

**Progress Report of Initiatives in the HA 1999/2000 Corporate Plan**

**Building**

<b>Initiative</b>	<b>Position as at 30.9.1999</b>	<b>Status</b>
To secure sufficient land from Government for public housing development for the next ten years, i.e. from 1999/2000 to 2008/09.	Sufficient sites had been identified for the next eight years. Additional sites would be secured for the last two years.	On Schedule
To produce 58,000 PRH/ HOS/PSPS flats, 98,000m <sup>2</sup> commercial properties and 5,000 car and lorry parking spaces.	About 14,100 PRH/HOS/PSPS flats, 33,400 m <sup>2</sup> commercial properties and 2,100 car/lorry parking spaces were completed.	On Schedule
To identify customer needs on HOS for design enhancement.	The scope of the annual opinion survey on HOS block designs with particular reference to the new Concord Blocks and extent of re-decoration works was under review. Appointment of consultant was being considered.	On Schedule
To enhance construction quality by implementing new measures on quality control, workmanship, design, material, specification, contracting out site inspection and testing.	Guidelines on strategic milestone monitoring of construction quality and workmanship had been drawn up and would be put on trial in the 3 <sup>rd</sup> quarter of 1999/2000. Design, materials and specification were under review for improvement. Contract for water tightness test had been awarded and contracting out of final flat inspections was being arranged at Homatin South Phase 3 as a pilot scheme.	On Schedule
To review the system of approved lists of building components and materials and the testing of materials and finished products.	The reviews had been completed and recommendations were endorsed by the Building Committee (BC) in July 1999.	Action Completed
To outsource 27,000 flats to consultants for design and supervision of construction to cope with bunching in housing production, and to initiate "design and build" contracts for building works.	Some 21,000 flats were outsourced. Staged submissions to initiate "design and build" contracts were in progress. The scope of project would be confirmed and a programme would be established.	On Schedule
To conduct a study in contracting out factory and site visits for assessing and monitoring of approved lists of building components and materials.	Outsourcing of factory visits for precast concrete structural elements to consultants was endorsed by BC in July 1999.	Action Completed

Initiative	Position as at 30.9.1999	Status
<p>To carry out researches on international comparative construction costs, ready mixed concrete, 1 &amp; 2-person accommodation, and life cycle costs for standard design and components.</p>	<p>The study brief for the research on construction costs was being firmed up and the study would commence in the 3<sup>rd</sup> quarter of 1999/2000. The study on supply of ready mixed concrete had been completed. New Housing for Senior Citizens was under development, new 1P/2P and 2P/3P flat designs in new Harmony and Annex blocks were being prepared and would be adopted in some non-standard Small Household Developments. The study scope on life cycle costs was under review and appointment of consultant was being considered.</p>	<p>On Schedule</p>
<p>To incorporate automated refuse collection systems in housing projects to be completed after January 2001.</p>	<p>Automated refuse collection systems had been incorporated into projects to be completed after January 2001.</p>	<p>Action Completed</p>
<p>To implement Hong Kong Building Environmental Assessment Method (HK BEAM) for residential buildings.</p>	<p>HK BEAM-Residential would be introduced in November 1999. Pilot project assessments for residential buildings were being considered jointly with the Centre of Environmental Technology for implementation in the 4<sup>th</sup> quarter of 1999/2000.</p>	<p>On Schedule</p>
<p>To explore areas of environmental improvement in building design by setting up targets for noise control, energy efficiency, air and water quality, and waste reduction and disposal.</p>	<p>Initial targets would be set up based on HK BEAM criteria.</p>	<p>On Schedule</p>

