposed House (New Territories Exempted House (NTEH) - Small House)
in
“Agriculture” and “Village Type Development” zones**

Lot 691 S.D in D.D. 83, Kwan Tei Village, Fanling

&

**Proposed House (New Territories Exempted House (NTEH) - Small House)
in
“Agriculture” zone**

Lot 691 S.E in D.D. 83, Kwan Tei Village, Fanling

REVIEW OF APPLICATIONS NO. A/NE-LYT/862 AND 863
UNDER SECTION 17 OF THE TOWN PLANNING ORDINANCE

**Proposed Houses (New Territories Exempted Houses (NTEHs) - Small Houses)
in “Agriculture” (“AGR”) and “Village Type Development” (“V”) zones**

Lots 691 S.D and 691 S.E in D.D. 83, Kwan Tei Village, Fanling, New Territories

1. Background

- 1.1 On 9.10.2025, the applicants, Messrs. PANG Chung Yin and PANG Wai Kwan both represented by Mr. HUI Kwan Yee, sought planning permission to build a Small House on each of the application sites (the Sites) under section 16 (s.16) of the Town Planning Ordinance (the Ordinance). The Site of application No. A/NE-LYT/862 falls within an area mainly zoned “AGR” (about 98.7%) with a very minor portion zoned “V” (about 1.3%), and that of application No. A/NE-LYT/863 falls entirely within an area zoned “AGR” on the approved Lung Yeuk Tau and Kwan Tei South Outline Zoning Plan (OZP) No. S/NE-LYT/19 (**Plans R-1 and R-2a**).
- 1.2 On 5.12.2025, the Rural and New Town Planning Committee (RNTPC) of the Town Planning Board (the Board) decided to reject the applications and the reasons for each of them were:
- (a) the proposed development was not in line with the planning intention of the “AGR” zone which was primarily to retain and safeguard good quality agricultural land/farm/fish ponds for agricultural purposes and to retain fallow arable land with good potential for rehabilitation for cultivation and other agricultural purposes. There was no strong planning justification in the submission for a departure from the planning intention; and
 - (b) land was still available within the “V” zone of Kwan Tei which was primarily intended for Small House development. It was considered more appropriate to concentrate the proposed Small House developments within the “V” zone for more orderly development pattern, efficient use of land and provision of infrastructures and services.
- 1.3 For Members’ reference, the following documents are attached:
- (a) RNTPC Paper No. A/NE-LYT/862 and 863 (Annex A)
 - (b) Extract of minutes of the RNTPC meeting held on 5.12.2025 (Annex B)
 - (c) Secretary of the Board’s letter dated 19.12.2025 (for application No. A/NE-LYT/862) (Annex C1)
 - (d) Secretary of the Board’s letter dated 19.12.2025 (for application No. A/NE-LYT/863) (Annex C2)

2. Applications for Review

On 8.1.2026, the applicants, applied under section 17(1) of the Ordinance, for review of RNTPC's decisions to reject the applications with support of written representations (**Annexes D1** and **D2**). Subsequently, Further Information (FI) submitted by the applicants was received on 6.3.2026* (**Annex D3**).

* *accepted and exempted from publication and recounting requirements*

3. Justifications from the Applicants

The justifications put forth by the applicants in support of the review of applications are detailed in the written representations and the FI at **Annexes D1** to **D3**, and summarised below:

- (a) the Sites are the subject of a previous application (No. A/NE-LYT/517) submitted by different applicants¹ for development of two Small Houses, which was approved by the RNTPC in October 2013. The applicants acquired the Sites in 2016 and 2018 respectively, and subsequently submitted Small House grant applications to the Lands Department (LandsD) in 2018². The current applicants only became aware in August 2025 that their Small House grant applications were rejected by LandsD as they could no longer be processed due to the Sites not being covered by valid planning permission. Upon obtaining planning permissions from the Board, the applicants will promptly re-submit fresh Small House grant applications to LandsD in order to resume the application process;
- (b) there are Small House developments with planning permissions approved by LandsD to the immediate southwest of the Site (i.e. Lots 691 S.G, 691 S.H and 691 S.I in D.D. 83). Furthermore, there are other approved similar applications (No. A/NE-LYT/832 and 858) for Small House developments in the immediate vicinity of the Sites (i.e. Lots 690 S.A and 691 S.B in D.D. 83) (**Plan R-2a**); and
- (c) approval of the applications will not lead to further encroachment of the existing village cluster onto the subject "AGR" zone. Besides, sympathetic consideration should be given to the applications, having regard to the decision of the recently allowed appeal case (Town Planning Appeal No. 3 of 2024 (3/2024)) for Small House development³.

