# Replies to questions raised by Legislative Council Members in examining the Estimates of Expenditure 2025-26

# **Government Property Agency**

Reply Serial No.	Question	Name of Member	Head	Programme
	Serial No.			
<u>FSTB(Tsy)007</u>	0018	TSE Wai-chuen, Tony	51	(3) Estate Utilisation
FSTB(Tsy)008	0019	TSE Wai-chuen, Tony	51	(2) Property Management
FSTB(Tsy)009	0083	CHAN Han-pan	51	(3) Estate Utilisation
<u>FSTB(Tsy)010</u>	0875	TANG Fei	51	(1) Acquisition and Allocation
<u>FSTB(Tsy)011</u>	0907	NG Kit-chong, Johnny	51	(1) Acquisition and Allocation
FSTB(Tsy)012	0908	NG Kit-chong, Johnny	51	(3) Estate Utilisation
FSTB(Tsy)013	0909	NG Kit-chong, Johnny	51	(1) Acquisition and Allocation
				(2) Property Management
FSTB(Tsy)014	2198	TANG Ka-piu	51	(3) Estate Utilisation
FSTB(Tsy)015	2618	TAN Yueheng	51	(2) Property Management
FSTB(Tsy)016	3054	WONG Ying-ho,	51	(3) Estate Utilisation
		Kennedy		
FSTB(Tsy)092	3744	TIK Chi-yuen	51	(1) Acquisition and Allocation
FSTB(Tsy)093	3910	CHAN Yuet-ming	51	(3) Estate Utilisation
DEVB(PL)155	3990	WONG Ying-ho,	51	(1) Acquisition and Allocation
		Kennedy		_
FSTB(Tsy)094	4015	TAN Sunny	51	(1) Acquisition and Allocation
				(3) Estate Utilisation
S-FSTB(Tsy)02	SV010	KONG Yuk-foon,	51	(3) Estate Utilisation
		Doreen		

FSTB(Tsy)007

(Question Serial No. 0018)

<u>Head</u>: (51) Government Property Agency

Subhead (No. & title): ()

<u>Programme</u>: (3) Estate Utilisation

Controlling Officer: Government Property Administrator (Eugene FUNG)

<u>Director of Bureau</u>: Secretary for Financial Services and the Treasury

#### Question:

One of the aims of the Government Property Agency (GPA) is to optimise the utilisation of government sites and surplus properties with potential for alternative uses or disposal. In this connection, please inform this Committee of the following:

- 1. Under the programme "Estate Utilisation", the work of the GPA includes advising bureaux and departments on ways to optimise site utilisation, reviewing under-utilised sites managed by bureaux and departments, and exploring the possibility of introducing commercial activities within government properties. Does the GPA carry out the related work on its own initiative or passively at the requests of bureaux and departments?
- 2. In 2023 and 2024, the numbers of government premises identified as having new commercialisation opportunities are 3 and 6 respectively. Please list the relevant information of these 9 premises. Are the numbers relatively small as compared to the thousands of government properties managed by the GPA?
- 3. Will the GPA take the initiative to review some of the government sites and properties which have left idle for a long period of time or have low utilisation rate and land use efficiency, with a view to putting them into other gainful uses, including putting them up for sale? If yes, what are the specific measures?

Asked by: Hon TSE Wai-chuen, Tony (LegCo internal reference no.: 2)

#### Reply:

Currently, the Government Property Agency (GPA) mainly manages 46 joint-user general office buildings, 62 government quarters developments, the Passenger Clearance Building of the Hong Kong-Zhuhai-Macao Bridge Hong Kong Port and the Passenger Terminal Building of the Heung Yuen Wai Boundary Control Point. Specialist/ departmental buildings (such as police stations and fire stations) are managed by relevant bureaux and departments.

The GPA and the Planning Department (PlanD) jointly review government site utilisation annually to optimise their utilisation and where appropriate, release relevant sites for alternative uses. During the review, the GPA and the PlanD will consider factors including the existing uses of the sites, redevelopment potential and relevant planning requirements.

Joint-user general office buildings and specialist/ departmental buildings are mainly used as offices of government departments and for the provision of public services. For individual property that is surplus to the space needed for the operation of the Government, the GPA will lease the property through commercialisation, lease the property to non-governmental organisations, or dispose of the property by sale. The GPA will also provide assistance in leasing or selling government quarters that are surplus to the operational needs of the Government.

In addition, the GPA will introduce commercial elements into suitable government properties from time to time. Having identified initially individual government property with commercialisation potential, the GPA will consult the departments concerned and examine in detail the implications of the introduction of commercial activities on the image, appearance, and pedestrian flow of the government property, as well as the impact on the change of use on fire escape, fire services and building installations, so as to determine whether it is feasible and appropriate to put the properties to commercial use.

Government properties with potential for introducing commercial elements in the past 2 years are as follows:

Item	Property	Proposed use
2023	1	
1 & 2	A portion of the Ground Floor, Treasury Building, Cheung Sha Wan, Kowloon	1 Automatic teller machine and 1 automatic vending machine
3	Unit 323 on Ground Floor and Units 404, 405, 406 and 407 on Mezzanine Floor, Passenger Clearance Building, the Hong Kong-Zhuhai-Macao Bridge Hong Kong Port, Lantau	Government canteen
2024		
1	A portion of the West Wing Lobby on the Ground Floor of the Central Government Offices, Tamar, Hong Kong	Automatic vending machine
2	A building in Sheung Shui, New Territories	Fee-paying public car park
3	A portion of the Ground Floor of Shun Lee Disciplined Services Quarters, Kwun Tong, Kowloon	Parcel delivery locker kiosk
4 to 6	Portions of the Restricted Area on the Pier Level, First Floor and Second Floor of China Ferry Terminal, China Hong Kong City, Tsim Sha Tsui, Kowloon	3 advertising areas

As government properties are mainly for offices, public facilities or other government uses, commercialisation opportunities in government properties are limited and most of the suitable space has been leased out. Therefore, the number of government properties with identifiable commercialisation opportunities is relatively low.

#### FSTB(Tsy)008

#### CONTROLLING OFFICER'S REPLY

#### (Question Serial No. 0019)

<u>Head</u>: (51) Government Property Agency

Subhead (No. & title): ()

<u>Programme</u>: (2) Property Management

Controlling Officer: Government Property Administrator (Eugene FUNG)

<u>Director of Bureau</u>: Secretary for Financial Services and the Treasury

#### Question:

One of the missions of the Government Property Agency is to manage government properties under its purview in an efficient and cost-effective manner, and to improve and modernise them to meet changing needs. In this connection, would the Government please advise on the following:

- 1. Has innovative technology been actively put to good use in order to achieve higher quality, greater efficiency and lower cost in the management of old and new government properties? If yes, please set out specific examples;
- 2. Because of the "Occupy Central" movement and the "black-clad violence" years ago, security measures and relevant manpower of many government properties have been strengthened. With the effective implementation of the Hong Kong National Security Law and the Safeguarding National Security Ordinance, has the Department re-assessed such measures and made adjustments accordingly, so as to reduce government expenditure?
- 3. In the light of the significant fiscal deficit, has the Department appropriately deferred or adjusted the refurbishment works of some of the government properties and the modernisation plan of their facilities? If yes, how many properties are involved and what is the amount of savings achieved?

Asked by: Hon TSE Wai-chuen, Tony (LegCo internal reference no.: 3)

#### Reply:

- 1. The Government Property Agency ("GPA") provides day-to-day property and facility management services for government properties under its management (including joint-user general office buildings, Hong Kong-Zhuhai-Macao Bridge Hong Kong Port [HZMB HKP] and Heung Yuen Wai Boundary Control Point, etc.) through service contractors. GPA is committed to promoting innovation and the application of technologies and has required its service contractors to implement innovative and technology projects, including digitalised security patrol systems, cleaning and disinfection robots, etc., taking into account the actual circumstances of individual properties. Furthermore, GPA has installed an artificial intelligence monitoring system in the Passenger Clearance Building of HZMB HKP to monitor the real-time passenger flow and enhance the efficiency in crowd management. The aforesaid innovative and technology projects would boost the operational efficiency and achieve cost-saving in the provision of property and facility management services.
- 2. GPA has been maintaining close contact with law enforcement agencies and user departments to regularly review and adjust the security measures and manpower deployment, with a view to enforcing the security of government properties in a cost-effective manner. The existing security measures implemented in government properties have duly reflected this principle.
- 3. Acting on the professional advice of relevant works departments, GPA arranges necessary refurbishment works and renewal of facilities in government properties under its management to meet operational needs and safety requirements. GPA will prioritize the works according to their urgency and the availability of resources to ensure the effective use of public resources.

