

Supply of temporary HDB flats for families to double to 4,000 over next 2 years: Sim Ann

Close to 2,000 flats under the Parenthood Provisional Housing Scheme (PPHS) will be supplied by the end of this year, said Senior Minister of State for National Development Sim Ann.

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SINGAPORE: More flats will be set aside to temporarily house families, with the supply doubling to 4,000 units over the next two years, announced Senior Minister of State for National Development Sim Ann on Monday (Jun 12).

Speaking at the Institute of Policy Studies' 35th anniversary conference, Ms Sim said the Housing and Development Board (HDB) has achieved its target of increasing the supply of flats under the Parenthood Provisional Housing Scheme (PPHS) from 800 units in 2021 to 1,800 units in 2023.

She added there will be close to 2,000 flats under the scheme by the end of this year.

The scheme helps to temporarily house families as they await the completion of their new flats.

Ms Sim also said the PPHS application rates have "come down significantly" from more than 20 times in 2021, to around three times now.

"But we understand that buyers who booked their flats in the past two years have experienced longer waiting times because of the delays caused by COVID-19. So, HDB is hard at work to increase the PPHS supply further, doubling it again to 4,000 units over the next two years," added Ms Sim.

"We hope these efforts will bring about some relief to the young families and to support their parenthood journeys."

During her speech, Ms Sim also said HDB is studying ways to further maximise the available pool of PPHS flats, as there is sustained demand for such flats while supply remains limited.

This includes requiring flat sharing for the larger PPHS units.

"This will allow more homebuyers awaiting their HDB flats to benefit from subsidised market rental," added Ms Sim.

Home Completions and BTO supply

During the panel on revisiting housing, Ms Sim spoke about HDB's immediate concerns, including meeting the strong demand for public housing and addressing the high rental prices.

She said there will also be almost 40,000 home completions across the public and private residential markets. This is the highest number of home completions in the last five years.

“Households that are currently renting on a temporary basis while waiting for the completion of their new homes will likely vacate their units, thereby easing the pressure on the rental market,” she added.

Additionally, more than 60 per cent of the delayed Build-to-Order (BTO) projects over the last two years have been delivered as of May, Ms Sim said.

She added that HDB is on track in ramping up the BTO supply, launching up to 100,000 flats from 2021 to 2025, including more units with shorter waiting times.

In the May BTO launch which concluded last week, median first-timer application rates for three-room or larger flats was around 2.3 times, which was closer to pre-COVID levels.

HDB resale prices also saw their smallest increase last quarter in more than two years, Ms Sim said.