¹ Application No. A/NE-LYT/517 was submitted by Messrs. CHUNG Chor Leung and CHUNG Yiu Hang, who claimed themselves to be indigenous villagers of Ma Wat Tsuen (Lung Yeuk Tau), Fanling Heung.

² The Small House grant applications were submitted during the validity period of the planning permission under previous application (No. A/NE-LYT/517).

³ The subject appeal (No. 3/2024) was lodged against the Board's decision on review of a s.16 application (No. A/NE-TK/793) for a proposed Small House at a site zoned "Green Belt" ("GB") on the Ting Kok OZP. The application was rejected by the Board on review on 12.7.2024 for reasons that it was not in line with the planning intention of the "GB" zone; and land was still available within the concerned "V" zone for Small House development. The appeal was subsequently allowed by the Town Planning Appeal Board (TPAB) on 23.12.2025. Amongst others, the TPAB was of view that a flexible and common-sense interpretation of "infill site" under the Interim Criteria should be adopted. The Board should examine all the circumstances of the case, including in particular the location of the Site, the state of development of its neighbouring lands and the general condition of its surroundings. If permitting development of the site would not carry any real risk of urban sprawl, and the development permitted by the planning application was in line with the existing or permitted developments of the neighbourhood, a case of "sympathetic consideration" with the meaning of Criterion (d) of the Interim Criteria would likely have been made out. The appeal decision is available on the TPAB's website (<https://www.tpab.gov.hk/en/decisions/index.html>) for public inspection.

4. **The Section 16 Applications**

The Sites and their Surrounding Areas (Plans R-1 to R-4b)

- 4.1 The situation of the Sites and the surrounding areas at the time of consideration of the s.16 applications by the RNTPC were described in paragraphs 7.1 and 7.2 of **Annex A**. There has been no material change in the situation of the Sites and the surrounding areas since then, except that the processing of the Small House grant applications at the adjoining vacant sites to the immediate west and south of the Sites, with valid planning permissions, has been advanced to the next stage, as detailed in paragraph 5.2.2(e) below.
- 4.2 The Sites are:
- (a) generally hard-paved and currently vacant; and
 - (b) located entirely within the village ‘environs’ (‘VE’) of Kwan Tei, and generally nestled among village houses and domestic structures in the immediate surroundings.
- 4.3 The surrounding areas are of rural landscape character predominated by village houses/domestic structures, and intermixed with active/fallow farmland, vacant land, tree groups and vegetated areas:
- (a) to the immediate north adjoining the Sites is the “V” zone of Kwan Tei, where Small House/NTEH development is always permitted;
 - (b) to the immediate east, southeast and southwest are existing village houses within or straddling the subject “AGR” zone, all of which were the subject of planning permissions for Small House development granted by the Board;
 - (c) to the immediate south and west are two recently approved planning applications (No. A/NE-LYT/832 and 858) for Small House developments, with their Small House grant applications under active processing by LandsD since 2016⁴. To the south adjoining the site of application No. A/NE-LYT/832 is the vacant area falling outside the ‘VE’ of Kwan Tei; and
 - (d) to the further south is the existing village proper of Fu Tei Pai within the concerned “V” zone on the same OZP.

Planning Intention

- 4.4 There has been no change in the planning intention of the “AGR” zone as mentioned in paragraph 8 of **Annex A**, which is primarily to retain and safeguard good quality agriculture land/farm/fish ponds for agricultural purposes. It is also intended to retain fallow arable land with good potential for rehabilitation for cultivation and other agricultural purposes.