#### FSTB(Tsy)009

#### CONTROLLING OFFICER'S REPLY

#### (Question Serial No. 0083)

<u>Head</u>: (51) Government Property Agency

Subhead (No. & title): ()

<u>Programme</u>: (3) Estate Utilisation

Controlling Officer: Government Property Administrator (Eugene FUNG)

<u>Director of Bureau</u>: Secretary for Financial Services and the Treasury

#### Question:

Regarding government properties without designated use or left idle:

- 1. For the past 3 years, what are the numbers of government properties without designated use and left idle in the territory, and the numbers of leased units among such properties? What are the uses of such units by the tenants?
- 2. For the past 3 years, what are the expenditures spent by the Government on maintenance and repairs of properties without designated use or left vacant?

Asked by: Hon CHAN Han-pan (LegCo internal reference no.: 5)

#### Reply:

Currently, the Government Property Agency ("GPA") mainly manages 46 joint-user general office buildings (JUBs), 62 government quarters projects, the Passenger Clearance Building of the Hong Kong-Zhuhai-Macao Bridge Hong Kong Port and the Passenger Terminal Building of the Heung Yuen Wai Boundary Control Point. None of the properties under the management of GPA are without designated use or left idle.

JUBs and specialist / departmental buildings (SDBs) are primarily used as offices for government departments and for the provision of public services. When the property is surplus to the operational needs of the Government, GPA will lease the property through commercialisation, offer the property for leasing to non-governmental organisations or dispose of the property by sale. GPA will also assist to lease or dispose of government quarters by sale when the quarters are surplus to the operational needs of the Government.

For SDBs under the management of relevant bureaux / departments, GPA is assisting the relevant bureaux / departments to lease more than 10 properties. GPA does not keep the information on the repair and maintenance expenses of these properties.

#### Examination of Estimates of Expenditure 2025-26

Reply Serial No.

#### CONTROLLING OFFICER'S REPLY

FSTB(Tsy)010

#### (Question Serial No. 0875)

<u>Head</u>: (51) Government Property Agency

Subhead (No. & title): ()

<u>Programme</u>: (1) Acquisition and Allocation

Controlling Officer: Government Property Administrator (Eugene FUNG)

Director of Bureau: Secretary for Financial Services and the Treasury

#### Question:

Regarding the use of government accommodation by bureaux/departments, will the Bureau inform this Committee of:

- (1) with a breakdown by bureau/department, (i) the areas of government-owned and leased office accommodation allocated at end-2024; (ii) the costs spent on leased office accommodation (including rent, management fees, air-conditioning charges and other charges payable to the landlords) in the past 3 years; and (iii) the estimated expenditures for 2025-26;
- (2) the areas of government-owned and leased office accommodation in each of the 18 District Council districts according to their locations at end-2024;
- (3) for the costs spent by the Government on leased office accommodation (including rent, management fees, air-conditioning charges and other charges payable to the landlords) in the past 3 years, a breakdown of the leased areas by range of consideration (\$0 \$100/m² per month, \$101-\$200/m² per month, etc.);
- (4) the expenditures on renovation and setting up of newly leased office accommodation and reinstatement of deleased office accommodation in the past 3 years and such estimated expenditures for 2025-26;
- (5) given the expenditures incurred for renovation and setting up of newly leased office accommodation, whether the Government has set out any minimum period of leasing office accommodation or principles in this regard for the avoidance of wasting resources; if yes, of the details; if not, of the reasons;

(6) whether the Government has any short-term and long-term plans in relocating leased offices with higher rental costs to leased office accommodation with lower rental costs or government-owned office accommodation; if yes, of the details; if not, of the reasons.

Asked by: Hon TANG Fei (LegCo internal reference no.: 29) Reply:

- (1) to (3) Details of the office accommodation of bureaux and departments in government-owned premises as at 31 December 2024 are set out at <u>Annex 1</u>. Details of the office accommodation of bureaux and departments in leased private premises in the past 3 years are set out at <u>Annex 2</u>. As the expenditure on leased premises are mainly borne by the relevant bureaux and departments, the Government Property Agency (GPA) does not have information on the estimated expenditure on the Government's office accommodation in leased private premises for 2025-26.
- (4) According to the information provided by the Architectural Services Department (ArchSD), the Government's expenditure on renovation of newly leased office accommodation and reinstatement of deleased office accommodation in the past 3 years and the estimated expenditure on such for 2025-26 are set out at <u>Annex 3</u>. Some of the costs are expenditure for moving from leased premises to government-owned premises which are one-off in nature, and the relocation can help achieve savings in the expenditure on leased premises in the long run.
- (5) As the specifications, conditions and ancillary facilities of private premises vary, the renovation expenses incurred will also differ. Upholding the principle of prudent use of public funds, the ArchSD has all along been arranging renovation matters in a minimal and cost-effective manner to meet the operational needs of departments. The renovation arrangements must follow the "no frills" principle to avoid wastage of resources as far as possible. Therefore, the Government does not set out any minimum period of leasing office accommodation or principles in this regard.
- (6) Government's policy is to accommodate offices in government-owned premises as far as practicable. Leasing premises for use by departments will only be considered if government-owned premises are unable to meet their locational requirements or operational needs.

The GPA conducts an accommodation review annually. To reduce rental expenses, the GPA will relocate leased offices to government-owned premises, as well as relocate leased offices with higher rent to premises with lower rent having regard to the operational needs of the departments concerned and cost-effectiveness. In 2024-25, the saving on rental expenses (including management fees and air-conditioning charges) achieved by the Government in relocating 20 leased offices to government-owned premises or leased premises with lower rent is about \$94 million per year. The Government plans to move out of 26 leased offices in 2025-26, and the saving on rental expenses (including management fees and air-conditioning charges) is estimated to be about \$130 million per year. The GPA will continue to review the rental levels and explore ways to control rental expenses with bureaux and departments, including relocating offices to suitable government-owned premises or leased premises with lower rent as far as possible.

# Information on the office accommodation of bureaux and departments in government-owned premises in the 18 districts as at 31 December 2024

District	Internal floor area (m²) (approximate)	Number of bureaux/departments involved
Central & Western	108 000	41
Eastern	81 000	24
Southern	3 000	6
Wan Chai	212 000	53
Kowloon City	59 000	21
Kwun Tong	16 000	13
Sham Shui Po	105 000	42
Wong Tai Sin	-	-
Yau Tsim Mong	73 000	21
Islands	2 000	12
Kwai Tsing	8 000	8
North	1 000	7
Sai Kung	10 000	17
Sha Tin	25 000	22
Tai Po	15 000	20
Tsuen Wan	24 000	21
Tuen Mun	22 000	17
Yuen Long	13 000	17
Total internal floor area	777 000	

Note: Government-owned premises include properties constructed and purchased by the Government, as well as properties in private development projects provided by developers by virtue of land grant provisions.

# Information on the office accommodation of bureaux and departments in leased private premises in the 18 districts in the past 3 years

District	Rental range (including monthly rent, management fees and air-conditioning charges (if any)) (m² per month)	Internal floor area (m²) (approximate)	Monthly rent, management fees and air-conditioning charges (if any) (million) (approximate)	Number of bureaux/departmen ts involved
<u>2022</u>			<u> </u>	
	\$0-\$100	500		
	\$101-\$200	400		
C 4 1 0	\$201-\$300	0		
Central & Western	\$301-\$400	800	10	10
VV CSCOTTI	\$401-\$500	0		
	\$501 or above	9 900		
	Total	11 600		
	\$0-\$100	3 900		
	\$101-\$200	12 000	12	
	\$201-\$300	4 500		
Eastern	\$301-\$400	4 000		24
	\$401-\$500	8 500		
	\$501 or above	5 900		
	Total	38 800		
	\$0-\$100	1 300		
	\$101-\$200	4 000		
	\$201-\$300	3 600		24
Southern	\$301-\$400	10 000	9	
	\$401-\$500	5 000		
	\$501 or above	1 700		
	Total	25 600		
	\$0-\$100	900		
	\$101-\$200	0		
	\$201-\$300	0		
Wan Chai	\$301-\$400	600	23	26
	\$401-\$500	4 400		
	\$501 or above	25 000		
	Total	30 900		

