

Legislative Council Panel on Housing

Demarcation and Management of Common Areas in Tenants Purchase Scheme Estates

Purpose

This paper sets out the general principles governing the demarcation and management of common areas in Tenants Purchase Scheme (TPS) estates.

Background

2. At a meeting between Members of the Legislative Council and Kwai Tsing District Council on 8 December 2005, some District Council Members raised concern about the recreational areas and facilities on the podium of the shopping centre of the Cheung Fat Estate, a TPS estate, being designated by the Housing Authority (HA) as estate common area and facilities, rather than sold to the Link Management Limited, the owner of the shopping centre after its divestment from the HA. As such, all the owners of the Cheung Fat Estate would share responsibilities for the management and maintenance of the areas and facilities. The matter was subsequently discussed at a Case Conference held on 20 February 2006. The Housing Department (HD) explained the general principles governing the demarcation and management of common areas and facilities in TPS estates in a reply to Legislative Council and District Council in January 2006 and at the Case Conference in February 2006.

Principles Governing the Demarcation and Management of Common Areas

3. The boundary and facilities of a TPS estate and the management and maintenance responsibilities for such facilities are defined in its Deed of Mutual Covenant (DMC). As in the case of private properties, DMCs for TPS estates are prepared in accordance with the guidelines issued by the Legal Advisory and Conveyancing Office (LACO) of the Lands Department, and must be approved by LACO to ensure compliance with the guidelines and to properly balance the interests of all owners.

4. The HA, in drawing up the DMCs of TPS estates, would seek to maintain the integrity of the overall planning of the estates. Common areas and facilities for use and enjoyment by the residents, such as roads, open space and recreational facilities, are classified as 'estate common areas and facilities' under the DMC. According to the user-pays principle, the management and maintenance responsibilities for such facilities are shared by all owners in accordance with the DMCs.

5. The HA has established a maintenance fund for estates sold under the TPS, and made a one-off contribution to the fund to finance major maintenance works for the estate common areas and facilities. The contribution was calculated on the basis of \$14,000 per residential unit.

Recreational areas and facilities on the podium of Cheung Fat Estate Shopping Centre

6. The recreational areas and facilities on the podium of the of the Cheung Fat Estate Shopping Centre have all along been open for use by residents of the estate. Following the above principles, the HA has designated the relevant part as estate common areas and facilities in drawing up the DMC, in order to ensure the continued enjoyment of these facilities by the residents. The management and maintenance responsibility for the facilities are shared by all the owners of the estate.