

HA's Corporate Plan and Budget for 2019/20 endorsed

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

At the Housing Authority (HA) meeting today (January 25), the HA endorsed the Corporate Plan for 2019/20, the 2018/19 Revised Budget and the 2019/20 Proposed Budget, and also noted the Financial Forecasts for 2020/21 to 2022/23.

In 2019/20, 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 the above four main themes, the Corporate Plan covers a total of 51 key activities and 19 key performance indicators of the Authority's work in the year.

"The 2019/20 Corporate Plan provides a platform on which the HA will direct its work and concentrate its efforts in the face of multiple challenges. The HA will continue to seek the Government's provision of suitable sites for developing both public rental housing (PRH) units and subsidised sale flats (SSFs). The HA will also continue with the efforts in increasing the supply of Home Ownership Scheme and Green Form Subsidised Home Ownership Scheme flats based on the revised pricing mechanism and tightened alienation restrictions to address the home ownership aspirations of Green Form applicants and low to middle-income families. Having regard to the housing policy initiatives announced by the Chief Executive in the 2018 Policy Address, the HA will also consider introducing new measures to make more effective use of existing public housing resources (including PRH and SSFs)," a spokesman for the HA said.

"We will also continue to study ways to further enhance the buildability and productivity of public housing developments, assist those who are in financial hardship, and make cost-effective use of resources," the spokesman added.

On the basis of the prevailing assumptions, the cash and investment balance of the HA is projected to decrease slightly from about \$45 billion at the beginning of April 2018 to about \$41 billion by the end of March 2023. It is also projected that the HA will 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.

"The HA's proposed budgets and forecasts are projected on the basis of a series of assumptions. If and when there are changes to any of the assumptions, the projected financial position will be different. According to the Long Term Housing Strategy Annual Progress Report 2018 announced by the

Government last month, the public housing supply target for the 10-year period from 2019/20 to 2028/29 has increased by 35 000 units, from 280 000 units announced last year to 315 000 units. The impact arising from the change in the relevant target will be reflected in the annual rolling five-year budgets as appropriate. The Government stands ready to increase spending on public housing and has set aside about \$82.4 billion as the Housing Reserve to provide financial support to the HA. According to the existing mechanism, the HA will conduct the annual rolling five-year budgeting process and assess its financial position and future funding requirements," the spokesman said.