

CONTROLLING OFFICER'S REPLY

THB(H)052

(Question Serial No. 0854)

Head: (62) Housing Department

Subhead (No. & title): (-) Not Specified

Programme: (2) Private Housing

Controlling Officer: Permanent Secretary for Transport and Housing (Housing)
(Stanley YING)

Director of Bureau: Secretary for Transport and Housing

Question:

Please advise this Committee on the following:

1. the number of complaints received by the Sales of First-hand Residential Properties Authority (SRPA) each year since the commencement of the Residential Properties (First-hand Sales) Ordinance, as well as the number of cases substantiated, under investigation and not substantiated;
2. the details of the substantiated complaints since the commencement of the Residential Properties (First-hand Sales) Ordinance, the progress of follow-up actions, and the penalties imposed on non-compliant persons and developers; and
3. the expenditure and number of staff members of SRPA in each of the past 3 years and in 2019-20.

Asked by: Hon WAN Siu-kin, Andrew (LegCo internal reference no.: 4)

Reply:

During the period from the commencement of the Residential Properties (First-hand Sales) Ordinance (the Ordinance) (Cap. 621) on 29 April 2013 up to the end of 2018, the Sales of First-hand Residential Properties Authority (SRPA) received a total of 302 complaints.

A breakdown of the complaints by year and category is as follows:

	Categories of complaints	2013 (since 29 April 2013)	2014	2015	2016	2017	2018	Cumulative Total
(a)	Sales brochure	4	10	12	9	6	16	57
(b)	Price list	1	1	0	4	1	1	8
(c)	Sales arrangements	14	10	6	6	5	2	43
(d)	Show flats	0	0	0	2	1	0	3
(e)	Viewing of completed residential properties	0	5	1	0	0	0	6
(f)	Preliminary agreement for sale and purchase (PASP) and/or agreement for sale and purchase (ASP)	1	0	1	0	0	0	2
(g)	Register of transactions	1	1	0	1	0	0	3
(h)	Advertisement	2	6	15	27	7	7	64
(i)	Website	1	0	0	0	0	0	1
(j)	Misrepresentation and/or dissemination of false or misleading information	6	15	9	10	6	9	55
(k)	Others	5	24	8	11	5	7	60
	Total	35	72	52	70	31	42	302

Among the above 302 complaints, 242 were related to the Ordinance, while the remaining 60 were not. Of the 242 complaints relating to the Ordinance, 1 case was prosecuted and the vendor concerned was convicted. The other 217 cases were not substantiated. The SRPA is still following up on the remaining 24 cases. Apart from conducting investigation arising from complaints and media enquiries received, the SRPA will also initiate compliance checks on related sales documents. If there are any suspected contraventions of the Ordinance, the SRPA will carry out investigation and consult the Department of Justice (DoJ) on the findings. The Prosecutions Division of DoJ will determine whether there is sufficient evidence for prosecution.

Since the commencement of the Ordinance, 5 cases, including 1 complaint case mentioned above and 4 self-initiated investigation cases, which involved 100 counts of offence, have been prosecuted and convicted for contraventions of the Ordinance. The charges were mainly about contraventions of the provisions of the Ordinance in respect of sales brochures, price lists, advertisements, the mandatory provisions for PASP and ASP, etc. The vendors of the developments concerned were convicted and fined a total of \$2.188 million. Details of the offences involved in the convicted cases have been uploaded to the website of the SRPA for public perusal.

The recurrent expenditures of the SRPA in the past 3 years and the estimated recurrent expenditure for 2019-20 are as follows:

Recurrent Expenditure/Year	2016-17 (Actual)	2017-18 (Actual)	2018-19 (Revised Estimate)	2019-20 (Estimate)
Operating expenses (\$m)	12.46	13.07	14.88	15.98
Personal emoluments (\$m)	39.77	40.02	42.44	44.16
Total (\$m)	52.23	53.09	57.32	60.14

From 1 April 2016 to 31 March 2019, there were 42 staff members under the establishment of the SRPA, including 4 time-limited posts to be lapsed in 2019-20. The establishment of the SRPA in 2019-20 will be increased by 6 posts for implementing the Ordinance. Since 2019-20, the SRPA will have an establishment of 44 staff members. The new posts to be created in the SRPA include Estate Surveyor, Executive Officer, Housing Manager, Survey Officer and Analyst/Programmer grades. They will be mainly responsible for enhancing compliance checking, inspections, investigations and systems technical support related to the Ordinance.

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