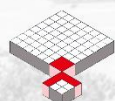


# 年報

# ANNUAL REPORT 2021



**Government Property Agency**

The Government of the Hong Kong Special Administrative Region  
of the People's Republic of China

## WORK IN 2021



The work of the Government Property Agency (the Agency) mainly covers three programme areas, namely, **acquisition and allocation**, **property management** and **estate utilisation**.





## I. ACQUISITION AND ALLOCATION

2. This programme area aims to meet Government's accommodation needs, mainly for offices and quarters, in an economical and cost-effective manner.

### ► Government's accommodation needs arising from COVID-19

3. The Agency has been helping bureaux/departments to identify suitable premises to meet their needs for storage of anti-epidemic supplies and setting up of operational/support offices/facilities. For the 5<sup>th</sup> wave of COVID-19, 14 sites with a total area of about 16 000 m<sup>2</sup> were allocated to/leased in for bureaux/departments concerned for anti-epidemic operational offices, command centres and vaccination centres. 13 sites with a total area of about 133 000 m<sup>2</sup> were allocated to/leased in for bureaux/departments concerned for anti-epidemic storage needs.



*The Agency has helped to conclude the tenancy agreement with the landlord on one of the vaccination support facilities*

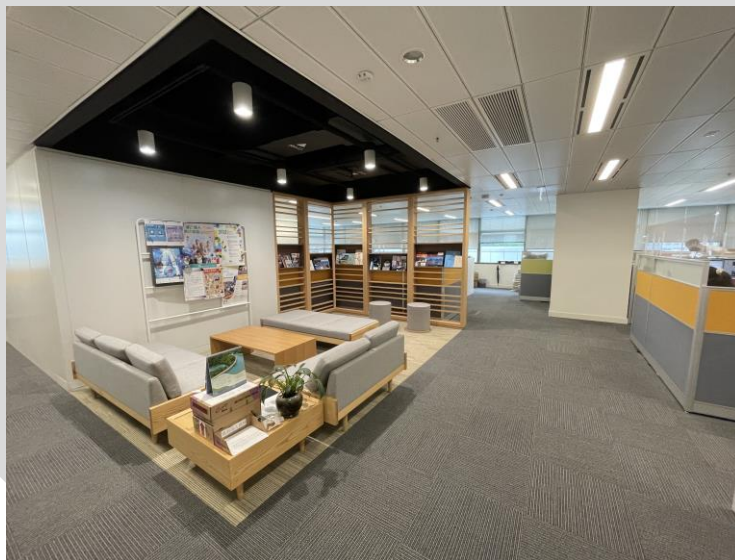


## ► Offices

4. In 2021, the Agency assisted 16 bureaux / departments in meeting their needs for offices and allocated a total floor area of about 4 200 m<sup>2</sup> to them. New leasing and renewal of leased office accommodation amounted to about 60 200 m<sup>2</sup> and 92 900 m<sup>2</sup> respectively. As at 31 December 2021, about 1 176 100 m<sup>2</sup> of office space were under the purview of the Agency. During the year, the Agency maintained the occupancy rate of office accommodation at 100%.



West Kowloon Government Offices (WKGO) was completed in 2019



WKGO Connecting Space, an innovative design for office space



- The Agency continued to pursue deleasing opportunities in consultation with bureaux/departments where practicable. The Agency saved an annual rental of about \$69 million for deleasing cases in 2021. Due to new demand for office space of bureaux / departments arising from various needs, there was a net increase of around 45 800 m<sup>2</sup> in leased office accommodation as compared with 2020.