**Rental Housing**

Initiative	Position as at 30.9.1999	Status
To reduce the overall average waiting time for PRH from 6.5 years to 6 years.	The average waiting time was 6.1 years.	On Schedule
To allocate no less than 20,000 PRH units to waiting list (WL) applicants.	8,850 rental flats had been allocated and some 1,100 flats had been sold to WL applicants.	On Schedule
To speed up flat allocation by introducing measures to discourage unreasonable refusals of offers.	A new measure of giving 3 housing offers in one-go to WL applicants has been introduced since 1.4.1999.	On-going
To enhance building design to suit the needs of the elderly applicants.	The scope of a consultancy study was being developed and appointment of consultant was being considered.	On Schedule
To reduce the average waiting time of the elderly for PRH from 4 to 3.5 years.	The average waiting time was 3 years.	Action Completed
To relieve overcrowding by offering larger flats to families with living density below 4.5 m <sup>2</sup> /person .	All families with living density below 4.5 m <sup>2</sup> /person as at end August 1995 were offered larger flats by May 1999.	Action Completed
To review the policy on handling under-occupation.	The subject was put on hold pending an overall review on the management policies such as addition policy and transfer of households. A brainstorming session will be held with the Rental Housing Committee in January 2000 before finalizing the proposal.	Under Review
To rationalize the flat mix to suit the family sizes of prospective tenants.	A cross-discipline working group had been set up to determine flat-mix of new rental projects.	On-going
To rehouse 8,000 households in 25 blocks under the Comprehensive Redevelopment Programme (CRP).	3,620 households had been rehoused. Flat selection exercises for the remaining CRP operations had been completed.	On Schedule
To update tenancy records through declaration of occupancy position every two years.	39% of the PRH tenancies had been checked.	On Schedule
To recover 95% of the rental flats from HOS/HPLS purchasers/recipients within one month after taking up new flats.	Amongst the 7,150 PRH flats recovered, 2,940 or 41% of the total were recovered within one month.	Behind Schedule

Initiative	Position as at 30.9.1999	Status
To reduce the vacancy rate of PRH flats to below 1.5% and to further reduce the average void period of vacated PRH flats from 12 to 10 weeks.	Vacancy rate : 1.55% Average void period : 12 weeks	On-going
To upgrade security installations in 208 public housing blocks from System B to System A.	Scheme design for 210 blocks had been completed and works contracts had been awarded. Upgrading works for 11 blocks had been completed and works for 63 blocks was in progress.	On Schedule
To implement new PMA packages combining management and maintenance services and to introduce performance-based tender evaluation and punitive systems.	<ul style="list-style-type: none"> <li>• PMAs were required to provide competent maintenance personnel and on-site fitters to carry out building works and building services repair works throughout the contract period.</li> <li>• The performance-based tender evaluation and punitive system for PMAs would be developed after introducing the PSI package which might affect the monitoring system.</li> </ul>	On-going  Under Review
To shorten the lead time for the award of works contracts from 4 to 3 months.	All district term works contracts were awarded within the time schedule.	On Schedule
To develop and introduce new improvement strategies for the CARE (Condition, Appraisal, Repair, Examination) Programme.	New CARE strategies focusing on quality customer-oriented service and cyclical estate inspections were being developed.	On Schedule
To enhance fire safety by improving exit signages in 195 blocks and providing stand-by fire extinguishers during long shut-down period of fire service installation.	Exit signages in 195 blocks were installed. Stand-by fire extinguishers had been provided in blocks where fire services installation had been shut down for repair.	Action Completed
To reduce rent arrears to below 1.5%.	Rent arrears rate : 2.13%.	On-going
To contract out estate management services for six new rental estates and three small household developments.	Two new PRH estates and two small household developments had been contracted out to PMAs for management.	On Schedule



## Home Ownership

Initiative	Position as at 30.9.1999	Status
To offer 24,500 HOS/PSPS flats for sale.	Some 5,600 flats were offered for sale under HOS Phase 21A.	On Schedule
To offer no less than 25,000 PRH flats for sale to sitting tenants under the Tenants Purchase Scheme (TPS).	27,200 flats were offered for sale to sitting tenants under TPS Phase 2 and 28,000 flats were identified for sale under TPS Phase 3.	On Schedule
To offer 3,000 flats for sale to tenants affected by the CRP within 3 years of redevelopment under the new Mortgage Subsidy Scheme (MSS).	About 2,700 MSS flats were offered for sale.	On Schedule
To offer prospective tenants the option to buy in addition to rent their housing units.	Buy or Rent Option (BRO) Phase 1 was launched in June 1999 and about 1,600 applicants joined the scheme.	On Schedule
To review the quota and amount of loan/subsidies under the HPLS.	A quota of 4,500 for the period from 1 August 1999 to 31 March 2000 at the current amount of loan and subsidy was endorsed by Home Ownership Committee in July 1999.	Action Completed
To facilitate the production of 2,800 PSPS flats.	2,780 PSPS flats were scheduled for completion by end 1999.	On Schedule
To streamline policy on using solicitors for TPS and HOS flat conveyancing.	Appointment of solicitors by tender was applied in February 1999 for TPS Phase 2 and in July 1999 for BRO and MSS. Same arrangement had been applied to HOS Phase 21A.	Action Completed
To assist the formation of Owners Corporations (OCs) in seven new HOS estates for taking up management duties.	Two OCs had been formed.	On-going
To provide one-stop service in the new Customer Service Centre (CSC) at Wang Tau Hom (WTH), and set up show flats for HOS/PSPS projects.	<ul style="list-style-type: none"> <li>• The new CSC at WTH was opened in August 1999.</li> <li>• In HOS Phase 21B, private developers had identified venues for PSPS off-site show flats.</li> </ul>	<p>Action Completed</p> <p>On Schedule</p>

