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THE HONG KONG HOUSING AUTHORITY

Memorandum for the Housing Authority

Secretary's Report - Committee Work (September to November 1997)

Purpose

This paper summarises the work of the Housing Authority's Committees for the period from 1 September 1997 to 30 November 1997.

(1) BUILDING COMMITTEE

Housing Authority Contracts Approved

2. During the period, 67 contracts were approved. Contracts approved during this period totalled \$ 4,961,802,000.

Client Briefs, Control Plans, Project Estimates, Scheme Designs and Project Budgets

(Papers No. BC 155/97, BC 178/97)

3. During the period, the Committee considered and approved the proposed/revised client briefs, control plans, project estimates, scheme designs and/or project budgets for -

- 2 -
- (a) King Shan Court Phase 2 HOS Development
 - (b) Tsing Yi Area 10 (Tsing Yan THA) Phases 1, 2 & 3
(Cheung Hang Estate) Phases 1, 2, 4 & 5

Others

Alternative Pricing & Payment Arrangement for Building Contracts (Pricing on a Block by Block Basis)

(Paper No. BC 153/97)

- 4. Members endorsed in principle the proposed alternative pricing and payment arrangement strategy for use in the trial projects as outlined in the paper.

Foundations for Homantin South Phase 1 Payment for Removal of Underground Obstructions

(Contract No. 45 of 1995)

(Paper No. BC 154/97)

- 5. Members noted the paper.

Small Households Development at Ko Chiu Road Infill Site Report on Re-entry and Further Actions

(Contract No. 161 of 1995)

(Paper No. BC 159/97)

- 6. Members noted the paper.

Small Households Development at Wan Tsui Infill Site Report on Re-entry and Further Actions

(Contract No. 183 of 1995)

(Paper No. BC 160/97)

- 7. Members noted the paper.

Housing Authority Lists of Contractors (Building) Disciplinary Action Against a HA Listed Contractor

(Paper No. BC 161/97)

8. Members approved the recommendation of the paper to remove TAI HING (Engineering & Builders) Ltd from both the New Works and Maintenance Works Categories of the Housing Authority List of Building Contractors.

Proposed Public Housing Development Process

(Paper No. BC 172/97)

9. Members noted the paper.

1998/99 Business Plan for Building

(Paper No. BC 180/97)

10. Members endorsed the 1998/99 Business Plan for Building.

Reorganisation of Development & Construction Branch

(Paper No. BC 183/97)

11. Members noted the paper.

(2) RENTAL HOUSING COMMITTEE (formerly known as MANAGEMENT AND OPERATIONS COMMITTEE)

Methodology for Determining the Waiting List Income Limits

(Paper No. MOC 99/97)

12. Members approved the following approach for next year's revision of the Waiting List Income Limits:

Housing Cost	Non-housing Cost
average unit rent in private sector x average allocation standard of public rental housing	average of the lower half expenditure group

Cessation of Door-to-door Rent Collection Service

(Paper No. MOC 100/97)

13. Members approved the cessation of door-to-door rent collection service in the existing 65 estates with effect from 1 January 1998.

Licence Fees for Interim Housing at Sha Kok Mei

(Paper No. MOC 98/97)

14. Members approved the licence fees for the prefabricated interim housing block at Sha Kok Mei at \$49.9/m².

1998/99 Business Plan for Rental Housing (Domestic) Business

(Paper No. RHC 8/97)

15. Members endorsed the Revised 1997/98 Budget and the 1998/99 Business Plan together with the associated Estimates.

Progress Report on the Enforcement Action Against Unauthorised Installation of Air Conditioners in Public Rental Housing Estates

(Paper No. RHC 9/97)

16. Members noted and discussed the paper.

(3) STRATEGIC PLANNING COMMITTEE (formerly known as DEVELOPMENT COMMITTEE)

West Rail - Kowloon Canton Railway Corporation (KCRC) Consultation Paper

(Paper No. DC 35/97)

17. The KCRC's representatives presented to Members the background, current progress of the Phase I project and the proposed interface arrangements with the Housing Authority's existing and potential developments.

Central and East Kowloon Development Statement

(Paper No. DC 36/97)

18. Members were briefed by representatives of Planning Department the findings and recommendations of the Central and East Kowloon Development Statement.

Study of Leisure Habits and Recreation Preferences and Review of Chapter 4 of Hong Kong Planning Standard and Guidelines on Recreation and Open Space.

(Paper No. SPC 3/97)

19. Members were briefed by representatives of Planning Department the findings and recommendations of the study..

Master Programme for June 1997

(Paper No. SPC 4/97)

20. Members noted the Master Programme for June 1997

Site Formation Works for the Eastern Harbour Crossing (EHC) Site and Temporary use of Housing Authority Fund for site formation works

(Paper No. SPC 5/97)

21. Members endorsed the recommendation of the paper to proceed with the site formation works for the new EHC site at Yau Tong and to use temporarily Housing Authority Fund for the site formation works.

Use of Sites previously reserved for community centres

(Paper No. SPC 6/97)

22. Members noted the inclusion of 14 reserved community centres sites in HOUSCOM's Control List for public housing of which three were reserved for development of elderly housing, residential care and relating welfare and health services. Members also endorsed the inclusion of the first reserved site at Tak Tin in the Public Housing Development Programme.