*Treasury Building to be completed in 2022*

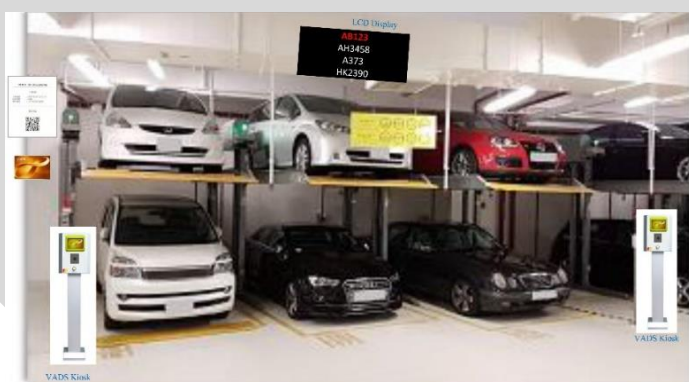




6. In 2021, the Agency continued to actively take forward the relocation of the government offices at the Wan Chai Government Offices Compound (WCGOC). Nine replacement building projects had been / will be implemented to re-provision the bureaux / departments in the WCGOC, as well as other leased office accommodation so that they can be released to reduce rental expenditure. The first re-provisioning project, namely the West Kowloon Government Offices, was completed in 2019. The construction works of the Inland Revenue Centre in Kai Tak, the Government Information Technology Building, the Treasury Building and the Drainage Services Tower in Cheung Sha Wan, the Immigration Headquarters and the Tseung Kwan O Government Offices in Tseung Kwan O and the Water Supplies Department Building and the Correctional Services Headquarters Building in Chai Wan were in progress. Following the completion of the rezoning process in the Caroline Hill Road site, we are actively planning for the implementation of the remaining project of the District Court in Causeway Bay. It is the Government's target to complete all the replacement building projects under the WCGOC relocation exercise by 2026.



*Tseung Kwan O  
Government Offices  
(TKOGO)  
– Artist's Impression*



*TKOGO  
– Reference Image  
for Automated  
Parking System*



7. In October 2021, the Agency commenced a study on the relocation of government offices in leased and government-owned office premises, allocated by GPA, from high-value areas (including Central Business Districts) to low-value areas or the Northern Metropolis. The study was scheduled for completion in May 2022.

► **Government accommodation outside Hong Kong**

8. In 2021, the Agency managed 11 owned properties (five in North America, three in Asia, two in Europe, and one in Australia) and 24 leased properties (one each in Bangkok, Berlin, Brussels, Dubai, Jakarta, London, Chengdu, Chongqing, Fujian, Guangxi, Henan, Hunan, Liaoning, Shaanxi, Shandong, Shenzhen, Tianjin, Wuhan, Zhejiang, two in Guangzhou and three in Shanghai) outside Hong Kong for various Economic and Trade Offices and Liaison Units.



*Government-owned premises in Sydney, Australia - Hong Kong House*



▶ **Government quarters**

9. There are three broad types of quarters, namely non-departmental quarters, departmental quarters (which comprise disciplined services quarters, judiciary quarters, operational quarters and general quarters) and post-tied quarters. At the end of 2021, there were 350 non-departmental quarters, 25 199 departmental quarters and 164 post-tied quarters.
10. In 2021, the Agency continued to review regularly the use of operational quarters and post-tied quarters to ensure their proper and effective utilisation by departments. The Agency assisted departments in putting quarters which were no longer required for their originally approved purposes to alternative gainful uses.

▶ **New government quarters projects**

11. Funding approval was obtained from Legislative Council to take forward eight departmental quarters projects in 2015-2018 and two new departmental quarters projects in 2021 for disciplined services. Among them, six projects in Lok Fu, Tseung Kwan O (comprising two projects), Kwun Tong, Tin Wan and Fanling were completed in 2018-2021 to provide a total of 2 614 units for various disciplined services departments.

▶ **Vetting of accommodation requirements**

12. One of the Agency's functions in connection with acquisition and allocation of government accommodation by the Agency or other bureaux / departments is setting space standards and vetting space provision proposals.
13. Since October 2021, the approving authority for schedules of accommodation for minor works projects under specified block allocations has also been given to bureaux / departments. Such streamlined arrangements aim at providing bureaux / departments with more flexibility to adapt promptly to changes in accommodation requirements arising from their operational needs.
14. In 2021, the Agency completed the vetting of 877 applications for accommodation from 64 bureaux / departments covering a total area of about 821 000 m<sup>2</sup>.





▶ **Minor building works projects**

15. The Government Property Administrator and the Deputy Government Property Administrator are members of the Accommodation Strategy Group (ASG) and the Minor Building Works Committee (MBWC) respectively. The ASG and MBWC vet, examine and approve funding applications from bureaux / departments for minor building works projects under block vote 3101GX. In 2021, the Agency supported 75 applications.

▶ **“Single Site, Multiple Use” initiative**

16. The Agency is responsible for taking forward public works projects under the “Single Site, Multiple Use” multi-storey development model, which includes taking the lead in co-ordinating and collaborating with relevant departments on the user requirements of these complexes.
17. The Agency was working with relevant bureaux / departments on the specific implementation arrangements of six pilot projects, including redevelopment of the Tuen Mun Clinic, development of a proposed ambulance depot near Sheung Wan Fire Station, construction of joint-user buildings for community facilities at the former Anderson Road Quarry site, Tseung Kwan O town centre and Shan Mei Street in Shatin, as well as consolidation of several government sites in Tsuen Wan town centre.