⁴ Both sites were the subject of previous applications (No. A/NE-LYT/599 and 632) submitted by the same applicants as for applications (No. A/NE-LYT/832 and 858), which were first approved by the RNTPC in 2016. The latest planning permissions remain valid until August 2028 and September 2029 respectively.

Assessment Criteria

- 4.5 The set of Interim Criteria for Consideration of Application for NTEH/Small House in New Territories (the Interim Criteria) was first promulgated on 24.11.2000. The latest set of Interim Criteria promulgated on 7.9.2007 is at **Appendix II of Annex A**.

Previous Application

- 4.6 The Sites are the subject of a previous application (No. A/NE-LYT/517) submitted by different applicants for the development of two Small Houses. The application was approved with conditions by the RNTPC on 11.10.2013 (i.e. prior to the formal adoption of a more cautious approach by the Board in August 2015⁵) mainly on the considerations that the footprint of the proposed Small Houses fell entirely within the 'VE' of Kwan Tei and there was general shortage of land within "V" zone in meeting the Small House demand at the time of consideration; the proposed development was considered not incompatible with the surrounding land uses; and the proposed development would not have significant adverse impacts on the traffic, environment, drainage and landscape of the surrounding area. The validity of the planning permission has been extended but subsequently lapsed on 12.10.2020. Compared with the previous application, the major development parameters and footprint of the two proposed Small Houses under the current applications are generally the same.
- 4.7 Details of the previous application are summarised at **Appendix III of Annex A** and its location is shown on **Plans R-1 and R-2a**.

Similar Applications

- 4.8 When the s.16 applications were considered by the RNTPC on 5.12.2025, there were 24 similar applications involving 15 sites within/partly within the same "AGR" zone in the vicinity of the Sites since the first promulgation of the Interim Criteria on 24.11.2000. There has been no change in the number of similar applications since then.
- 4.9 Amongst these similar applications, 22 of them were approved by the RNTPC. Seven applications (No. A/NE-LYT/288, 390, 499, 510, 527, 553 and 563) were approved with conditions by the RNTPC between 2004 and 2015 (i.e. prior to the formal adoption of a more cautious approach by the Board in August 2015) mainly on the similar considerations as detailed in paragraph 4.6 above. Since then, 15 applications (No. A/NE-LYT/587, 588, 599, 603, 632, 682, 721, 722, 732, 790, 791, 809, 832, 844 and 858) were approved by the RNTPC, with or without conditions, between 2016 and 2025, mainly on sympathetic considerations that the application site was the subject of previous planning permission(s) and the relevant Small House grant applications were under active processing by LandsD; and/or there were Small House applications approved in the vicinity at different stages of development nearby.

⁵ Amongst others, in considering whether there is a general shortage of land in meeting Small House demand, more weighting should be put on the number of outstanding Small House applications provided by LandsD.

- 4.10 For the remaining two applications (No. A/NE-LYT/399 and 400), they were both rejected by the RNTPC in 2009 mainly on the ground of not complying with the Interim Criteria in that the application site entirely/largely fell outside the 'VE' and "V" zone of Kwan Tei.
- 4.11 Details of the similar applications are summarised at **Appendix IV** of **Annex A** and their locations are shown on **Plan R-2a**.

5. Comments from Relevant Government Departments

- 5.1 Comments on the s.16 applications made by relevant government departments are stated in paragraph 9 and **Appendix V** of **Annex A**. Their advisory comments, if any, are at **Appendix VI** of **Annex A** and recapped at **Annex E**.
- 5.2 For the review applications, relevant government departments have been further consulted and they maintain their previous views on the applications. The adverse views from the Director of Agriculture, Fisheries and Conservation (DAFC) and the updated comments from the District Lands Officer/North (DLO/N), LandsD are recapitulated and summarised in paragraphs 5.2.1 and 5.2.2 below.

Agriculture

5.2.1 Comments of DAFC:

he does not support the applications from agricultural perspective as the Sites possess potential for agricultural rehabilitation. There are agricultural activities in the vicinity, and agricultural infrastructures such as road access and water source are also available. The Sites can be used for agricultural activities such as open-field cultivation, greenhouses and plant nurseries.