Initiative	Position as at 30.9.1999	Status
<p>To contract out seven new HOS courts for PMA management, premium assessment of HOS/PSPS flats to private surveyors, and preparation of Deed of Mutual Covenant (DMC) of HOS flats to private solicitors.</p>	<ul style="list-style-type: none"> <li>• Five HOS courts had been contracted out for PMAs' management.</li> <li>• Premium assessment for all HOS/PSPS flats has been taken up by private surveyor firms from September 1999 onwards.</li> <li>• The preparation of DMC for HOS projects under HOS Phase 21A had been outsourced to private solicitor firms.</li> </ul>	<p>On Schedule</p> <p>Action Completed</p> <p>Action Completed</p>

**Commercial**

Initiative	Position as at 30.9.1999	Status
To enhance the financial evaluation for each cost centre.	Periodical financial reports would be generated by December 1999.	On Schedule
To contain the vacancy rate at below 5.5% and rent arrears below 4%.	Vacancy rate : 4 % Rent arrears : 3.1%	On-going
To review the criteria for programming shopping centres for major improvement works, and to establish a cost control mechanism.	Proposed selection criteria and cost control mechanisms established at various stages of improvement work had been endorsed by the Commercial Properties Committee (CPC).	Action Completed
To streamline tender arrangements and to introduce a performance-related procurement system in the selection of management agents and carpark operators.	Action was temporarily withheld pending the study outcomes of the Task Force on PSI.	Under Review
To recover capital cost in the provision of welfare/community facilities.	Reimbursement of costs was being sought from relevant government departments.	On Schedule
To review the allocation policy on medical and dental clinics.	A proposal for letting of clinics by open rental tender had been endorsed by CPC.	Action Completed
To enhance the computer system for rent collection.	Tender specifications were being drafted and system pilot run was scheduled before end 2000.	Behind Schedule
To provide 55,000 m <sup>2</sup> retail space.	Four shopping centres were completed with a retail space of 14,000 m <sup>2</sup> .	On Schedule
To establish performance indicators based on customer satisfaction surveys on shopping centre management.	Details of the customer satisfaction survey were being finalized.	On Schedule
To develop monitoring systems on security, cleansing and maintenance services for shopping centres and carparks.	Proposed measures to enhance performance monitoring of PMAs and carpark operators had been endorsed by CPC.	Action Completed
To develop mechanism for evaluating promotional activities.	A working group had been formed to review the current evaluation devices and to recommend initiatives for future implementation.	On Schedule

**Corporate Services**

Initiative	Position as at 30.9.1999	Status
To review and fine-tune the HA's manpower strategy to support the changing organizational needs.	A policy review on wider employment of HA contract staff would be conducted at the end of 1999.	On Schedule
To align staff performance with corporate objectives and promote change management through open fora, workshops, seminars and training.	One directorate workshop was held. A number of workshops tailoring for individual business branches were also conducted.	On Schedule
To examine the recommendations coming out of the consultant's study on PSI.	A Task Force had been set up under HA to look at the scope and scale of transfer of estate management and maintenance functions to the private sector. The Task Force would submit recommendations to the HA in early 2000.	On Schedule
To review systems on performance appraisal, career development and posting for departmental grades.	Review of staff report moderation system was completed and findings were endorsed by the respective Heads of Grades. Review of career posting system for departmental grades was completed except for the Maintenance Surveyor and Survey Officer (Quantity) grades.	On Schedule
To complete the Year 2000 rectification exercise on critical items before 2000.	Rectification of critical systems was completed and contingency plan had been developed.	Action Completed
To implement a new information technology strategy, including formulating an information management policy and adopting a revised approach for system development.	Initial study on data warehousing and Rapid Application Development methodology had commenced.	On Schedule
To further promote customer service culture through staff training and improvement programmes.	Service Enhancement Guide had been developed. Briefing sessions for PMA staff stationed at the Customer Service Centre were conducted. A final presentation on the Customer-focused Management Team Award for the Management Branch was organized.	On Schedule
To organize the second Hong Kong Housing Conference for discussion and exchange of views on housing matters.	Over 460 delegates from China, Japan, Korea, Singapore, Malaysia, the United Kingdom, Australia and Hong Kong registered for the second Hong Kong Housing Conference.	On Schedule