▶ **Purchase of premises for welfare facilities**

18. During the year, the Agency assisted Social Welfare Department in identifying potential premises for purchase as premises for the provision of welfare facilities.



## II. PROPERTY MANAGEMENT

19. This programme area aims to manage government properties under the control of the Agency in an efficient and cost-effective manner; improve and modernise them to meet changing needs; and ensure that Government's rights and responsibilities as owner of Government, Institution and Community (GIC) accommodation in private developments are incorporated in the appropriate legal documents.
20. The Agency managed 45 joint-user office buildings covering about 689 508 m<sup>2</sup>, some 24 443 quarters totalling about 1 610 540 m<sup>2</sup> and 240 non-residential Financial Secretary Incorporated (FSI) owned properties in 2021.



*Joint-user Office Buildings*

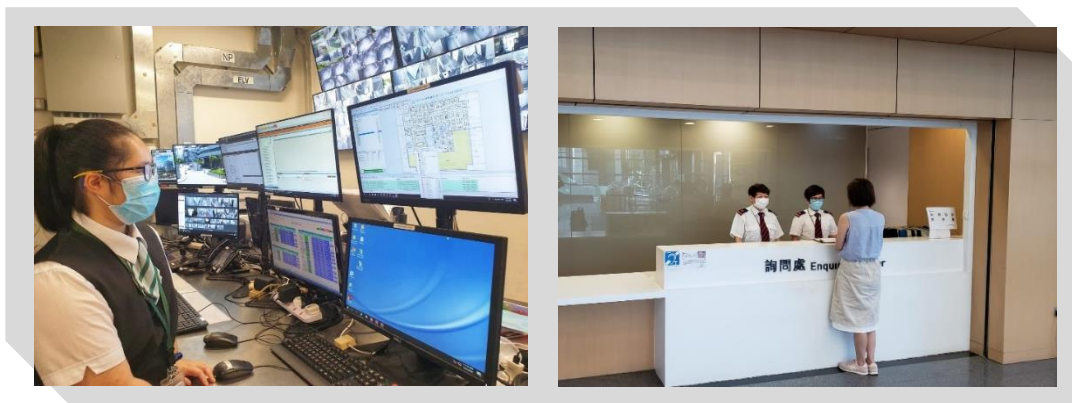


*Government Quarters*



► **Property management service contracts**

21. During the year, the Agency continued to outsource property management service (PMS) for all owned properties in the territory under its direct management through six outcome-based PMS contracts (PMSCs) awarded to private service contractors, one each in respect of six areas on Hong Kong Island, in Kowloon and the New Territories.



*Daily Property Management Operations*

22. The PMSCs operated efficiently in 2021, all exceeding the target performance level of 95%. The Agency will continue to monitor the performance of the service contractors with a view to enhancing their efficiency and effectiveness.

► **Management of government-owned accommodation in private developments**

23. As the representative of Financial Secretary Incorporated (FSI), the Agency manages government accommodation, which are owned in the name of FSI (FSI properties), in private developments with a view to fulfilling the owner's role and obligations, including paying management charges; vetting management budgets and renovation / repair estimates; attending management meetings of Owners' Committees and Owners' Corporations, if any, concerning the FSI properties. The Agency also handles complaints against building defects or nuisances relating to occupation of the FSI properties.





► **Management of buildings/facilities at boundary control points**

24. To enhance the effectiveness of managing the joint-user government facilities at boundary control points (BCPs), the Agency took up the property and facilities management responsibilities at Hong Kong-Zhuhai-Macao-Bridge Hong Kong Port (HZMB HKP) with effect from 1 January 2020. The Agency is responsible for managing common areas/facilities at HZMB HKP, including 58 joint-user port buildings/facilities and a landscape area of about 400 000 m<sup>2</sup>, with the largest landmark being the Passenger Clearance Building, which has a construction floor area of about 90 000 m<sup>2</sup>. The Agency aims to ensure the provision of professional property and facilities management of HZMB HKP so as to facilitate its smooth and uninterrupted operation, and map out plans for taking over property and facilities management responsibilities of other BCPs concerned in a phased approach.



