

Press in January 1996

<i>Press January 25, 1996</i>	
<b>Headline :</b>	<i>Management Fees Reviewed for HOS Estates</i>
<b>Content :</b>	<p>The following is issued on behalf of the Housing Authority: The Housing Authority's Home Ownership Committee today (Thursday) endorsed new management fees for 89 Home Ownership Scheme (HOS) Estates for 1996/97 in view of expected increases in the estates' management and maintenance costs. The fees for seven of the estates will remain unchanged, as two of them are new estates where savings were made on maintenance items while the other five will benefit from a reduction in operating expenses resulting from the change to agency management "With the exception of Lok Nga Court which will incur an increase of \$220 for funding major maintenance works, the increase for the rest will range from 1.27 per cent to 19.29 per cent, representing a monthly increase of \$5 to \$82," said the Committee for estates directly managed by Housing Department, Ms Leung said a Professional Management Cost (PMC) would be charged to cover part of the Department's administrative overheads as well as staff cost in providing day-to-day management and maintenance "As for those managed by property management agents, a Supervision Cost (SC) will be charged to cover the cost of the Department's supervisory staff and other administrative overheads," she added. The PMC and SC for 1996/97 will be \$79.4 and \$29.4 per flat per month respectively, representing a corresponding increase of 7.59 per cent and 10.11 per cent over the previous year. Estimation of these expenses is made with regard to factors such as inflation, the labour market, trends in contract rates for cleansing and security services, and the scope of maintenance and improvement works. Ms Leung noted that HOS flat owners had been given the proposed budgets for comments while Mutual Aid Committees and Residents' Associations had also been informed of their estates' financial situation and the rationale for the fee adjustments. The owners' organisations have been consulted and, with the exception of a few estates, have expressly agreed to the increase. The Department has confidence that the increase will be accepted by all of them. End</p> <p>Thursday, January 25, 1996</p>

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