Proposed Public Housing Development Process

(Paper Nos. BC 172/97 & SPC 1/97)

23. Members were informed of the proposed changes in the public housing development process as agreed by HOUSCOM.

(4) HOME OWNERSHIP COMMITTEE

Prices of Flats in Phase 19B of the Home Ownership Scheme

(Paper No. HOC 59/97)

24. Members endorsed the recommended average prices for Phase 19B as outlined in the paper.

Payment of Government Rent for Home Ownership Scheme Flats

25. Members discussed the Democratic Party's stand on the issue.

Flooding at Mei Chung Court

26. Members were briefed on the flooding incident.

Restriction on Domestic Property Ownership for White Form Applicants of Subsidized Home Ownership Schemes (HOS)

(Paper No. HOC 73/97)

27. Discussion of the paper was deferred so that the Housing Department could examine, firstly, the provision of a safety net to HOS owners with financial hardship and secondly, whether the value of assets should also be included as an additional criterion.

1998/99 Business Plan for Home Ownership Business

(Paper No. HOC 74/97)

28. Members endorsed the 1998/99 Business Plan for Home Ownership Business.

On Ning Garden

29. Members were briefed on the development regarding the problem with On Ning Garden.

(5) COMMERCIAL PROPERTIES COMMITTEE

Carpark Charges for 1998

(Paper No. CPC 50/97)

30. Members approved the revised charges for carpark for 1998.

Review of Rent Increase Limitation on Tenancy Renewal

(Paper No. CPC 51/97)

31. Members approved to abandon the maximum percentage rent increase of 30% per annum on tenancy renewal for small premises effective from 1 January 1998.

Progress Report on Major Improvements to Shopping Centres

(Paper No. CPC 52/97)

32. Members noted the progress on major improvements to shopping centres.

Fire Safety (Commercial Premises) Ordinance

(Paper No. CPC 54/97)

33. Members approved the proposal to engage two Building Surveyor Consultants to carry out studies and advise the Department on the necessary enhancement works to the prescribed commercial premises netted in the Phase I implementation of the Fire Safety (Commercial Premises) Ordinance.

(6) HUMAN RESOURCES COMMITTEE

Performance Management in the Housing Authority

(Paper No. HRC 55/97)

34. Members were informed of the framework for performance management in the Housing Authority and the progress of development and applications to-date.

Strategic Review of Communication and Relations with Staff Unions

(Paper No. HRC 51/97)

35. Members noted the findings of a strategic review of communication and relations with staff unions.

Strategic Review of Staff Consultation

(Paper No. HRC 52/97)

36. Members noted the findings of a strategic review of staff consultation in Housing Department.

Strategic Review of Staff Communication

(Paper No. HRC 53/97)

37. Members noted the findings of a strategic review of staff communication in Housing Department.

Strategic Review of Staff Welfare

(Paper No. HRC 54/97)

38. Members noted the findings of a strategic review of staff welfare in Housing Department.

Proposal for Changes in Establishment for the Finance and Accounting Branch

(Paper No. HRC 57/97)

39. Members endorsed the following -

- (a) Creation of one Contract Chief Treasury Accountant post within the Finance and Accounting Branch (FAB), to be titled as Chief Finance Manager/Financial Management & Systems;

- (b) Creation of four Contract Senior Treasury Accountant posts for the four Business Branches, to be titled as Financial Controller departmentally;
- (c) Redeployment of 123 posts from FAB to four Business Branches. They include two Treasury Accountant (TA), one Senior Accounting Officer, seven Accounting Officer I (AO1), five Accounting Officer II (AO2), five Senior Clerical Officer, 21 Clerical Officer (CO), 78 Assistant Clerical Officer (ACO) and four Clerical Assistant;
- (d) Deletion of 20 posts of three CO and ACO within FAB. The saving will be used to offset the creation of the following five HA contract posts; and
- (e) Gradual conversion of 13 Civil Service posts to HA posts of equivalent ranks in the Systems Section when the posts become vacant upon departure of the existing post-holders from the Department. They include one STA, two TA, four AO1 and six AO2.

(7) FINANCE COMMITTEE

Quarterly Internal Audit Report - July 1997 on Funds Management Operations

(Paper No. FC 56/97)

40. Members noted and discussed the paper.

Audit Reports discussed at the Housing Department Steering Committee on Management and Audit Studies Meeting held on 17 October 1997

(Paper No. FC 57/97)

41. Members noted and discussed the paper.

Funds Management Report for the period 1 July 1997 to 30 September 1997

(Paper No. FC 58/97)

42. Members noted and discussed the paper.

Risk Management

(Paper No. FC 59/97)

43. Members discussed the paper and decided that the risk management report should remain as an agenda paper and concentrate on the financial aspect of risk management of the Authority.

Review of Delegated Financial Limits

(Paper No. FC 55/97)

44. Members approved the financial delegations and reporting system proposed in the paper. However, the revised delegated financial limits would not become operational until confirmation that the business committees had no objection.

(8) MEETING WITH CONCERN GROUPS

45. During the period, the Chairman of the Housing Authority had ten meetings with concern groups. Members of the Rental Housing Committee held four meetings with concern groups to discuss housing issues.

(9) LIAISON WITH DISTRICT BOARDS

46. During the period under review, housing issues which received most attention from District Boards included the progress and arrangements of redevelopment/clearance/rehousing, maintenance and management. Other issues of great concern included hawker problem, noise nuisance, installation of air-conditioners, security installations, overcrowding relief, interim housing and water seepage problem.

47. A list of the housing matters discussed by each District Board and its committees during the period is at **Annex**.

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Date 2 February 1998

