

Doc Type	CPC																		
Paper No	CPC 39/96																		
Title	Delegated Financial Limits Annual Report on Approvals Granted under Delegated Authority and Write-offs of Irrecoverable Rent from 1 April 1995 to 31 March 1996																		
CONTENTS	<p>CPC 39/96 FC 11/96 MOC 67/96</p> <p>THE HONG KONG HOUSING AUTHORITY</p> <p>Memorandum for the Commercial Properties Committee, Finance Committee and Management & Operations Committee</p> <p>Delegated Financial Limits</p> <p>Annual Report on Approvals Granted under Delegated Authority and Write-offs of Irrecoverable Rent from 1 April 1995 to 31 March 1996</p> <p>PURPOSE</p> <p>To inform Members of the approvals granted under delegated authority during the year from 1 April 1995 to 31 March 1996, and the write-offs approved during 1995-96.</p> <p>APPROVALS GRANTED UNDER DELEGATED AUTHORITY</p> <p>2. At the Establishment and Finance Committee meeting held on 27 April 1989, Members agreed that a report on approvals granted under delegated powers by the Housing Department Tender Board and all officers at or above the Assistant Director (D2) level should be submitted for information each year.</p> <p>3. During the year 1995/96, approvals granted by Housing Department Tender Board and officers at or above the Assistant Director (D2) level were for maintenance and minor works, environmental planting, acquisition of items of standard stores (e.g. Uniform) and non-standard stores (e.g. printing), computer and related purchase/services, cleansing and security guard contracts, and appointment of consultants etc.</p> <p>4. A summary of tenders approved by the Housing Department Tender Board during 1995/96 is as follows -</p> <table border="1"> <thead> <tr> <th>Nature of expenditure</th> <th>Total amount approved \$M</th> <th>Highest amount approved \$M</th> <th>Lowest amount approved \$M</th> </tr> </thead> <tbody> <tr> <td>Recurrent</td> <td>38.0</td> <td>4.3</td> <td>0.1</td> </tr> <tr> <td>Non-recurrent</td> <td>53.7</td> <td>4.2</td> <td>1.0</td> </tr> <tr> <td>Total</td> <td>91.7</td> <td>4.3</td> <td>0.1</td> </tr> </tbody> </table> <p>There were 19 approvals for non-recurrent expenditure, 17 approvals for recurrent expenditure, giving a total of 36 approvals for the year. Details of the approvals granted are given at Annex 1.</p>			Nature of expenditure	Total amount approved \$M	Highest amount approved \$M	Lowest amount approved \$M	Recurrent	38.0	4.3	0.1	Non-recurrent	53.7	4.2	1.0	Total	91.7	4.3	0.1
Nature of expenditure	Total amount approved \$M	Highest amount approved \$M	Lowest amount approved \$M																
Recurrent	38.0	4.3	0.1																
Non-recurrent	53.7	4.2	1.0																
Total	91.7	4.3	0.1																

5. During 1995/96, 497 approvals of expenditure were granted by officers at, or above, the Assistant Director (D2) level, totalling \$936.5M with the highest amount approved being \$20.6M. Details of the approvals granted are given at the Annex 2.

6. A summary of approvals given to increase the original contract sum in respect of major contracts, i.e. variations of \$1M or more, during 1995/96 is as follows -

Approving authority	Number of approvals	Total amount of increase approved \$M	Highest amount of increase approved \$M	Lowest amount of increase approved \$M
Senior Assistant Director/ New Development	4	21.0	12.1	2.4
Assistant Director/ Housing Architect	4	12.0	4.8	1.7
Total	8	33.0	12.1	1.7

7. A summary of approvals given for virement of funds in excess of \$500,000 and supplementary provisions approved by officers under delegated authority during 1995/96 is as follows -

Approving Officer	Total Number of approvals	Highest amount vired \$M	Lowest amount vired \$M	amount vired \$M
Director of Housing	11	515.5	146.2	2.9
Deputy Director/ Administration	5	8.6	2.3	1.4
Assistant Director/ Finance	18	15.1	1.2	0.6
Senior Treasury Accountant/Financial Management & Information	1	0.5	0.5	0.5
Total	35	539.7	146.2	0.5

WRITE-OFFS APPROVED

8. During 1995/96, the total amount of Housing Authority rental monies written-off (including counterfeit bank notes) is as follows -

	(I) Write-off \$	(ii) Total Rent Receivable \$M	(I) on (ii) %
Domestic			
Rent (including licence fees for Temporary Housing Area)	895,797	8,016	0.01117
Counterfeit Bank Notes and Coins	3,710	-	0.00005*
	899,507	8,016	0.01122
Non-Domestic			
Rent	96,745	4,164	0.00232
Total	996,252	12,180	0.00818
1994/95	819,666	10,928	0.00750

* As a percentage of the total domestic rent receivable.

9. The total domestic rent written off was \$0.9 million whereas the total non-domestic rent written off was \$0.1 million. The amount of domestic and non-domestic rent written-off is relatively small which is 0.008% of the total rent received/receivable. These write-offs were approved under delegated authority by departmental officers according to Financial Instruction No. 17 of 1993/94, and were necessary because the tenants had absconded or gone bankrupt or remained untraceable.

10. The counterfeit bank notes and coins written-off during 1995/96 is as follows -

Counterfeit Bank Note	Number of Bank Note	Amount \$
\$1,000	3	3,000
\$100	6	600
\$50	2	100
\$10	1	10
	12	3,710
1994/95	22	7,360

PUBLICITY

11. No publicity is considered necessary.

INFORMATION

12. This paper is issued for Members' information.

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