District	Rental range	Internal floor area	Monthly rent,	Number of
	(including monthly	(m <sup>2</sup> ) (approximate)		bureaux/departments
	rent, management fees and air-conditioning		and air- conditioning	involved
	charges (if any))		charges (if any)	
	(m <sup>2</sup> per month)		(\$m) (approximate)	
	\$0-\$100	1 100		
	\$101-\$200	0		
	\$201-\$300	1 800		
Kowloon City	\$301-\$400	1 700	3	6
	\$401-\$500	2 300		
	\$501 or above	600		
	Total	7 500		
	\$0-\$100	8 300		
	\$101-\$200	3 900		
	\$201-\$300	18 600		
Kwun Tong	\$301-\$400	39 000	42	39
	\$401-\$500	32 000		
	\$501 or above	9 000		
	Total	110 800		
	\$0-\$100	20 100		
	\$101-\$200	2 000		
	\$201-\$300	2 800		
Sham Shui Po	\$301-\$400	4 800	4	20
	\$401-\$500	1 400		
	\$501 or above	1 300		
	Total	32 400		
	\$0-\$100	6 600		
	\$101-\$200	500		
	\$201-\$300	2 500		
Wong Tai Sin	\$301-\$400	3 300	3	11
	\$401-\$500	600		
	\$501 or above	1 500		
	Total	15 000		
	\$0-\$100	2 800		
	\$101-\$200	0		
W. T.	\$201-\$300	0		
Yau Tsim Mong	\$301-\$400	2 300	12	20
IVIOIIE	\$401-\$500	10 700		
	\$501 or above	7 500		
	Total	23 300		

District	Rental range	Internal floor area	Monthly rent,	Number of
	(including monthly	(m <sup>2</sup> ) (approximate)		bureaux/departments
	rent, management fees		air-conditioning	involved
	and air-conditioning charges (if any))		charges (if any) (\$m) (approximate)	
	(m <sup>2</sup> per month)		(wiii) (upproximate)	
	\$0-\$100	33 000		
	\$101-\$200	1 200		
	\$201-\$300	700		
Islands	\$301-\$400	0	2	16
	\$401-\$500	0		
	\$501 or above	300		
	Total	35 200		
	\$0-\$100	4 000		
	\$101-\$200	17 000		
	\$201-\$300	1 700		
Kwai Tsing	\$301-\$400	1 000	8	18
	\$401-\$500	7 200		
	\$501 or above	700		
	Total	31 600		
	\$0-\$100	200		
	\$101-\$200	900		
	\$201-\$300	1 000		
North	\$301-\$400	6 400	3	9
	\$401-\$500	800		
	\$501 or above	100		
	Total	9 400		
	\$0-\$100	7 700		
	\$101-\$200	800		
	\$201-\$300	0		
Sai Kung	\$301-\$400	600	2	9
	\$401-\$500	0		
	\$501 or above	1 700		
	Total	10 800		
	\$0-\$100	4 000		
	\$101-\$200	9 800		
	\$201-\$300	1 400		
Sha Tin	\$301-\$400	400	6	14
	\$401-\$500	4 400		
	\$501 or above	2 400		
	Total	22 400		

District	Rental range (including monthly	Internal floor area (m²) (approximate)	Monthly rent, management fees and	Number of bureaux/departments
	rent, management fees		air-conditioning	involved
	and air-conditioning		charges (if any)	
	charges (if any)) (m² per month)		(\$m) (approximate)	
	\$0-\$100	1 600		
	\$101-\$200	700		
	\$201-\$300	0		
Tai Po	\$301-\$400	600	2	10
	\$401-\$500	0		
	\$501 or above	2 500		
	Total	5 400		
	\$0-\$100	3 000		
	\$101-\$200	21 500	10	19
	\$201-\$300	8 000		
Tsuen Wan	\$301-\$400	7 000		
	\$401-\$500	1 900		
	\$501 or above	1 000		
	Total	42 400		
	\$0-\$100	6 800	7	18
	\$101-\$200	32 900		
	\$201-\$300	2 600		
Tuen Mun	\$301-\$400	400		
	\$401-\$500	200		
	\$501 or above	1 500		
	Total	44 400		
	\$0-\$100	4 400		
	\$101-\$200	4 800		
Yuen Long	\$201-\$300	0		
	\$301-\$400	600	3	12
	\$401-\$500	500		
	\$501 or above	2 700		
	Total	13 000		
7	Total monthly rent, ma	0	161	
	air-conditioning char	ges (if any) in 2022	101	

District	Rental range (including monthly rent, management fees and air-conditioning charges (if any)) (m <sup>2</sup> per month)	Internal floor area (m²) (approximate)	Monthly rent, management fees and air- conditioning charges (if any) (\$m) (approximate)	Number of bureaux/departments involved
2023	1		T	_
	\$0-\$100	500		
	\$101-\$200	400		
Ct1 0	\$201-\$300	0		
Central & Western	\$301-\$400	800	10	9
VV CSCCIII	\$401-\$500	0		
	\$501 or above	9 500		
	Total	11 200		
	\$0-\$100	3 900		
	\$101-\$200	12 000		
	\$201-\$300	2 900		
Eastern	\$301-\$400	3 500	10	22
	\$401-\$500	10 400		
	\$501 or above	3 200		
	Total	35 900		
	\$0-\$100	1 400		
	\$101-\$200	2 200		
	\$201-\$300	5 400		
Southern	\$301-\$400	10 400	9	24
	\$401-\$500	6 400		
	\$501 or above	300		
	Total	26 100		
	\$0-\$100	600		
	\$101-\$200	400		
	\$201-\$300	0		
Wan Chai	\$301-\$400	1 800	19	23
	\$401-\$500	6 800		
	\$501 or above	22 200		
	Total	31 800		

District	Rental range	Internal floor area	Monthly rent,	Number of
	(including monthly	(m <sup>2</sup> ) (approximate)	management fees and air-	bureaux/departments involved
	rent, management fees and air-conditioning		conditioning	invoiveu
	charges (if any))		charges (if any)	
	(m <sup>2</sup> per month)		(\$m) (approximate)	
	\$0-\$100	1 100		
	\$101-\$200	0		
	\$201-\$300	1 800		
Kowloon City	\$301-\$400	1 700	2	5
	\$401-\$500	2 300		
	\$501 or above	600		
	Total	7 500		
	\$0-\$100	9 800		
	\$101-\$200	3 500		
	\$201-\$300	24 500		
Kwun Tong	\$301-\$400	37 200	44	37
	\$401-\$500	38 500		
	\$501 or above	5 600		
	Total	119 100		
	\$0-\$100	20 100		
	\$101-\$200	2 200		
	\$201-\$300	2 800		
Sham Shui Po	\$301-\$400	4 800	4	19
	\$401-\$500	1 700		
	\$501 or above	1 100		
	Total	32 700		
	\$0-\$100	6 600		
	\$101-\$200	500		
	\$201-\$300	3 100		
Wong Tai Sin	\$301-\$400	2 800	4	10
	\$401-\$500	600		
	\$501 or above	1 500		
	Total	15 100		
	\$0-\$100	3 000		
	\$101-\$200	0		
	\$201-\$300	0		
Yau Tsim Mong	\$301-\$400	2 800	9	16
	\$401-\$500	8 700		
	\$501 or above	5 800		
	Total	20 300		

District	Rental range	Internal floor area	Monthly rent,	Number of
	(including monthly	(m²) (approximate)	management fees and air-	bureaux/departments involved
	rent, management fees and air-conditioning		conditioning	invoiveu
	charges (if any))		charges (if any)	
	(m <sup>2</sup> per month)		(\$m) (approximate)	
	\$0-\$100	32 000		
	\$101-\$200	1 200		
	\$201-\$300	700		
Islands	\$301-\$400	0	2	15
	\$401-\$500	0		
	\$501 or above	200		
	Total	34 100		
	\$0-\$100	2 600		
	\$101-\$200	15 000		
	\$201-\$300	3 600		
Kwai Tsing	\$301-\$400	1 000	8	18
	\$401-\$500	5 800		
	\$501 or above	2 300		
	Total	30 300		
	\$0-\$100	200		
	\$101-\$200	900		
	\$201-\$300	1 100		
North	\$301-\$400	6 400	3	7
	\$401-\$500	0		
	\$501 or above	100		
	Total	8 700		
	\$0-\$100	5 000		
	\$101-\$200	800		
	\$201-\$300	0		
Sai Kung	\$301-\$400	600	1	6
	\$401-\$500	0		
	\$501 or above	1 100		
	Total	7 500		
	\$0-\$100	8 000		
	\$101-\$200	9 800		
	\$201-\$300	1 400		
Sha Tin	\$301-\$400	200	6	13
	\$401-\$500	3 700		
	\$501 or above	3 200		
	Total	26 300		