Initiative	Position as at 30.9.1999	Status
To set up an archive to produce a consolidated library of materials on public housing.	Relevant materials were being collected. Delay was anticipated due to the long lead time taken to conduct market researches for acquiring a digital imaging system and the need to expand the project scope to connect the system to the new ERC at a later stage.	Behind Schedule
To launch a promotional campaign on tenants' rights and responsibilities.	Revised pamphlets on tenants' rights and responsibilities would be published in December 1999.	On Schedule
To set up a call centre to provide one-stop public enquiry services.	Information on housing policies was being consolidated to build a comprehensive knowledgebase. The call centre would commence service by March 2000.	On Schedule
To identify opportunities for outsourcing translation, receipt and despatch, information technology services, training and development projects.	Translation of HA Annual Report and two training and development projects were outsourced. Suitable outsource option for receipt and despatch service was being examined.	On Schedule
To appoint private solicitors for legal consultancy work for the HA/HD in general.	Tender procedures for appointing legal consultants in selected projects were implemented. Procedures would be reviewed for applying in other work areas.	On Schedule
To reduce paper consumption by enhancing the Document Processing System and the Chinese Glossary Search System, and through wider use of e-mail.	Enhancement to the Chinese Glossary Search System was being looked into. Installation of e-mail system for a further 1,000 users was rolled out and distribution of HA open non-discussion papers to departmental officers by e-mail had been started.	On Schedule
To organize activities on green housekeeping to promote staff awareness and involvement in environmental protection.	A Staff Support Green Day was organized and 10 seminars on environmental awareness for 890 staff of works-related grades and housing class were held.	On Schedule

**Finance and Accounting**

<b>Initiative</b>	<b>Position as at 30.9.1999</b>	<b>Status</b>
To assess the financial impact of the HA's changing role from a direct service provider to a facilitator.	Assessment had been made in the context of the initiatives outlined in the Policy Address.	On-going
To identify the relative levels of housing subsidies.	A report had been compiled by the Working Group and would be submitted to the Strategic Planning Committee.	On Schedule
To establish a strategic cost and activity based management policy to enhance corporate productivity.	The proposed approach on service based management and the costing analysis on services were identified. The benchmarking on the performance and cost of HA core services to be incorporated into the streamlining consultancy would be followed up.	Action Completed
To review the performance and policies of the business against financial objectives.	Half-yearly review of service performance was endorsed by the Finance Committee (FC).	On-going
To benchmark and review accounting policies against standards and comparable practices.	Annual review and updated reports would be submitted to FC and HA in February 2000.	On-going
To benchmark risk management objectives, policies and strategies against comparable organizations.	Survey on major private and public organisations had been completed and the report was endorsed by FC.	Action Completed
To redevelop and enhance the Financial Budgeting and Forecasting Modelling System.	A contract was awarded in August 1999. The target completion date for critical functions would be March 2000 with remaining functions ready by July 2000.	On Schedule
To implement Phases I and II of the Cash and Funds Management System.	Phase I had been implemented. Revised Phase II development would be completed by December 1999.	On Schedule
To recommend investment strategies and policies to the HA.	Investment strategies were reviewed taking into account the latest cashflow position and interest rate outlook.	On-going

Initiative	Position as at 30.9.1999	Status
To reduce the time taken for closing monthly financial accounts to within three weeks after end of each month and for completion of annual audited accounts before end July.	<ul style="list-style-type: none"> <li>• Monthly financial accounts were completed within three weeks after month end.</li> <li>• The 1998/99 annual accounts were completed for audit by 31 July 1999.</li> </ul>	<p>On Schedule</p> <p>Action Completed</p>
To devolve supplies functions to core businesses.	The devolution was successfully completed on 1 April 1999.	Action Completed
To enhance the Stock and Inventory Control System and update stores regulations.	<ul style="list-style-type: none"> <li>• HA Stores Regulation and HA Procurement &amp; Supplies Instructions were issued in September 1999.</li> <li>• The enhancement to support devolution of supplies functions was put on hold pending the outcome of a post-implementation review by users scheduled for completion by end December 1999.</li> </ul>	<p>Action Completed</p> <p>Under Review</p>
To update procurement and supplies instructions and prepare supplies procedural guidelines.	Supplies Procedural Guides would be updated by December 1999.	On Schedule
To shorten tender issuing lead time to within 12 working days.	The tender issuing lead time was being reviewed.	On Schedule