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| Paper No | EFC 87/95 | | | | | | | | | | | | | | | | | | |
| Title | Delegated Financial Limits Annual Report on Approvals Granted under Delegated Authority and Write-off : Irrecoverable Rent from 1 April 1994 to 31 March 1995 | | | | | | | | | | | | | | | | | | |
| CONTENTS | <p>CPC 59/95 EFC 87/95 MOC 79/95</p> <p>THE HONG KONG HOUSING AUTHORITY</p> <p>Memorandum for the Commercial Properties Committee, Establishment & Finance Committee and Management & Operations Committee</p> <p>Delegated Financial Limits</p> <p>Annual Report on Approvals Granted under Delegated Authority and Write-off : Irrecoverable Rent from 1 April 1994 to 31 March 1995</p> <p>PURPOSE</p> <p>To inform Members of the approvals granted under delegated authority during the year from 1 April 1994 to 31 March 1995.</p> <p>BACKGROUND</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>APPROVALS GRANTED UNDER DELEGATED AUTHORITY</p> <p>3. A summary of tenders approved by the Housing Department Tender Board during 1994/95 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>16.79</td> <td>4.50</td> <td>0.20</td> </tr> <tr> <td>Non-recurrent</td> <td>54.74</td> <td>4.43</td> <td>1.05</td> </tr> <tr> <td>Total</td> <td>71.53</td> <td>4.50</td> <td>0.20</td> </tr> </tbody> </table> | | | Nature of expenditure | Total amount approved \$M | Highest amount approved \$M | Lowest amount approved \$M | Recurrent | 16.79 | 4.50 | 0.20 | Non-recurrent | 54.74 | 4.43 | 1.05 | Total | 71.53 | 4.50 | 0.20 |
| Nature of expenditure | Total amount approved \$M | Highest amount approved \$M | Lowest amount approved \$M | | | | | | | | | | | | | | | | |
| Recurrent | 16.79 | 4.50 | 0.20 | | | | | | | | | | | | | | | | |
| Non-recurrent | 54.74 | 4.43 | 1.05 | | | | | | | | | | | | | | | | |
| Total | 71.53 | 4.50 | 0.20 | | | | | | | | | | | | | | | | |

There were 18 approvals for non-recurrent expenditure, 11 approvals for recurrent expenditure, giving a total of 29 approvals for the year. Details of the approvals granted are given at Annex 1.

4. During 1994/95, 592 approvals of expenditure were granted by officers at, or above, the Assistant Director (D2) level, totalling \$1,072.60M with the highest amount approved being \$23.47M. Details of the approvals granted are given at the Annex 2.

5. A summary of approvals given to increase the original contract sum in respect of major contracts, i.e. variations of \$1M or more, during 1994/95 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 | 2 | 13.37 | 9.13 | 4.24 |
| Assistant Director/ Housing Architect | 1 | 2.70 | 2.70 | 2.70 |
| Total | 3 | 16.07 | 9.13 | 2.70 |

6. A summary of approvals given for virement of funds in excess of \$500,000 and supplementary provisions approved by officers under delegated authority during 1994/95 is as follow -

| Approving Officer | Number of approvals | Total amount vired \$M | Highest amount vired \$M | Lowest amount vired \$M |
|--|---------------------|------------------------|--------------------------|-------------------------|
| Director of Housing | 13 | 100.49 | 20.00 | 2.72 |
| Deputy Director/ Administration & Policy | 7 | 11.59 | 2.03 | 1.30 |
| Assistant Director/ Finance | 11 | 9.63 | 1.20 | 0.60 |
| Total | 31 | 121.71 | 20.00 | 0.60 |

WRITE-OFFS APPROVED

7. During 1994/95, 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 | 586,176 | 7,158.47 | 0.00819 |

licence fees for
Temporary Housing
Area)

| | | |
|---|---|----------|
| Counterfeit Bank Notes 7,360 and Coins | - | 0.00010* |
|---|---|----------|

| | | |
|---------|----------|---------|
| 593,536 | 7,158.47 | 0.00829 |
|---------|----------|---------|

| | | | |
|----------------------|---------|----------|---------|
| Non-Domestic Rent | 226,130 | 3,769.29 | 0.00600 |
|----------------------|---------|----------|---------|

| | | | |
|-------|---------|-----------|---------|
| Total | 819,666 | 10,927.76 | 0.00750 |
|-------|---------|-----------|---------|

| | | | |
|--|--|--------|---------|
| | | 9,636. | 0.00955 |
|--|--|--------|---------|

| | | | |
|---------|---------|--|--|
| 1993/94 | 919,988 | | |
|---------|---------|--|--|

* As a percentage of the total domestic rent receivable.

8. The total domestic rent written off was \$0.59 million whereas the total non-domestic rent written off was \$0.23 million. The amount of domestic and non-domestic rent written-off is very small in relation to the total rents receivable. These write-offs were specifically approved under delegated authority by departmental officers under Financial Instruction No. 17 of 1993/94. The write-offs were necessary because the tenants had absconded or gone bankrupt or remained untraceable.

9. The counterfeit bank notes and coins written-off during 1994/95 is as follows -

| Counterfeit Bank Note | Number of Bank Note | Amount \$ |
|--------------------------|------------------------|--------------|
| \$1,000 | 5 | 5,000 |
| \$500 | 2 | 1,000 |
| \$100 | 13 | 1,300 |
| \$50 | 1 | 50 |
| \$10 | 1 | 10 |
| | 22 | 7,360 |
| 1993/94 | 25 | 2,500 |

PUBLICITY

10. No publicity is considered necessary.

INFORMATION

11. This paper is issued for Members' information.

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