Land Administration

5.2.2 Comments of DLO/N, LandsD:

- (a) the Sites fall within the 'VE' of Kwan Tei;
- (b) the Small House grant applications were submitted by the applicants on 8.6.2018, but were subsequently rejected on 25.8.2025 as the Sites were not covered by any valid planning permissions. The Sites are currently not the subject of any valid ongoing applications. The applicants claim to be indigenous villagers of Fanling, Fanling Heung. Their eligibility for Small House grant has yet to be ascertained;
- (c) the Sites are Old Schedule Agricultural Lot held under Block Government Lease;
- (d) the Sites are not covered by any Modification of Tenancy/Building Licence;

- (e) the Small House grant applications at Lots 690 S.A and 691 S.B in D.D. 83 (under applications No. A/NE-LYT/832 and 858) were received on 23.2.2016 and 10.6.2016 respectively, and are under processing. The departmental consultations for both applications have generally been completed. For Lot 690 S.A in D.D. 83, local consultation is currently in progress, as the notice for Small House application was posted on 6.3.2026. For Lot 691 S.B in D.D. 83, the posting of the notice for Small House application will be arranged shortly, subject to further site inspection; and
- (f) the total number of outstanding Small House applications for Kwan Tei is 35 (36 at the time of consideration of the s.16 applications), while the 10-year Small House demand forecast is 110 (the same at the time of consideration of the s.16 applications).

5.2.3 In view of the updated comments of DLO/N, LandsD, the assessment of the land required and land available for Small House development is as follows:

<u>Criteria</u>	<u>Yes</u>	<u>No</u>	<u>Remarks</u>
Sufficient land in “V” zone to meet Small House demand (outstanding Small House applications plus 10-year Small House demand)?		✓	<u>Land Required</u> Land required to meet Small House demand in Kwan Tei: about 3.63ha (equivalent to 145 Small House sites). The outstanding Small House applications is 35 ⁶ while the 10-year Small House demand is 110 ⁷ .
Sufficient land in “V” zone to meet outstanding Small House applications?	✓		<u>Land Available</u> Land available to meet the Small House demand within the “V” zone of Kwan Tei: about 2.47ha (equivalent to about 98 Small House sites) (Plan A-2b).

6. Public Comments Received During Statutory Publication Period

6.1 On 16.1.2026, the review applications were published for public inspection. During the statutory public inspection period, two public comments were received for each of the review applications (**Annexes F1 and F2**). One comment from an individual objects to both review applications on the ground that there is still available land for Small House developments within the

⁶ Among the 35 outstanding Small House applications, 24 fall within the “V” zone, and 11 straddle or fall outside the “V” zone. Out of 11, four have obtained valid planning approvals from the Board.

⁷ According to DLO/N, LandsD, the figure of 10-year Small House demand forecast is estimated and provided by the Indigenous Inhabitant Representative of the village concerned, which has not been verified by his office.

concerned “V” zone. One comment from the Chairman of Lung Shan Area Committee indicates no comment on both review applications.

- 6.2 At the s.16 application stage, three public comments for application No. A/NE-LYT/862 and two public comments for application No. A/NE-LYT/863 were received and set out in paragraph 10 of **Annex A**.

7. Planning Considerations and Assessments

- 7.1 The applications are for review of the RNTPC’s decisions on 5.12.2025 to reject the s.16 applications for proposed Small House development at each of the Sites largely or entirely zoned “AGR” on the OZP (**Plans R-1 and R-2a**) for the reasons stated in paragraph 1.2 above. To support the review applications, the applicants have submitted written representations as set out in paragraph 3 above. Having considered the written representations and the latest planning circumstances of the area, the planning assessments on the review applications are detailed below.

