

**CONTROLLING OFFICER'S REPLY**

**THB(H)070**

**(Question Serial No. 3619)**

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 all 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;
- 3) the expenditure and number of staff members of SRPA in each of the past 3 years; and
- 4) the estimated expenditure and number of staff members of SRPA in 2018-19.

Asked by: Hon WU Chi-wai (Member Question No. (LegCo use): 70)

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 2017, the Sales of First-hand Residential Properties Authority (SRPA) received a total of 260 complaints.

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

	<b>Categories of complaints</b>	<b>2013 (since 29 April 2013)</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>Accumulative Total</b>
(a)	Sales brochure	4	10	12	9	6	41
(b)	Price list	1	1	0	4	1	7
(c)	Sales arrangements	14	10	6	6	5	41
(d)	Show flats	0	0	0	2	1	3
(e)	Viewing of completed residential properties	0	5	1	0	0	6
(f)	Preliminary agreement for sale and purchase (PASP) and/or agreement for sale and purchase (ASP)	1	0	1	0	0	2
(g)	Register of transactions	1	1	0	1	0	3
(h)	Advertisements	2	6	15	27	7	57
(i)	Website	1	0	0	0	0	1
(j)	Misrepresentation and/or dissemination of false or misleading information	6	15	9	10	6	46
(k)	Others	5	24	8	11	5	53
	<b>Total</b>	<b>35</b>	<b>72</b>	<b>52</b>	<b>70</b>	<b>31</b>	<b>260</b>

Among the above 260 complaints, 207 were related to the Ordinance, while the remaining 53 were not. Of the 207 complaints relating to the Ordinance, 1 case was prosecuted and the vendor concerned was convicted. The other 179 cases were not substantiated. The SRPA is still following up on the remaining 27 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 investigations 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, 4 cases, including 1 complaint case mentioned above and 3 self-initiated investigation cases, which involved 77 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 \$1.868 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 2018-19 are as follows:

<b>Recurrent expenditure/ Year</b>	<b>2015-16 (Actual)</b>	<b>2016-17 (Actual)</b>	<b>2017-18 (Revised estimate)</b>	<b>2018-19 (Estimate)</b>
Operating expenses (\$m)	11.06	12.46	13.11	14.88
Personal emoluments (\$m)	30.95	39.77	40.02	40.02
<b>Total (\$m)</b>	42.01	52.23	53.13	54.90

From 29 April 2013 to 31 March 2016, there were 32 staff members under the establishment of the SRPA for implementing the Ordinance. Since 2016-17, the SRPA has an establishment of 42 staff members. There will be no change in the establishment in 2018-19.

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