

HA endorsed Corporate Plan and Budget for 2020-21

The following is issued on behalf of the Hong Kong Housing Authority:

At the Hong Kong Housing Authority (HA) meeting today (January 20), the HA endorsed the Corporate Plan for 2020-21, the 2019-20 Revised Budget and the 2020-21 Proposed Budget, and also noted the Financial Forecasts for 2021-22 to 2023-24.

In 2020-21, the HA will continue to focus its efforts on providing quality homes, promoting sustainable living, optimising and rationalising the use of public resources and enhancing the attractiveness of its commercial properties. Based on these four themes, a total of 52 key activities and 19 key performance indicators have been drawn up for the 2020-21 Corporate Plan.

"The Corporate Plan is the platform through which the HA directs its work and focuses its efforts to address the challenges of public housing. In 2020-21, the HA will continue to invite the Government to provide suitable sites for developing both public rental housing (PRH) units and subsidised sale flats with a view to increasing the supply of public housing units. Having regard to the housing policy initiatives in the 2019 Policy Address, the HA will explore the feasibility of redeveloping its factory estates for public housing, consider making active preparations with a view to accelerating the sale of the about 42 000 unsold flats in the 39 estates under the Tenants Purchase Scheme, consider putting up as many as 12 000 Home Ownership Scheme and Green Form Subsidised Home Ownership Scheme flats for sale in 2020 and consider further raising the quota of the White Form Secondary Market Scheme in 2020," a spokesman for the HA said.

"Furthermore, on development and construction of public housing, the HA will continue to review and enhance the quality management system and specifications for all critical site works and installations for new capital works projects and explore possible enhancements to the buildability and productivity of public housing developments. On estate management, the HA will continue to enhance safety, environmental hygiene, greening and landscape, as well as community bonding in PRH estates. On corporate management, the HA will continue to make the best use of human resources to meet the corporate goals and enhance its corporate image," the spokesman added.

Furthermore, on the basis of current forecasts, with the projected increase in the number of public housing projects in the coming years, the construction expenditure and operating expenditure are expected to continue to go up. As the increased expenditure will be partly offset by the subsidised sale flat receipts, the cash and investment balance of the HA is projected to decrease from about \$43 billion at the beginning of April 2019 to about \$35 billion by the end of March 2024. It is also projected that the

HA will still have the necessary financial resources to meet its recurrent expenditure and implement its current public housing construction programme and maintenance programme during the budget and forecast period.

"If and when there are changes to any of the budget assumptions, the projected financial position will vary. According to the existing mechanism, the HA will conduct an annual rolling five-year budgeting exercise and assess its financial position and future funding requirements. The Government has earmarked \$82.4 billion (the balance of the previous Housing Reserve) in the fiscal reserves for the development of public housing and related infrastructure, which is a good demonstration of the Government's firm commitment in this regard," the spokesman said.

The HA's 2020-21 Corporate Plan and the budgets will be submitted to the Chief Executive for approval. The Financial Forecasts will also be made available to the Chief Executive for her information.