CONTROLLING OFFICER'S REPLY

THB(H)047

(Question Serial No. 3674)

Head: (62) Housing Department

Subhead (No. & title): (000) Operational Expenses

<u>Programme</u>: (2) Private Housing

<u>Controlling Officer</u>: Permanent Secretary for Transport and Housing (Housing)

(Stanley YING)

<u>Director of Bureau</u>: Secretary for Transport and Housing

Question:

Please advise 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 5 years and in 2017-18;

Asked by: Hon CHAN Tanya (Member Question No. 503)

Reply:

Since the full implementation of the Residential Properties (First-hand Sales) Ordinance (the Ordinance) (Cap.621) from 29 April 2013 and up to the end of 2016, the Sales of First-hand Residential Properties Authority (SRPA) has received 229 complaints.

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

	Categories of complaints	2013 (since 29 April 2013)	2014	2015	2016	Accumulative Total
(a)	Sales brochure	4	10	12	9	35
(b)	Price list	1	1	0	4	6
(c)	Sales arrangements	14	10	6	6	36
(d)	Show flats	0	0	0	2	2
(e)	Viewing of completed residential properties	0	5	1	0	6

	Categories of complaints	2013 (since 29 April 2013)	2014	2015	2016	Accumulative Total
(f)	Preliminary agreement	1	0	1	0	2
	for sale and purchase					
	and/or agreement for					
	sale and purchase					
(g)	Register of	1	1	0	1	3
	transactions					
(h)	Advertisements	2	6	15	27	50
(i)	Websites	1	0	0	0	1
(j)	Misrepresentation	6	15	9	10	40
	and/or dissemination					
	of false or misleading					
	information					
(k)	Others	5	24	8	11	48
	Total	35	72	52	70	229

Among the 229 complaints aforementioned, 181 are related to the Ordinance, while the remaining 48 are not. Amongst those 181 complaints relating to the Ordinance, the offender of 1 case was prosecuted and convicted. 144 complaints are not substantiated. The SRPA is still following up the remaining 36 complaints. Apart from conducting investigation on complaints and media enquiries received, the SRPA would initiate compliance checks on related sales documents. If there are any suspected contraventions of the Ordinance, the SRPA would carry out investigations. Since the implementation of the Ordinance, 3 cases, including 1 complaint case above and 2 self-initiated investigation cases, have been prosecuted and convicted for contravention of the Ordinance.

The recurrent expenditures of the SRPA are below:

Year	2013-14 (Actual)	2014-15 (Actual)	2015-16 (Actual)	2016-17 (Revised Estimate)	2017-18 (Estimate)
Operational Expenses (\$m)	10.09	11.28	11.06	12.46	12.13
Personal Emoluments (\$m)	27.96	28.99	30.95	39.77	39.77
Total (\$m)	38.05	40.27	42.01	52.23	51.90

From 29 April 2013 to 31 March 2016, the SRPA had an establishment of 32 staff members to implement the Ordinance. In 2016-17, the establishment of the SRPA is 42 staff members. There will be no change in the establishment of the SRPA in 2017-18.