District	Rental range (including monthly rent, management fees and air-conditioning charges (if any)) (m² per month)	Internal floor area (m²) (approximate)	Monthly rent, management fees and air- conditioning charges (if any) (\$m) (approximate)	Number of bureaux/departments involved
	\$0-\$100	1 600	(wm) (approximate)	
	\$101-\$200	500		
	\$201-\$300	100		
Tai Po	\$301-\$400	800	1	8
	\$401-\$500	200		
	\$501 or above	1 300		
	Total	4 500		
	\$0-\$100	2 700		
	\$101-\$200	4 000		
	\$201-\$300	5 900		
Tsuen Wan	\$301-\$400	6 200	7	17
	\$401-\$500	3 100		
	\$501 or above	1 200		
	Total	23 100		
	\$0-\$100	15 000		
	\$101-\$200	24 000		
	\$201-\$300	2 600		
Tuen Mun	\$301-\$400	400	6	16
	\$401-\$500	0		
	\$501 or above	1 100		
	Total	43 100		
	\$0-\$100	4 400		
	\$101-\$200	5 000		
	\$201-\$300	700		
Yuen Long	\$301-\$400	100	3	10
	\$401-\$500	500		
	\$501 or above	2 400		
	Total	13 100		
,	Total monthly rent, ma air-conditioning char			

District	Rental range (including monthly rent, management fees and air-conditioning charges (if any)) (m² per month)	Internal floor area (m²) (approximate)	Monthly rent, management fees and air-conditioning charges (if any) (\$m) (approximate)	Number of bureaux/departments involved
<u>2024</u>	T			T
	\$0-\$100	500	_	
	\$101-\$200	400		
Central &	\$201-\$300	0		
Western	\$301-\$400	500	9	10
, v estern	\$401-\$500	0		
	\$501 or above	9 300		
	Total	10 700		
	\$0-\$100	3 900		
	\$101-\$200	9 700		
	\$201-\$300	2 900		
Eastern	\$301-\$400	3 500	9	22
	\$401-\$500	10 400		
	\$501 or above	1 400		
	Total	31 800		
	\$0-\$100	1 300		
	\$101-\$200	2 500		
	\$201-\$300	6 700	10	24
Southern	\$301-\$400	8 700		
	\$401-\$500	8 500		
	\$501 or above	300		
	Total	28 000		
	\$0-\$100	500		
	\$101-\$200	0		
	\$201-\$300	0		
Wan Chai	\$301-\$400	2 700	18	21
	\$401-\$500	5 100		
	\$501 or above	20 100		
	Total	28 400		
	\$0-\$100	1 400		
	\$101-\$200	0		
	\$201-\$300	300	2	
Kowloon City	\$301-\$400	1 700		5
	\$401-\$500	2 300		
	\$501 or above	600		
	Total	6 300		

District	Rental range	Internal floor area	Monthly rent,	Number of
	(including monthly	(m <sup>2</sup> ) (approximate)		bureaux/departments
	rent, management fees and air-conditioning		air-conditioning charges (if any)	involved
	charges (if any))		(\$m) (approximate)	
	(m <sup>2</sup> per month)		(\$111) ( <b>upp</b> 1 \$111111111)	
	\$0-\$100	7 400		
	\$101-\$200	2 800		
	\$201-\$300	16 000		
Kwun Tong	\$301-\$400	30 700	38	36
	\$401-\$500	38 100		
	\$501 or above	3 500		
	Total	98 500		
	\$0-\$100	20 500		
	\$101-\$200	2 200		
	\$201-\$300	2 800		
Sham Shui Po	\$301-\$400	4 800	4	19
	\$401-\$500	2 200		
	\$501 or above	1 100		
	Total	33 600		
	\$0-\$100	6 600		
	\$101-\$200	500		
	\$201-\$300	1 700		
Wong Tai Sin	\$301-\$400	3 400	3	9
	\$401-\$500	600		
	\$501 or above	1 500		
	Total	14 300		
	\$0-\$100	2 800		
	\$101-\$200	0		
V Trins	\$201-\$300	0		
Yau Tsim Mong	\$301-\$400	2 500	7	14
liviong	\$401-\$500	9 200		
	\$501 or above	2 900		
	Total	17 400		
Islands	\$0-\$100	32 000		
	\$101-\$200	1 100		
	\$201-\$300	800		
	\$301-\$400	0	2	15
	\$401-\$500	0		
	\$501 or above	200		
	Total	34 100		

District	Rental range	Internal floor area	Monthly rent,	Number of
	(including monthly	(m <sup>2</sup> ) (approximate)	management fees	bureaux/departments
	rent, management fees		and air-conditioning	involved
	and air-conditioning charges (if any))		charges (if any) (\$m) (approximate)	
	(m <sup>2</sup> per month)		(om) (approximate)	
	\$0-\$100	4 200		
	\$101-\$200	15 000		
	\$201-\$300	3 600		
Kwai Tsing	\$301-\$400	1 700	8	18
	\$401-\$500	7 000		
	\$501 or above	800		
	Total	32 300		
	\$0-\$100	200		
	\$101-\$200	900		
	\$201-\$300	1 000		
North	\$301-\$400	6 300	3	7
	\$401-\$500	100		
	\$501 or above	100		
	Total	8 600		
	\$0-\$100	4 900		
	\$101-\$200	900		
	\$201-\$300	0		
Sai Kung	\$301-\$400	600	1	6
	\$401-\$500	0		
	\$501 or above	1 100		
	Total	7 500		
	\$0-\$100	8 000		
	\$101-\$200	5 300		
	\$201-\$300	1 600		
Sha Tin	\$301-\$400	200	5	14
	\$401-\$500	3 700		
	\$501 or above	2 700		
	Total	21 500		
	\$0-\$100	1 600		
	\$101-\$200	400		
Tai Po	\$201-\$300	500		
	\$301-\$400	800	2	8
	\$401-\$500	200		
	\$501 or above	1 300		
	Total	4 800		

District	Rental range	Internal floor area	Monthly rent,	Number of
	(including monthly	(m <sup>2</sup> ) (approximate)	management fees and	bureaux/departments
	rent, management fees		air-conditioning	involved
	and air-conditioning charges (if any))		charges (if any) (\$m) (approximate)	
	(m <sup>2</sup> per month)		(\$m) (approximate)	
	\$0-\$100	1 200		
	\$101-\$200	3 600		
	\$201-\$300	10 000		
Tsuen Wan	\$301-\$400	4 500	7	19
	\$401-\$500	3 100		
	\$501 or above	1 200		
	Total	23 600		
	\$0-\$100	6 100		16
	\$101-\$200	32 000		
	\$201-\$300	2 600		
Tuen Mun	\$301-\$400	400	6	
	\$401-\$500	0		
	\$501 or above	1 100		
	Total	42 200		
	\$0-\$100	4 400		
	\$101-\$200	4 900		
Yuen Long	\$201-\$300	100		10
	\$301-\$400	900	3	
	\$401-\$500	0		
	\$501 or above	2 200		
	Total	12 500		
Total monthly rent, management fees and air-conditioning charges (if any) in 2024			138	

Note: The above table shows the figures as at December of the relevant years. The figures for monthly rent, management fees and air-conditioning charges may not add up to the total due to rounding.

# Government's expenditures on renovation of newly leased office accommodation and reinstatement of deleased office accommodation

Financial year	Expenditure on renovation of newly leased office accommodation (\$m) (approximate)	Expenditure on reinstatement of deleased office accommodation (\$m) (approximate)
2022-23	288	54
2023-24	275	18
2024-25 (As at 28 February 2025)	206	85
2025-26 (Estimate)	200	50

Note: Subject to the tenancy agreement, the Government is required to reinstate the leased premises and return them to the owner within a specified period. In general, the costs of reinstatement works include the removal of interior fitting-outs, repairing works and reinstatement to the original condition. The Architectural Services Department has been striving to minimise unnecessary expenditures on related works for effective use of public funds.

