



出售居者有其屋計劃單位 2018 Sale of Home Ownership Scheme Flats 2018

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香港房屋委員會
Hong Housing Authority

ECONOMIC PERFORMANCE

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The Hong Kong Housing Authority (HA) endeavours to achieve economic sustainability while building and maintaining quality and affordable homes for the public.



Financial Performance

The HA is a financially autonomous entity. To support public housing development, it generates income from rental of public housing and commercial properties, sale of subsidised sale flats, and fund investment.

The Finance Committee (FC) advises on financial policies and issues, and monitors the financial performance of the HA. The FC, with the assistance of its Funds Management Sub-Committee, also reviews the HA's investment strategy and position from time to time.

To manage our finance in a prudent manner, we have carried out monthly reviews of the financial positions of the HA and reported the results to FC regularly. In addition, we have reviewed the financial management practice when necessary, and monitored and evaluated our financial planning and budgeting process.

Details of the 2018/19 financial statements are provided on page 94 to 95 of the HA's [Annual Report 2018/19](#).



Initiatives in Planning and Construction of New Housing Estates

Promulgated by the Government in 2014, the Long Term Housing Strategy (LTHS) adopts a “supply-led” and “flexible” strategy and establishes three major strategic directions to gradually avert the housing supply-demand imbalance:

- Provide more public rental housing (PRH) units and ensure the rational use of existing resources;
- Provide more subsidised sale flats (SSFs), expand the forms of subsidised home ownership and facilitate market circulation of existing stock; and
- Stabilise the residential property market through steady land supply and appropriate demand-side management measures, and promote good sales and tenancy practices for private residential properties.

Alongside the above strategic directions under LTHS, the HA will continue its mission to provide affordable rental housing to low-income families with housing needs, and help low to middle-income families gain access to subsidised home ownership. The HA has been closely communicating with all concerned Government bureaux and departments to plan and provide housing supply through comprehensive site selection and site-specific design in suitable and “spade ready” sites.

Provision of Public Rental Housing (PRH) / Green Form Subsidised Home Ownership Scheme (GSH)

In 2018/19, the HA completed construction of around 20,200 new PRH / GSH flats in a total of 11 projects, including Hoi Ying Estate, So Uk Phase 1 and Phase 2 of So Uk Estate, Shek Kip Mei Phase 3 and Phase 7 of Shek Kip Mei Estate, Mun Tung Estate, On Tai Estate, Shek Mun Estate, Lai Tsui Court (Lai Chi Kok Road – Tonkin Street Phase 1 and Phase 2), and Eastern Harbour Crossing Site Phase 7 of Yau Lai Estate.



On Tai Estate



Hoi Ying Estate



So Uk Estate

Provision of Other Subsidised Sale Flats

The Home Ownership Scheme (HOS) is one of the subsidised home ownership schemes put forward by the HA. Subsidised flats under the HOS are sold at below market prices to help low and middle-income families achieve home ownership. It also helps better-off PRH tenants achieve home ownership, thereby releasing their flats to those in more pressing need.

In 2018/19, construction of around 6,600 other subsidised sale flats (other SSFs) were complete in seven projects, namely Hoi Lok Court, Choi

Hing Court, Ping Yan Court, Ngan Wai Court, Ngan Ho Court, Kai Long Court and Kwun Tak Court. The fourth batch of 4,431 new HOS flats, scheduled for completion between 2018/19 and 2020/21, was put up for sale in March 2018. In June 2018, the Government announced the revised HOS pricing mechanism by delinking the selling prices of flats under HOS from the market prices of private residential properties, and adopting the affordability of applicants as the basis while ensuring that at least 75% (up from 50%) of the number of HOS flats for sale are affordable. Subsequently, applications were re-opened in October 2018 and all flats were sold in May 2019. Subsequently, the fifth batch of 4,871 new HOS flats was put up for sale in May 2019 and flat selection commenced in December 2019.

In 2018, the HA regularised GSH to provide an additional avenue for Green Form applicants¹ to achieve home ownership. Suitable PRH developments under construction are identified for sale to Green Form applicants. On the one hand, it helps address the home ownership aspirations of Green Form applicants; on the other, it helps release more flats for PRH applicants with more pressing needs. GSH flats are sold at a discount of 10 per cent more than that determined for the preceding HOS sale exercise so that they are more affordable for Green Form applicants. A total of 2,545 flats were put up for sale under GSH in December 2018 while the flat selection for successful applicants commenced in March 2019 and all flats were sold in June 2019.

In 2018/19, the HA completed a GSH project in Lai Chi Kok Road – Tonkin Street – Phase 1 of Lai Tsui Court. The Strategic Planning Committee of the HA endorsed the conversion of two PRH developments, located at Chai Wan and Tsing Yi respectively, to GSH projects in March 2019, offering around 3,700 flats for sale in December 2019.

