

CONTROLLING OFFICER'S REPLY

THB(H)059

(Question Serial No. 4330)

Head: (62) Housing Department

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

Programme: (2) Private Housing
(4) Rehousing of Occupants upon Clearance
(5) Support Services

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;
3. the expenditure and number of staff members of SRPA in each of the past 5 years and in 2019-20;
4. whether the Government will, in 2019-20, build more interim housing (IH) to ensure an adequate supply of IH units to accommodate all clearnees;
5. whether the Government will, in 2019-20, ensure that eligible IH occupants will be allocated public rental housing units in the shortest time possible; If yes, the details and the expenditure to be involved;
6. whether the Housing Department will, in 2019-20, co-ordinate with the Urban Renewal Authority, the Buildings Department and the Lands Department to ensure that clearnees are rehoused before clearance and land resumption exercises are carried out; and

7. the Government's estimated number of transitional housing units to be completed in 2019-20.

Asked by: Hon CHAN Tanya (LegCo internal reference no.: 74)

Reply:

1. to 3.

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 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, 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 5 years and the estimated recurrent expenditure for 2019-20 are as follows:

Recurrent Expenditure /Year	2014-15 (Actual)	2015-16 (Actual)	2016-17 (Actual)	2017-18 (Actual)	2018-19 (Revised Estimate)	2019-20 (Estimate)
Operating expenses (\$m)	11.28	11.06	12.46	13.07	14.88	15.98
Personal emoluments (\$m)	28.99	30.95	39.77	40.02	42.44	44.16
Total (\$m)	40.27	42.01	52.23	53.09	57.32	60.14

From 1 April 2014 to 31 March 2016, there were 32 staff members under the establishment of the SRPA. 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.

4. The existing Interim Housing (IH) should be able to meet the needs of households who will be affected by Government clearances and enforcement actions. The Hong Kong Housing Authority (HA) currently has no plan to build new IH.
5. In accordance with the prevailing policy, households living in IH are required to register for public rental housing (PRH) applications. Eligible general applicants (i.e. family or elderly one-person applicants) will be given 3 housing offers. The waiting time for PRH allocation hinges on various factors, including the number of PRH applicants in the districts chosen by the applicants and the supply of new and refurbished PRH units in the districts concerned. As with all other PRH applicants,

the applications from general applicants living in IH will be processed according to the order of their PRH registration dates, household sizes and their choices of district. For non-elderly one-person applicants who are living in IH, their relative priority will be determined by the points they have obtained under the Quota and Points System and the quota available. The higher the points accumulated, the earlier the applicant will be offered a PRH unit.

IH households are allocated with PRH units through PRH applications. As a financially autonomous public body, HA funds its daily operations with its own resources, including the allocation of PRH units.

6. The Housing Department has all along maintained close liaison with the Urban Renewal Authority (URA), the Buildings Department (BD) and the Lands Department (LandsD) and will flexibly deploy resources to provide rehousing assistance to affected clearnees who are eligible for PRH. However, URA, BD and LandsD are responsible for the clearance programmes under their own purviews. They will provide assistance to affected clearnees in accordance with their established arrangements, and rehousing to PRH is only one of the various forms of assistance rendered to the affected clearnees.
7. In view of the short-term nature of transitional housing, as well as different details and objective situation of each transitional housing project, setting a fixed target for transitional housing (such as the number of units, the estimated completion year, etc.) is not realistic and does not contribute to the work of non-governmental organisations. Nevertheless, we will continue to adopt an open attitude to facilitate the provision of more transitional housing.

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