FSTB(Tsy)011

(Question Serial No. 0907)

<u>Head</u>: (51) Government Property Agency

Subhead (No. & title): ()

<u>Programme</u>: (1) Acquisition and Allocation

Controlling Officer: Government Property Administrator (Eugene FUNG)

Director of Bureau: Secretary for Financial Services and the Treasury

#### Question:

It is stated in Matters Requiring Special Attention in 2025-26 under this Programme that the Government Property Agency will, among others, continue to take forward the initiative to relocate government offices being non-location-specific and without service boundary from high-value areas to lower-value areas or the Northern Metropolis as far as practicable. In this connection, please inform this Committee how many government offices were relocated from high-value areas to lower-value areas in 2024-25 under the above initiative? What is the amount of expenditure saved for the Government as a result? Please provide a breakdown by items and amounts. Are there any specific plans and targets to achieve further saving on Government's office expenses for the new year of 2025-26? If yes, what are the details and amounts involved?

Asked by: Hon NG Kit-chong, Johnny (LegCo internal reference no.: 6)

#### Reply:

The policy of the Government is to accommodate offices in government-owned premises as far as practicable. Leasing premises for use by departments will only be considered if government-owned premises are unable to meet their locational requirements or operational needs. The Government Property Agency (GPA) conducts an accommodation review annually. To reduce rental expenses, the GPA will relocate leased offices to government-owned premises, as well as relocate leased offices with higher rent to premises with lower rent having regard to the operational needs of the departments concerned and cost-effectiveness.

In 2024-25, the saving on rental expenses (including management fees and air-conditioning charges) achieved by the Government in relocating 20 leased offices to government-owned premises or leased premises with lower rent is about \$94 million per year. The Government plans to move out of 26 leased offices in 2025-26, and the saving on rental expenses (including management fees and air-conditioning charges) is estimated to be about \$130 million per year. The GPA will continue to review the rental levels and explore ways on controlling the rental expenses with bureaux and departments, including relocating offices to suitable government-owned premises or leased premises with lower rent as far as possible to achieve saving on rental expenses.

FSTB(Tsy)012

(Question Serial No. 0908)

<u>Head</u>: (51) Government Property Agency

Subhead (No. & title): ()

<u>Programme</u>: (3) Estate Utilisation

Controlling Officer: Government Property Administrator (Eugene FUNG)

<u>Director of Bureau</u>: Secretary for Financial Services and the Treasury

#### Question:

Under this programme, the Matters Requiring Special Attention of the Government Property Agency include assisting government bureaux and departments in releasing surplus departmental properties to alternative uses or disposal as appropriate, and identifying government properties with commercialisation potential with a view to realising such potential. Please inform this Committee of the numbers of departmental properties released to alternative uses and government properties with commercialisation potential identified, as well as the expenditures involved and costs saved in 2024-25. Please give an account of the relevant properties and the change of uses. For 2025-26, what are the specific plans, expenditures involved and costs to be saved?

Asked by: Hon NG Kit-chong, Johnny (LegCo internal reference no.: 7)

#### Reply:

Government properties are primarily used as offices and public facilities. In 2024-25, the Government Property Agency (GPA) assisted in identifying users for 4 government properties which are no longer required by bureaux/departments. If no other government departments have plan to use those properties, the GPA will lease them by way of commercialisation, or lease them to non-governmental organisations.

In addition, the GPA will introduce commercial elements to suitable government properties from time to time. After initially identifying individual government properties with commercialisation potential, the GPA will consult the departments concerned and conduct a detailed study on the implications of introducing commercial activities on the image, appearance and pedestrian flow of the government properties concerned as well as the impact of the change of use on fire escapes, fire services and building installations, so as to determine whether it is feasible and appropriate to put the properties to commercial use.

In 2024-25, the GPA identified 4 government properties suitable for introducing commercial elements, which are set out below. The first 3 properties have already been leased. The remaining property will be open for lease within this year:

Property	Proposed use
1. A portion of the West Wing Lobby on the Ground Floor	Automatic vending
of the Central Government Offices, Tamar, Hong Kong	machine
2. A building in Sheung Shui, New Territories	Fee-paying public car park
3. A portion of the Ground Floor of Shun Lee Disciplined	Parcel delivery locker
Services Quarters, Kwun Tong, Kowloon	kiosk
4. Portions of the Restricted Area on the Pier Level, First Floor and Second Floor of China Ferry Terminal, China	3 advertising areas
Hong Kong City, Tsim Sha Tsui, Kowloon	

In 2025-26, the GPA will continue to assist bureaux/departments in handling and identifying suitable users for their surplus government properties with a view to making good use of government properties.

The GPA has been carrying out the above work with existing manpower. As the staff concerned also undertake other duties, a breakdown of the expenditure is not available.

FSTB(Tsy)013

(Question Serial No. 0909)

<u>Head</u>: (51) Government Property Agency

Subhead (No. & title): ()

<u>Programme</u>: (1) Acquisition and Allocation and (2) Property Management

<u>Controlling Officer</u>: Government Property Administrator (Eugene FUNG)

<u>Director of Bureau</u>: Secretary for Financial Services and the Treasury

#### Question:

Regarding the Analysis of Financial and Staffing Provision of the Government Property Agency, provision for the new financial year under Programme (1) is \$37.0 million (6.0%) higher than the revised estimate for 2024-25, mainly due to the anticipated increase in the rent and management charges for rented accommodation. Meanwhile, provision under Programme (2) is also \$180.0 million (9.1%) higher, mainly due to the anticipated increases in the provision for leasing and management of quarters and requirement for property management and maintenance services. Please inform this Committee of the details regarding the increases in the rent, management charges and maintenance services for accommodation and quarters. What departments to which such accommodation and quarters belong are involved?

Asked by: Hon NG Kit-chong, Johnny (LegCo internal reference no.: 8)

#### Reply:

Under Programme (1), provision for 2025-26 is 6% higher than the revised estimate for 2024-25. This is mainly due to the anticipated increase in the rent and management charges payable by the Government Property Agency (GPA) for the leased accommodation for the relevant bureaux/departments. The GPA estimates the adjustments of related expenditures for the coming year based on the current rent, management charges and other expenses of the premises, taking into account factors such as previous increases in the rent and management charges, inflation rate and the changes of electricity charges and statutory minimum wage. In addition, as some bureaux/departments have specific requirements on the locations or types of premises for their office accommodation due to the need to provide frontline services for the public, there will be limitations on the selection of premises and an impact on rental expenses. The GPA will continue to review the rental levels and explore ways to control rental expenditure with bureaux/departments, including relocating offices to suitable government-owned premises or leased premises of lower rents as far as possible.

Under Programme (2), provision for 2025-26 is 9.1% higher than the revised estimate for 2024-25. This is mainly due to the anticipated increases in the expenditure on the provision of property and facilities management services for government properties managed by the GPA (including joint-user general office buildings (JUBs), joint-user government facilities at 2 boundary control points and government quarters), as well as on property maintenance, etc. Among which, the increases in the management and maintenance fees for the quarter units in private developments, as well as the award of new property management services contracts by the GPA earlier for the JUBs and government quarters under its management, are the main reasons for the above-mentioned increases.

FSTB(Tsy)014

#### (Question Serial No. 2198)

<u>Head</u>: (51) Government Property Agency

Subhead (No. & title): ()

<u>Programme</u>: (3) Estate Utilisation

Controlling Officer: Government Property Administrator (Eugene FUNG)

<u>Director of Bureau</u>: Secretary for Financial Services and the Treasury

#### **Ouestion:**

As shown in Programme (3), the provision for estate utilisation is 10.6% higher than the revised estimate for 2024-25, amounting to around \$81 million, which is mainly due to the anticipated increase in the rent and management charges for rented accommodation. In this connection, will the Government inform this Committee:

- (a) of the gross area of under-utilised sites managed by government bureaux and departments, as well as the staff establishment and estimated expenditure for reviewing such sites, over the past 3 years;
- (b) of the gross area of vacant properties resumed and revitalised each year; and
- (c) of the specific factors of consideration in increasing the estimate for the rent and management charges for government offices. Please provide relevant figures.

Asked by: Hon TANG Ka-piu (LegCo internal reference no.: 33)

#### Reply:

Under Programme (3) of the Government Property Agency (GPA), the provision for 2025-26 is 10.6% higher than the revised estimate for 2024-25. This is mainly due to the anticipated increases in salary expenses (including the filling of vacancies) and other administrative overheads, instead of the anticipated increase in the rent and management charges for rented accommodation.