The HA also regularised the White Form Secondary Market Scheme (WSM) in 2017, which allows White Form applicants¹ to purchase SSFs with premium unpaid in the Secondary Market, to address the home ownership aspirations of the low and middle-income families. In March 2019, the HA's Subsidised Housing Committee endorsed increasing the quota of the WSM 2019 to 3,000. The WSM 2019 was launched together with the Sale of HOS Flats 2019 in May 2019.

Note:

¹ For Eligibility Criteria of Green Form and White Form applicants, please refer to page 131 to 132 of the HA's **Annual Report 2018/19**.



The electronic ballot drawing ceremony batch of new HOS flats



Optimising Use of Resources

Management and Procurement Practices

The HA attaches great importance to the development of the management and procurement system. The HA upholds an open, fair, transparent and cost-effective procurement environment by enhancing its operational efficiency and the service of our business partners. We continued to review the adequacy of the HA Lists of Contractors and Property Management Services Providers and encourage more contractors/property management services providers to apply for inclusion in the HA lists to enhance competition. The “Guide to Registration of Works Contractors and Property Management Services Providers” is also reviewed and updated on a need basis. Meanwhile, the performance reporting and review mechanism for non-HA list contractors are reviewed on a continuous basis.

Inspections are conducted frequently to ensure the procurement practices are in line with industry standards and expectations. To safeguard the labour supply in the building industry, we continued to monitor and review the requirements for Trade Tested Workers in new works contracts and maintenance contracts. We continued to keep in view for new Supplementary Labour Scheme (SLS) applications from contractors, and further enhancement of the scheme by the Development Bureau.

Enhance Efficiency of Building Design and Construction with Information Technology

The HA actively adopts information technologies in design and developing new public housing projects. These technologies include but not limited to:

- [Development and Construction Site Mobile System \(DCSMS\)](#)
- [Building Information Modelling \(BIM\)](#)
- [Radio Frequency Identification \(RFID\)](#)
- [Geographic Information System \(GIS\)](#)
- Housing Construction Management Enterprise System (HOMES)

For more information on the HA’s application on these technologies in public housing development, please refer to the [Environmental Performance](#) and [Social Performance](#) chapters in this Report.

We also endeavour in constantly revamping the technologies applied in our housing development project. The upcoming Phase 3 of the DCSMS will include improvement for Housing Construction Management Enterprise System (HOMES) Mobile Site Inspection system and Construction Mobile Inspection System (CMIS). These systems supports the final flat-to-flat inspection of building work and building service work, and the foundation inspection process of frequently used pile types.

Enhancing Building Standards, Quality and Productivity

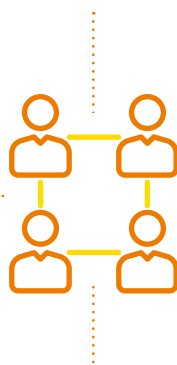
The HA adheres to monitor and enhance the quality of services and development through the implementation of regular internal audit and document reviews to keep abreast with relevant standards.

The Independent Checking Unit (ICU) works directly under the Office of the Permanent Secretary for Transport and Housing (Housing). The ICU exercises statutory building control to properties developed by the HA that have been sold or divested and is accountable for the administrative control of the new development works and existing buildings of the HA. We continued to issue Quarterly Site Monitoring Reports to facilitate risk management of new developments and Alteration and Addition Works.

In 2018/19 the ICU processed the following items -

New Construction projects

- **1,203** building submissions
- **1,897** structural submissions
- **1,019** consents



Completed

New Construction projects

- **32** occupation permits
- **145** structural certificates

Alteration and Addition Works

- **2,247** submissions
- **933** consents

Minor Works Control System

- **28,497** submissions

The HA continues to organise research and development (R&D) activities to uphold the building standards, quality and productivity. R&D Steering Committee meetings were held regularly to monitor on-going activities and to explore new initiatives. During the reporting year, the total number of research studies in the database remained as 251.

The HA endeavours in building comfortable and safe housings with the use of quality construction materials. To meet the contemporary requirements and standards for building materials, the HA constantly reviews the General Specification for Maintenance Works and enhances measures to safeguard the quality of fresh water supply in replumbing works.

To ensure the upstream control of product quality in manufacturing factories, the HA explores building materials and components for the implementation of the Product Certification in new works projects. Currently, Product Certifications were implemented in 12 types of building and building services materials with three newly added building products including timber doorsets, cement products and ceramic tiles.



Initiatives in Existing Housing Estates

Rent Adjustment and Assistance Policies

HA strives to maintain PRH rent at an affordable level for the benefit of low-income PRH tenants. PRH rent is inclusive of rates, management fees, and maintenance costs. To further assist PRH tenants who are experiencing temporary financial difficulties, the HA introduced the Rent Assistance Scheme (RAS). Eligible tenants are granted either a 25% or 50% rent reduction depending on their household income. During the reporting year, around 18,460 households received assistance from the scheme. Households benefitted from the RAS might also be referred by non-governmental organisations, local District Councils and Estate Management Advisory Committees.