Planning Intention of the “AGR” Zone and Land Use Compatibility

- 7.2 The proposed developments are not in line with the planning intention of the “AGR” zone and DAFC maintains his previous adverse view of not supporting the current review applications from agricultural perspective as the Sites possess potential for agricultural rehabilitation. Nevertheless, the Sites are located within a cluster of existing and approved Small House developments. Taking into account the existing and approved Small House developments in the immediate surrounding areas as well as the decision of Town Planning Appeal No. 3/2024 as mentioned by the applicants (Footnote 3 above refers), the proposed Small House developments at the Sites, as discussed in paragraph 7.5 below, would pose no risk of urban sprawl or further encroachment onto the “AGR” zone, thereby frustrating the planning intention of the subject “AGR” zone.
- 7.3 The Sites, which are generally hard-paved and currently vacant, are situated on the southern fringe of the village proper of Kwan Tei and nestled among existing village houses/domestic structures in the immediate surroundings (**Plans R-4a and R-4b**). To the immediate north adjoining the Sites is the “V” zone of Kwan Tei, where Small House/NTEH development is always permitted. To the immediate east, southeast and southwest are existing village houses within or straddling the subject “AGR” zone, all of which were the subject of previous planning permissions for Small House developments granted by the Board. To the immediate west and south are two approved applications (No. A/NE-LYT/858 and 832) for Small House developments, with on-going Small House grant applications under active processing by LandsD since 2016 (**Plans R-2a and R-2b**). To the south adjoining the site of application No. A/NE-LYT/832 are vacant areas falling outside the ‘VE’ of Kwan Tei. To the further south is the “V” zone of Fu Tei Pai on the same OZP. The proposed developments are not incompatible with the surrounding areas of rural landscape character predominated by village houses/domestic structures and intermixed with active/fallow farmland, vacant land and tree clusters or vegetated areas. The Chief Town Planner/Urban Design & Landscape of Planning Department

(PlanD) has no adverse comments on the applications from landscape planning perspective, and advises that significant adverse impact on existing landscape resources within the Sites is not anticipated.

Interim Criteria

- 7.4 Regarding the Interim Criteria (**Appendix II of Annex A**), criteria (a) and (d) are relevant to the consideration of the current review applications. For the criterion (a), the footprints of the proposed Small Houses fall entirely within the ‘VE’ of Kwan Tei (**Plan R-2a**). While land available within the “V” zone (i.e. about 2.47ha of land or equivalent to about 98 Small House sites) is insufficient to fully meet the future Small House demand of 145 in Kwan Tei, it is sufficient to accommodate the outstanding 35 Small House application (36 at the time of consideration of the s.16 applications). It should be noted that the Board has formally adopted a more cautious approach in considering applications for Small House development since August 2015, and more weighting has been put on the number of outstanding Small House applications provided by LandsD.
- 7.5 Nevertheless, the Sites are the subject of a previous application (No. A/NE-LYT/517) for the development of two Small Houses, which was approved by the RNTPC in October 2013 but the planning permission subsequently lapsed in October 2020. It should be noted that the current applications with previous planning permission lapsed will be considered on its own merits in accordance with the criterion (d) of the Interim Criteria, and sympathetic consideration may be given if there are specific circumstances to justify the case. For the current review applications, while the Sites are not currently bounded by existing Small Houses/NTEHs from all sides, they are generally located within the existing cluster of Small Houses adjoining to the “V” zone of Kwan Tei to the immediate north as detailed in paragraph 4.3 above. Regarding the vacant areas to the immediate south and west of the Sites, which are covered by valid planning permissions (under applications No. A/NE-LYT/832 and 858) up to August 2028 and September 2029 respectively, DLO/N of LandsD advises that the relevant Small House grant applications have been actively processed since 2016, with departmental consultations generally completed, and local consultation either being in progress or to be conducted shortly. Both developments therefore have a reasonable prospect of materialising in the near future. Moreover, the Sites are also generally bounded by existing Small Houses or approved Small House developments (under applications No. A/NE-LYT/390, 499 and 832) to the immediate south (**Plan R-2a**), and along the boundary of the ‘VE’ of Kwan Tei. The Sites could generally be regarded as infill sites among existing NTEH/Small Houses under criterion (d). To the south adjoining the site of application No. A/NE-LYT/832 are vacant areas falling outside the ‘VE’ of Kwan Tei, where any further proliferations of Small House would normally not be approved in accordance with the Interim Criteria.
- 7.6 According to the records, the applicants’ Small House grant applications were submitted to LandsD in June 2018 during the validity period of planning permission under previous application. The Small House grant applications remained under processing by LandsD until they were subsequently rejected in August 2025 due to the expiry of planning permission. In the review applications, the applicants have committed to promptly re-submitting fresh Small House grant applications to LandsD in order to resume the process of the

applications under land administration regime, should the applications be approved by the Board.