Our reply to various parts of the question raised by the Member is as follows:

(a) The GPA and the Planning Department (PlanD) jointly review government site utilisation annually with a view to optimising utilisation and where appropriate, releasing relevant sites for alternative uses. In the course of review, the GPA and the PlanD will consider factors such as existing uses of the sites, redevelopment potential and relevant planning requirements.

In the past 3 years, the GPA assisted in arranging alternative uses for 3 government sites in 2022 and 2023 respectively. Details are as follows:

Property / Site	Site area (m²) (Approx.)	New use
2022	·	
Site at the junction of Shanghai Street and	572	Cultural facilities
Waterloo Road (Former Shanghai Street		
Temporary Refuse Collection Point, Street		
Sleepers' Services Units and Shanghai		
Street/Waterloo Road Public Toilet)		
Ex-Kennedy Town Police Married Quarters	2 500	Public housing
Block B		
2023		
Dills Corner Garden	24 900	Road works and
		Government,
		Institution or
		Community
		facilities

The GPA has been carrying out the above work with the existing manpower and does not have the breakdown of expenditure for that as the staff concerned are also responsible for other duties.

(b) Currently, the GPA mainly manages 46 joint-user government offices, 62 government quarters projects, the Passenger Clearance Building of the Hong Kong-Zhuhai-Macao Bridge Hong Kong Port and the Passenger Terminal Building of the Heung Yuen Wai Boundary Control Point. As the above properties have been by and large fully utilised, there are currently no government properties under the GPA which are resumed for revitalisation.

For specialist/departmental buildings managed by relevant bureaux/departments, the GPA is assisting the relevant bureaux/departments in leasing some 10 properties which are surplus to the operational needs of the Government for the effective use of resources.

(c) The expenditure on the rent and management charges payable by the GPA for its rented accommodation for the relevant bureaux/departments is reflected in Programme (1), under which the provision for 2025-26 is 6% higher than the revised estimate for 2024-25. This is mainly due to the anticipated increase in the aforesaid rent and management charges. The GPA estimates the adjustments of related expenditure for the coming year based on the rent, management charges and other expenses for the properties in the current year, taking into account factors such as previous increases in the rent and management charges, inflation rate, electricity charges and statutory minimum wage changes. In addition, as some bureaux/departments have specific requirements on the locations or types of properties for their office accommodation due to the need to provide frontline services for the public, there will be restrictions on the selection of properties and an impact on rental expenses. The GPA will continue to review the rental levels and explore ways on controlling the rental expenditure with bureaux and departments, including relocating offices to suitable government properties or properties with lower rents as far as possible.

FSTB(Tsy)015

(Question Serial No. 2618)

<u>Head</u>: (51) Government Property Agency

Subhead (No. & title): ()

<u>Programme</u>: (2) Property Management

Controlling Officer: Government Property Administrator (Eugene FUNG)

<u>Director of Bureau</u>: Secretary for Financial Services and the Treasury

#### Question:

Will the Government inform this Committee of the following:

- 1. Regarding festive decorations that the Government arranges for various government buildings, what were the buildings involved and the specific expenditure on decorations in each of the past 3 years?
- 2. Against the background of cutting expenditure to tackle the Government's fiscal deficit, how will the Government strike a balance between enhancing the festive atmosphere and managing expenditure growth appropriately? Will consideration be given to options such as introducing more reusable materials and installing more electronic display equipment?

Asked by: Hon TAN Yueheng (LegCo internal reference no.: 25)

#### Reply:

The Government Property Agency ("GPA") has all along put up small-scale festive decorations in joint-user general office buildings ("JUBs") and government quarters under its management during Lunar New Year and Christmas. As the costs incurred are subsumed in the costs of property management services contracts, GPA does not have information on the costs incurred. Starting from 2022, GPA put up festive decorations in government properties managed by it during the National Day and the Hong Kong Special Administrative Region (HKSAR) Establishment Day. Details are as follows:

Year	Festival	Government properties involved	Expenditure on festive decorations
2022	The 25th Anniversary of the Establishment of the HKSAR	2 JUBs	Approximately \$1.4 million
	The 73rd Anniversary of the Founding of the People's Republic of China (PRC)	3 JUBs	Approximately \$1.6 million

Year	Festival	Government properties involved	Expenditure on festive decorations
2023	The 26th Anniversary of the Establishment of the HKSAR	46 JUBs and 2 boundary control points ("BCPs") (Note)	Approximately \$5.1 million
	The 74th Anniversary of the Founding of the PRC	46 JUBs and 2 BCPs	Approximately \$5.5 million
2024	The 27th Anniversary of the Establishment of the HKSAR	46 JUBs and 2 BCPs	Approximately \$2.7 million
	The 75th Anniversary of the Founding of the PRC	46 JUBs and 2 BCPs	Approximately \$5.4 million

As for government quarters, the festive decorations for the National Day and the HKSAR Establishment Day are arranged by residents and respective departments. GPA does not have the relevant expenditure information.

GPA will continue to strike a balance between enhancing the festive atmosphere and optimizing the use of public resources. Apart from selecting government properties with the best publicity effect for larger scale festive decorations, GPA also requires its contractors to use reusable materials for festive decorations (except for decoration materials specifically related to the anniversary theme) as far as practicable for the sake of environmental protection and cost-saving.

Note: GPA assumed the property management duties of the joint-user government facilities at Hong Kong-Zhuhai-Macao Bridge Hong Kong Port and Heung Yuen Wai Boundary Control Point in January 2020 and July 2022 respectively.

#### FSTB(Tsy)016

#### CONTROLLING OFFICER'S REPLY

(Question Serial No. 3054)

<u>Head</u>: (51) Government Property Agency

Subhead (No. & title): ()

<u>Programme</u>: (3) Estate Utilisation

Controlling Officer: Government Property Administrator (Eugene FUNG)

<u>Director of Bureau</u>: Secretary for Financial Services and the Treasury

#### Question:

1. The Bureau is collaborating with relevant policy bureaux and departments to implement relevant government policy objectives, including socially caring leasing arrangements. Please set out details of the socially caring leasing arrangements, including the contracts and tenants involved and its effectiveness, in the past 3 years.

2. Under the austerity measures imposed by the Government, what is the impact on the abovementioned services? Will the relevant policy objectives remain unchanged?

Asked by: Hon WONG Ying-ho, Kennedy (LegCo internal reference no.: 40)

### Reply:

In line with the Government's policy objective to build a caring society, the Government Property Agency (GPA) has implemented the "Socially Caring Leasing Arrangements" (the Arrangements) since 2019. Under the Arrangements, GPA gives priority to nongovernment organisations (NGOs) and social enterprises (SEs) with policy support in leasing some of the government premises. If the premises cannot be leased through this means, GPA will invite tenders from NGOs and SEs for leasing of commercial premises.

Since 2022, GPA has directly leased 2 commercial premises to NGOs with policy support for non-profit-making use which aligns with relevant policies, and invited tenders from NGOs and SEs for leasing of 4 other premises.

Under the Arrangements, GPA also incorporates tenancy provisions to facilitate the business operations of small and medium-sized enterprises by providing longer and flexible tenure as well as introducing rental arrangements pegged with the business turnover of tenants in suitable tenancies. Since 2022, a total of 37 premises were leased under the aforementioned enhanced tenancy provisions.

GPA will continue to promote a caring culture through the Arrangements.

## Examination of Estimates of Expenditure 2025-26

Reply Serial No.

#### CONTROLLING OFFICER'S REPLY

FSTB(Tsy)092

(Question Serial No. 3744)

<u>Head</u>: (51) Government Property Agency

Subhead (No. & title): ()

<u>Programme</u>: (1) Acquisition and Allocation

Controlling Officer: Government Property Administrator (Eugene FUNG)

Director of Bureau: Secretary for Financial Services and the Treasury

## Question:

Regarding the leasing of non-government sites by the Government for government office use:

- 1. What were the total area and rental of the non-government sites leased by the Government in each of the past 5 years, broken down by usage, department and district?
- 2. For the rent paid by the Government in leasing non-government sites, has reference been made to the market prices? If yes, how are the rental levels determined?
- 3. What are the respective terms of tenancies of various non-government sites leased by the Government? Are there any flexible clauses to allow for early termination of tenancies or re-negotiation of rent?
- 4. Does the Government assess the cost effectiveness of leasing non-government sites regularly? If yes, what are the results of the last assessment?
- 5. What was the results of the cost effectiveness assessment for each non-government site in each of the past 5 years?
- 6. Does the Government have any plans to increase or reduce the leasing of non-government sites in the next 5 years? If so, what are the expected scale and the reasons for the changes?
- 7. Has the Government ever considered using existing government land or buildings in place of leasing of non-government sites? If any, what is the progress of the plans or studies?
- 8. What is the detailed breakdown of the administrative costs incurred by the Government in leasing non-government sites in each of the past 5 years?