*Passenger Clearance Building of HZMB HKP  
under GPA's management*



### III. ESTATE UTILISATION

25. This programme area aims to optimise the utilisation of government sites and surplus government properties with potential for alternative government uses or commercialisation.
26. In 2021, the Agency reviewed a total of 85 government sites covering an area of about 504 000 m<sup>2</sup>. Besides, the Agency released Yaumatei Carpark Building (site area of about 6 380 m<sup>2</sup>) for a road works project. Furthermore, the Agency completed assessment on site utilisation for 58 capital works projects during the year.

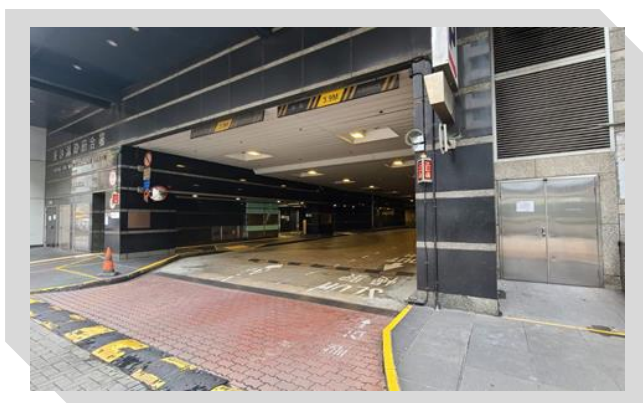


*Yaumatei Carpark Building was released for a road works project*



### ► Commercialisation

27. The Agency's work in this regard covers commercialisation of suitable government-owned accommodation. Such commercialisation activities include tendering of commercial opportunities; direct negotiation of lettings for commercial uses; leasing of surplus government accommodation to non-governmental organisations (NGOs); and management of these tenancies. In 2021, there were 1 178 lettings for commercial uses generating a revenue of about \$165.7 million. An example of major leasing cases of the year involved a fee-paying public car park at Cheung Sha Wan Government Offices. The Agency also identified four new commercial opportunities in the year.



*Fee-paying public car park  
at Cheung Sha Wan  
Government Offices*

### ► Socially Caring Leasing Arrangements

28. In line with Government's policy objective to build a caring society, the Agency has implemented the "Socially Caring Leasing Arrangements" (the Arrangements) since 2019.
29. Under the Arrangements, the Agency invites bureaux / departments to take up surplus government premises for direct allocation to their sponsored non-profit making NGOs with policy support at nominal rent. If the selected government premises are not taken up through direct allocation, the Agency then invites bids from NGOs and social enterprises (SEs) based on the lists provided by Labour and Welfare Bureau / Social Welfare Department and Home and Youth Affairs Bureau (i.e. former Home Affairs Bureau) / Home Affairs Department for leasing these premises. The successful bidders will pay the fixed rent they offer in the tender. In 2021, for the six government premises processed under the Arrangements and not taken up through direct allocation, the Agency arranged / prepared for invitation of bids from NGOs and SEs. For the premises which were not rented by any NGO or SE, the Agency would put them under open tendering.





30. Under the Arrangements, the Agency also incorporates improvement features including a tenancy period of “3+3” years arrangement<sup>1</sup> and turnover rent where applicable to facilitate business operations of small and medium-sized enterprises. In 2021, a total of 14 premises were leased out under the aforementioned enhanced improvement features, with four of them charged with turnover rent.

▶ **Public vehicle park projects**

31. The Agency has taken up the management, operation and maintenance (MOM) responsibilities of new public vehicle parks (PVPs) within Government premises as the MOM agent of the Transport Department. Upon project completion, the Agency would procure carpark operators to run the PVPs concerned by way of revenue contract and undertake the contract management. Among the PVP projects under GPA's purview, five of them are targeted for completion in 2024 and 2025 respectively.

▶ **Leasing out surplus government quarters**

32. Another key initiative to optimise the use of government accommodation is to lease out surplus government quarters. In 2021, the Agency leased out 256 surplus quarters to private tenants generating a revenue of about \$140.9 million.

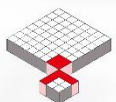
▶ **Sale of surplus government properties**

33. The Government's established policy is to dispose of surplus government properties as circumstances permit. In 2021, the Agency sold one surplus government quarters and an associated car parking space by open tender, generating a revenue of about \$38.1 million.

Government Property Agency  
August 2022

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<sup>1</sup> Under the “3+3” years arrangement, the Agency will exercise the extension option on the same terms and conditions as those for the first 3-year term, subject to satisfactory performance of the sitting tenant and his/her acceptance of the extension.



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