

CONTROLLING OFFICER'S REPLY

THB(H)059

(Question Serial No. 4274)

Head: (62) Housing Department

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

Programme: (2) Private Housing

Controlling Officer: Permanent Secretary for Transport and Housing (Housing)
(Donald TONG)

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 numbers of cases substantiated, under investigation and not substantiated;
2. the details of the complaints found substantiated by SRPA 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 5 years and in 2020-21.

Asked by: Hon CHAN Tanya (LegCo internal reference no.: 240)

Reply:

1 & 2.

During the period from the commencement of the Residential Properties (First-hand Sales) Ordinance (the Ordinance) (Cap. 621) on 29 April 2013 to the end of 2019, the Sales of First-hand Residential Properties Authority (SRPA) received a total of 369 complaints.

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

	Categories of complaints	2013 (since 29 April)	2014	2015	2016	2017	2018	2019	Cumulative Total
(a)	Sales brochure	4	10	12	9	6	16	22	79
(b)	Price list	1	1	0	4	1	1	0	8
(c)	Sales arrangements	14	10	6	6	5	2	3	46
(d)	Show flats	0	0	0	2	1	0	1	4
(e)	Viewing of completed residential properties	0	5	1	0	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	0	2
(g)	Register of transactions	1	1	0	1	0	0	0	3
(h)	Advertisement	2	6	15	27	7	7	12	76
(i)	Website	1	0	0	0	0	0	0	1
(j)	Misrepresentation and/or dissemination of false or misleading information	6	15	9	10	6	9	20	75
(k)	Others	5	24	8	11	5	7	9	69
	Total	35	72	52	70	31	42	67	369

Among the 369 complaints aforementioned, 300 were related to the Ordinance, while the remaining 69 were not. Amongst the 300 complaints relating to the Ordinance, 20 complaints were substantiated while 243 were not. The SRPA is still working on the remaining 37 complaints. 3 developers were involved in the 20 substantiated complaint cases, which were related to 17 complaints, 2 complaints and 1 complaint respectively. These 3 developers have been prosecuted and convicted.

Apart from conducting investigation arising from complaints and media enquiries received, the SRPA will regularly inspect related sales documents and websites; and conduct site inspections to sales offices and show flats. If there are any suspected contraventions of the Ordinance, the SRPA will carry out investigations and consult the Department of Justice on the findings to determine whether there is sufficient evidence for prosecution.

Since the commencement of the Ordinance to the end of 2019, 7 cases involving 111 counts of offences 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, register of transactions, the mandatory provisions for PASP and ASP, etc. All charges were convicted and the vendors of the developments concerned were fined a total of \$2.338 million. The SRPA has uploaded the details of the offences involved in the convicted cases to its website for public perusal.

3. SRPA's expenditure in the past 5 years, estimated expenditure for 2020-21 and staff establishment of each year are as follows:

Year	2015-16 (Actual)	2016-17 (Actual)	2017-18 (Actual)	2018-19 (Actual)	2019-20 (Revised Estimate)	2020-21 (Estimate)
Operating expenses (\$million)	11.06	12.46	13.07	14.86	16.61	16.71
Personal emoluments (\$million)	30.95	39.77	40.02	42.44	46.55	46.27
Total Expenditure (\$million)	42.01	52.23	53.09	57.30	63.16	62.98
Staff Establishment	32	42	42	42	44	44

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