Asked by: Hon TIK Chi-yuen (LegCo internal reference no.: 251)

## Reply:

- 1. Details of the office accommodation of government bureaux and departments in leased private premises in the past 5 years are set out at **Annex 1**.
- 2. In assessing the rent of leased premises, the Government Property Agency (GPA) will make reference to the market prices and take into account the characteristics of the premises concerned such as location, building quality, size, accessibility, environment, etc., in order to assess whether the rent is reasonable.
- 3. The period of leasing by the Government are generally 3 years. When negotiating leasing terms with landlords, the GPA will bargain for terms and conditions favourable to the Government, including clauses for early termination of tenancies. As regards tenancies with option to renew clause, the GPA will assess whether the new rent is reasonable at the time of renewal.
- Government's policy is to accommodate offices in government-owned premises 4 to 8. as far as practicable. Leasing premises for use by departments will only be considered if government-owned premises are unable to meet their locational The GPA conducts an accommodation requirements or operational needs. To reduce rental expenses, the GPA will relocate leased offices review annually. to government-owned premises, as well as relocate leased offices with higher rent to premises with lower rent having regard to the operational needs of the departments concerned and cost-effectiveness. In 2024-25, the saving on rental expenses (including management fees and air-conditioning charges) achieved by the Government in relocating 20 leased offices to government-owned premises or leased premises with lower rent is about \$94 million per year. The Government plans to move out of 26 leased offices in 2025-26, and the saving on rental expenses (including management fees and air-conditioning charges) is estimated to be about \$130 million per year. The GPA will continue to review the rental levels and explore ways to control rental expenses with bureaux and departments, including relocating offices to suitable government-owned premises or leased premises with lower rent as far as possible.

The GPA has been carrying out the above work as well as other duties with the existing manpower and does not have the breakdown on expenditure and manpower for that.

District	Internal floor area (m²) (approximate)	Monthly rent, management fees and air-conditioning charges (if any) (million) (approximate)	Number of bureaux/ departments involved
<u>2020</u>			
Central & Western	3 600	2	7
Eastern	32 700	10	23
Southern	21 300	7	20
Wan Chai	24 600	20	22
Kowloon City	7 100	2	5
Kwun Tong	88 800	35	35
Sham Shui Po	15 100	5	18
Wong Tai Sin	12 900	3	8
Yau Tsim Mong	24 400	12	23
Islands	35 300	2	17
Kwai Tsing	26 900	6	17
North	8 700	3	8
Sai Kung	8 100	1	8
Sha Tin	16 900	5	12
Tai Po	4 000	2	9
Tsuen Wan	22 300	6	16
Tuen Mun	20 400	3	15
Yuen Long	10 700	2	9
Total in 2020	383 800	126	
2021			
Central & Western	10 300	9	8
Eastern	35 700	10	22
Southern	26 000	9	19
Wan Chai	23 900	21	22
Kowloon City	7 000	2	5
Kwun Tong	94 800	38	35
Sham Shui Po	16 000	5	18
Wong Tai Sin	15 700	4	10
Yau Tsim Mong	25 500	14	20
Islands	35 500	2	16
Kwai Tsing	31 600	8	18
North	8 800	3	7
Sai Kung	8 100	1	7

District	Internal floor area (m²) (approximate)	Monthly rent, management fees and air-conditioning charges (if any) (million) (approximate)	Number of bureaux/ departments involved
Sha Tin	17 800	5	11
Tai Po	4 900	3	8
Tsuen Wan	22 400	7	16
Tuen Mun	32 000	5	16
Yuen Long	13 100	3	10
Total in 2021	429 100	146	
2022			
Central & Western	11 600	10	10
Eastern	38 800	12	24
Southern	25 600	9	24
Wan Chai	30 900	23	26
Kowloon City	7 500	3	6
Kwun Tong	110 800	42	39
Sham Shui Po	32 400	4	20
Wong Tai Sin	15 000	3	11
Yau Tsim Mong	23 300	12	20
Islands	35 200	2	16
Kwai Tsing	31 600	8	18
North	9 400	3	9
Sai Kung	10 800	2	9
Sha Tin	22 400	6	14
Tai Po	5 400	2	10
Tsuen Wan	42 400	10	19
Tuen Mun	44 400	7	18
Yuen Long	13 000	3	12
Total in 2022	510 500	161	
<u>2023</u>			
Central & Western	11 200	10	9
Eastern	35 900	10	22
Southern	26 100	9	24
Wan Chai	31 800	19	23
Kowloon City	7 500	2	5
Kwun Tong	119 100	44	37
Sham Shui Po	32 700	4	19
Wong Tai Sin	15 100	4	10
Yau Tsim Mong	20 300	9	16
Islands	34 100	2	15
Kwai Tsing	30 300	8	18

District	Internal floor area (m²) (approximate)	Monthly rent, management fees and air-conditioning charges (if any) (million) (approximate)	Number of bureaux/ departments involved
North	8 700	3	7
Sai Kung	7 500	1	6
Sha Tin	26 300	6	13
Tai Po	4 500	1	8
Tsuen Wan	23 100	7	17
Tuen Mun	43 100	6	16
Yuen Long	13 100	3	10
Total in 2023	490 400	151	
2024		·	
Central & Western	10 700	9	10
Eastern	31 800	9	22
Southern	28 000	10	24
Wan Chai	28 400	18	21
Kowloon City	6 300	2	5
Kwun Tong	98 500	38	36
Sham Shui Po	33 600	4	19
Wong Tai Sin	14 300	3	9
Yau Tsim Mong	17 400	7	14
Islands	34 100	2	15
Kwai Tsing	32 300	8	18
North	8 600	3	7
Sai Kung	7 500	1	6
Sha Tin	21 500	5	14
Tai Po	4 800	2	8
Tsuen Wan	23 600	7	19
Tuen Mun	42 200	6	16
Yuen Long	12 500	3	10
Total in 2024	456 100	138	

Note: The above table shows the figures as at December of the relevant years. The figures for monthly rent, management fees and air-conditioning charges may not add up to the total due to rounding.

## FSTB(Tsy)093

#### CONTROLLING OFFICER'S REPLY

(Question Serial No. 3910)

<u>Head</u>: (51) Government Property Agency

Subhead (No. & title): ()

<u>Programme</u>: (3) Estate Utilisation

Controlling Officer: Government Property Administrator (Eugene FUNG)

<u>Director of Bureau</u>: Secretary for Financial Services and the Treasury

## Question:

At present, the commercial outlets or supporting facilitates in the departure halls of many land crossing points (Hong Kong side) are homogeneous. Will consideration be given to reshaping the commercial facilities and activities at all land crossing points centrally to dovetail with the themes set by the Government from time to time and grasp the last chance of boosting visitors' spending power before they leave Hong Kong?

Asked by: Hon CHAN Yuet-ming (LegCo internal reference no.: 26)

# Reply:

The Government Property Agency (GPA) is responsible for the property management of the joint-user facilities at the Hong Kong-Zhuhai-Macao Bridge Hong Kong Port and Heung Yuen Wai Boundary Control Point, including the leasing arrangements for the facilities and shops at the arrival and departure halls. These shops are leased out by GPA by way of tender to different types of tenants including duty-free shops, medicare and cosmetic stores, convenience stores, money exchange shops and restaurants etc. so as to provide convenience to the public and visitors. GPA will proactively explore business opportunities and lease out the shops concerned to different types of tenants by dovetailing with the positioning of the relevant ports/control points and the themes launched by the Government, so as to facilitate the last-minute spending by visitors before they leave Hong Kong.

# CONTROLLING OFFICER'S REPLY

DEVB(PL)155

(Question Serial No. 3990)

<u>Head</u>: (51) Government Property Agency

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

<u>Programme</u>: (1) Acquisition and Allocation

<u>Controlling Officer</u>: Government Property Administrator (Eugene FUNG)

Director of Bureau: Secretary for Development

#### Question:

The Bureau is collaborating with relevant policy bureaux and departments to implement relevant government policy objectives, including the "single site, multiple use" initiative. Please provide implementation details of the "single site, multiple use" initiative in the past 3 years and the relevant expenditures incurred so far.