Similar Applications

- 7.7 In response to the applicants' claim that there are similar applications for Small House developments approved by the RNTPC in the vicinity of the Sites, it should be noted that each planning application for Small House development would be considered on its individual merits, amongst others, that whether the Small House development fulfils the Interim Criteria. There are 24 similar applications falling within/partly falling within the same "AGR" zone in the vicinity of the Sites (**Plan R-2a**). Of the 22 approved applications, seven applications were approved prior to the formal adoption of a more cautious approach by the Board in August 2015, while 15 applications were approved by the RNTPC between 2016 and 2025 as detailed in paragraph 4.9 above. Owing to the special circumstances of the current review applications, approval of the applications would not set an undesirable precedent for other similar applications.

Relevant Government Departments' Comments

- 7.8 Other relevant government departments consulted including the Commissioner for Transport, Chief Engineer/Mainland North of Drainage Services Department, and Director of Fire Services maintain no adverse comment on or no objection to the current review applications.

Public Comments

- 7.9 Regarding the public comments on the review applications as mentioned in paragraph 6.1 above, the government departments' comments and the planning assessments above are relevant.

8. Planning Department's Views

- 8.1 Based on the assessments made in paragraph 7 above, having taken into account the public comments in paragraph 6.1 above, PlanD has no objection to each of the review applications.
- 8.2 Should the Board decide to approve the applications, it is suggested that the permission for each application shall be valid until 20.3.2030, and after the said date, the permission shall cease to have effect unless before the said date, the development permitted is commenced or the permission is renewed. The advisory clauses at **Annex E** are also suggested for Members' reference.
- 8.3 Alternatively, should the Board decide to reject the review applications, the following reasons for rejection is suggested for Members' consideration:
- (a) the proposed development is not in line with the planning intention of the "AGR" zone which is primarily to retain and safeguard good quality agricultural land/farm/fish ponds for agricultural purposes and to retain fallow arable land with good potential for rehabilitation for cultivation

and other agricultural purposes. There is no strong planning justification in the submission for a departure from the planning intention; and

- (b) land is still available within the “V” zone of Kwan Tei which is primarily intended for Small House development. It is considered more appropriate to concentrate the proposed Small House developments within the “V” zone for more orderly development pattern, efficient use of land and provision of infrastructures and services.

9. Decision Sought

- 9.1 The Board is invited to consider the applications for review of the RNTPC’s decision and decide whether to accede to the applications.
- 9.2 Should the Board decide to approve the review applications, Members are invited to consider the approval condition(s) and advisory clause(s), if any, to be attached to the permissions, and the date when the validity of the permissions should expire.
- 9.3 Alternatively, should the Board decide to reject the review applications, Members are invited to advise what reason(s) for rejections should be given to the applicants.

10. Attachments

Annex A	RNTPC Paper No. A/NE-LYT/862 and 863
Annex B	Extract of Minutes of the RNTPC Meeting held on 5.12.2025
Annexes C1 and C2	Secretary of Board’s letters dated 19.12.2025
Annexes D1 and D2	Letters Received by Board on 8.1.2026 from the Applicants applying for a Review of the RNTPC’s decision
Annex D3	FI received on 6.3.2026 (for both applications)
Annex E	Recommended Advisory Clauses
Annexes F1 and F2	Public Comments
Plan R-1	Location Plan
Plan R-2a	Site Plan
Plan R-2b	Estimated Amount of Land Available for Small House Development within “V” zone
Plan R-3	Aerial Photo
Plans R-4a and R-4b	Site Photos