Optimising the Allocation of Housing Resources

In 2018/19, the HA allocated around 26,900 PRH units to general applicants (i.e. family and elderly one-person applicants) and non-elderly one-person applicants under the Quota and Points System (QPS), and around 7,800 PRH units to PRH tenants requesting for transfer, households recommended by the Social Welfare Department for compassionate rehousing, junior civil servants, eligible carees, etc.

Curbing Tenancy Abuse

To optimise PRH resources by allocating to those with genuine needs, the HA maintains stringent policy and tenancy management to curb tenancy abuse. In 2018/19, the HA continued the effective three-pronged approach of eligibility checking, abuse inspection and education on tenancy management. In essence, we have checked all income and asset declarations received under the Well-off Tenants Policies and various other tenancy management policies (around 230,000 cases), and inspected around 6,600 occupancy-related abuse cases in 2018/19.

Territory-wide Overcrowding Relief Exercise and Living Space Improvement Transfer Scheme

The HA promotes the Territory-wide Overcrowding Relief Exercise (TWOR) and Living Space Improvement Transfer Scheme (LSITS) to address the overcrowding issues in the PRH. Subject to the availability of public housing resources, the TWOR and LSITS will be implemented once a year. PRH tenants with living density below seven square meters internal floor area per person and meet relevant requirements are eligible to apply for transfer under the schemes. In 2018/19, a total of about 1,400 households accepted alternative accommodations for relieving overcrowding.

Please refer to page 20 of our [Annual Report 2018/19](#) for more information on how the HA combat tenancy abuse and relieve overcrowding.

Maintenance and Enhancement of Buildings

To create a safe and quality living environment for PRH tenants, the HA is dedicated to maintaining and enhancing existing housing estates. In 2018/19, we continued maintenance programmes including Total Maintenance Scheme (TMS), Mandatory Window Inspection Scheme (MWIS) and Responsive In-flat Maintenance Service (RIMS) for our PRH estates. Meanwhile, to extend the useful life of aged estates, the HA implements the Comprehensive Structural Investigation Programme (CSIP) and Estate Improvement Programme (EIP). Please refer to page 66 to 68 of our [Annual Report 2018/19](#) for more details on these maintenance programmes.

The following highlights the achievement of our maintenance programmes during the year:

- Completed Fire Safety Improvement Reports for **12** PRH estates
- Replaced collapsible gates in **18,000** units under the Collapsible Gate Enhancement Programme
- Replaced **56** old lifts under the Lift Modernisation Programme
- Installed recreational facilities for the elderly at **102** PRH estates with a higher proportion of elderly tenants

Redevelopment and Adaptive Re-use

The HA implements public housing redevelopment to improve the living conditions of tenants living in aged PRH estates. As redevelopment of PRH estates would inevitably reduce housing supply in the short run and involve displacement of tenants, it is not advisable to carry out redevelopment on a massive scale. To this end, the HA has continued to consider redeveloping aged PRH estates on an estate-by-estate basis with reference to the Long Term Housing Strategy and the four basic principles, including structural conditions of buildings, cost-effectiveness, rehousing resources, and build-back potential.

During the year, the HA organised public engagement activities to collect public views and opinions on the Wah Fu Estate redevelopment projects. The HA will continue to investigate on redevelopment potential while minimising the disruption to housing supply caused by redevelopment programmes.



During the launch ceremony, former and present residents of Wah Fu Estate shared their reminiscences and memorable moments of their days in the Estate

Optimising Utilisation of Commercial Properties

The HA owns and maintains various commercial premises and community facilities, including car parks, factory premises, retail shops, community, education and welfare facilities. The HA aims at bolstering the community needs through the provision of these commercial and ancillary facilities to the PRH residents.

To ensure the HA's commercial properties could meet the community's needs, we have closely monitored local demand and market trends, and adjusted the leasing and trade mix of retail facilities. These includes diversifying trade and tenants mix, providing mobile facilities, arranging trade fairs, carrying out feasibility studies and improvement works for shopping centres, and converting less popular retail facilities into other beneficial uses. For more information, please refer to page 75 to 77 of our [Annual Report 2018/19](#).



Initiatives in Office at Work

The HA strives to enhance efficiency at the organisation level and in its offices through aligning management practices with international standards. Throughout the years, the HA obtained a wide range of certifications and verifications of international standards. Details of the certifications and verifications of our management systems could be found in [About the Hong Kong Housing Authority](#) chapter of this Report.

Enhance Efficiency with Information Technology

The HA has been effectively making use of IT and implementing IT initiatives to meet its business needs and improve its operational efficiency and services quality. At present, over 100 IT systems/ services are in operation to support the day-to-day business of HA including business processes for public rental housing and subsidised sale flat schemes, development and construction, estate management and building control processes adopted by the ICU. The HA will continue its efforts in applying relevant IT solutions to facilitate work of HA staff and better serve HA's customers. For more information, please refer to page 85 of our [Annual Report 2018/19](#).