Asked by: Hon WONG Ying-ho, Kennedy (LegCo internal reference no.: 40)

## Reply:

We have continuously collaborated with relevant policy bureaux and departments to uphold the "single site, multiple use" development concept and provide sports, leisure and cultural and social welfare facilities to the community. The progress made over the past three years includes the following projects:

Project	Latest progress
(Site Area)	
Government joint-user	The proposed government joint-user complex (JUC) consists of
complex at the former	two building blocks, which will provide a multi-purpose sports
Anderson Road Quarry	centre, a public library, a community hall, a range of welfare
Site G2	facilities (including elderly, family, child and rehabilitation
	services), as well as underground public parking facilities. The
(About 8 300 square	total construction floor area (CFA) of the JUC is about
metres (m <sup>2</sup> ))	36 500 m <sup>2</sup> . Funding approval of \$2,025 million (in money-of-
	the-day prices) for the works project was obtained from the
	Finance Committee (FC) of Legislative Council (LegCo) in
	July 2022. Works have commenced for the JUC which is
	scheduled for completion in 2027.

Project	Latest progress
(Site Area)	
Government joint-user complex at Tseung Kwan O town centre Area 67  (About 6 000 m <sup>2</sup> )	The proposed JUC will provide facilities including a public market, a district health centre, a blood donation centre, a child assessment centre, a maternal and child health centre, a dermatological clinic, a range of welfare facilities (including services for the elderly and mentally handicapped persons) and public vehicle park. The total CFA of the JUC is about
(About 0 000 m )	53 542 m <sup>2</sup> . Funding approval of \$3,250 million (in money-of-the-day prices) for the works project was obtained from the FC of LegCo in April 2024. Works have commenced for the JUC which is scheduled for completion by end of 2028.
Government joint-user complex at Cheung Sha Wan Road in Sham Shui Po	In response to the Urban Renewal Authority (URA)'s redevelopment plan for Cheung Sha Wan Road Development Scheme (SSP-018), a JUC is planned to be constructed at Site B of the Scheme, which will mainly provide sports (involving reprovisioning of the Cheung Sha Wan Sports Centre), leisure,
(Joint-user complex with access road - About 5 300 m <sup>2</sup> )	medical and welfare facilities. We plan to seek funding

#### CONTROLLING OFFICER'S REPLY

FSTB(Tsy)094

## (Question Serial No.4015)

<u>Head</u>: (51) Government Property Agency

Subhead (No. & title): ()

Not leased out

<u>Programme</u>: (1) Acquisition and Allocation and (3) Estate Utilisation

Controlling Officer: Government Property Administrator (Eugene FUNG)

<u>Director of Bureau</u>: Secretary for Financial Services and the Treasury

## **Ouestion:**

It is mentioned in paragraph 229 of the Budget Speech that the Government recommends "reinforcing the fiscal consolidation programme as put forward in last year's Budget. The key is managing expenditure growth, making good use of the Government's fiscal resources, and identifying new revenue resources". In this connection, will the Government inform this Committee of the following:

1. Please set out the leasing status of government properties available to let across Hong Kong:

Domestic Government Properties

2022-23
2023-24
2024-25

Long-term lease
(over 6 months)
Short-term lease
(under 6 months)

Non-domestic Government Properties

	2022-23	2023-24	2024-25
Long-term lease			
(over 6 months)			
Short-term lease			
(under 6 months)			
Not leased out			

Surplus Government Accommodation

	2022-23	2023-24	2024-25
Long-term lease			
(over 6 months)			
Short-term lease			
(under 6 months)			
Not leased out			

- 2. Further to the above, it is learnt that some policy bureaux or government departments have rented non-government properties for daily business use. Please provide the details of non-government properties rented by various bureaux and departments for office use in the past 3 years, including the departments involved, rental costs, numbers of office staff and the relevant budget.
- 3. It was reported that there were cases where departments had paid the rent for office spaces that they did not use. Please provide the total number of days and the reasons for which non-government properties rented by various bureaux and departments for office use were not utilised in the past 3 years.

Asked by: Hon TAN Sunny (LegCo internal reference no.: 9)

# Reply:

1. The leasing status of domestic and non-domestic government properties available to let in the past 3 financial years is set out at the **Annex**.

2 and 3. Information on the expenditure on the Government's office accommodation in leased private premises and the bureaux and departments involved in the past 3 years is as below:

Year	Monthly rent, management fees and air-conditioning charges (if any)	Number of bureaux/departments involved
2022	about \$160 million	72
2023	about \$150 million	71
2024	about \$140 million	68

Note: The above table shows the figures as at December of the relevant years. The Government Property Agency (GPA) does not have information on the number of staff working in those offices.

Bureaux/departments should review the utilisation of government accommodation under their management from time to time to ensure the optimal use of resources. They are also required to confirm with the GPA their utilisation of the accommodation concerned (including leased premises). The GPA did not receive any report from bureaux/departments about leased premises being left vacant in the past 3 years.

## Leasing status of government properties

# Domestic properties

For the government quarters under its management, the GPA will lease the units which are found surplus to the operational needs of the Government. The leasing status of domestic government properties in each of the past 3 financial years is as below:

	2022-23	2023-24	2024-25 (Note)
Number of properties on	67	92	54
long-term tenancies			
(over 6 months)			
Number of properties on	0	0	0
short-term tenancies			
(under 6 months)			
Number of properties	32	10	9
available to let	(as at 31 March	(as at 31 March	
	2023)	2024)	

Note: The figures as at 28 February 2025.

# Non-domestic properties

Non-domestic government properties managed by the GPA which are available to let include shops, advertising space, car parks, and automatic teller machines, etc. The numbers of tenancies signed between the GPA and tenants in the past 3 financial years are as below:

	2022-23	2023-24	2024-25 (Note)
Number of long-term	24	34	19
tenancies (over 6 months)			
Number of short-term	0	0	0
tenancies (under			
6 months)			
Number of properties	The GPA will offer suitable non-domestic properties to let		
available to let	according to the market situation and operational needs.		
	We are unable to provide data on unleased properties		
	because disclosing	g such information	n may affect the
	Government's futur	re leasing plans.	

Note: The figures as at 28 February 2025.

## Surplus government accommodation

Government properties are primarily used as offices and public facilities. If the space of individual properties are surplus to the operational needs of the Government, the GPA will lease the properties through commercialisation, or offer the properties for leasing by non-governmental organisations. The situation of surplus government accommodation handled by the GPA in the past 3 financial years is as below:

	2022-23	2023-24	2024-25 (Note)
Number of properties on	0	0	0
long-term lease			
(over 6 months)			
Number of properties on	0	0	0
short-term lease			
(under 6 months)			
Number of properties not	14	13	14
yet leased	(as at 31 March	(as at 31 March	
	2023)	2024)	

Note: The table shows the figures as at 28 February 2025. The above surplus government accommodation include declared monuments and historical buildings such as former forts, magazine buildings and observation posts. Most of them are in remote locations with considerable restrictions in their uses. In addition, tenants will need to invest resources in their repairs and maintenance, making them relatively difficult to let.

## Examination of Estimates of Expenditure 2025-26

Reply Serial No.

# S-FSTB(Tsy)02

CONTROLLING OFFICER'S REPLY

(Question Serial No. SV010)

<u>Head</u>: (51) Government Property Agency

Subhead (No. & title): ()

<u>Programme</u>: (3) Estate Utilisation

Controlling Officer: Government Property Administrator (Eugene FUNG)

Director of Bureau: Secretary for Financial Services and the Treasury

## Question:

The Government Property Agency does not keep information on the repair and maintenance expenses of properties without designated use or left vacant. What is the reason for this?

Asked by: Hon KONG Yuk-foon, Doreen

# Reply:

As mentioned in the written reply serial no. FSTB(Tsy)009, the Government Property Agency (GPA) is assisting the relevant bureaux/departments to lease more than 10 properties which are surplus to the Government's operational needs. Since these properties are specialist/departmental buildings under the management of the relevant bureaux/departments, their repair and maintenance are undertaken directly by such bureaux/departments or through the assistance of the Architectural Services Department. Because of this, the GPA does not keep information on the repair and maintenance expenses of these properties.

The GPA has consulted the relevant departments on this enquiry. They said that they had not carried out repair and maintenance works for the above properties in recent years and therefore no expenses had been incurred in this regard.