

HONG KONG HOUSING AUTHORITY

Memorandum for the Housing Authority

Mid-year Review of the Housing Authority
1999/2000 Corporate Plan

PURPOSE

This paper presents the mid-year review of the Housing Authority (HA) 1999/2000 Corporate Plan.

BACKGROUND

2. To facilitate forward planning in achieving the HA's strategic objectives, the HA has introduced a corporate planning process since 1997. Under this planning process, a strategic plan will first be drawn up by the Strategic Planning Committee (SPC) to set out the corporate objectives and key initiatives for the forthcoming year. Thereafter, Branch Directors will formulate their business/service plans covering key programmes, new initiatives and operating budgets of their businesses. A corporate plan, summarizing the HA's key strategies and new initiatives for different businesses, will be consolidated and published at the end of the planning process.

3. The HA 1999/2000 Corporate Plan was endorsed by Members on 28 January 1999 vide Paper No. HA 5/99. The initiatives therein have been implemented according to their time schedule. This mid-year review aims to report the progress of these initiatives.

PROGRESS

4. A total of 84 initiatives are covered in the HA 1999/2000 Corporate Plan. Up to 30 September 1999, 76 initiatives (90%) have either been completed or are on schedule. We anticipate that 3 initiatives (4%) will be behind schedule while implementation of 5 initiatives (6%) has been temporarily withheld. Although there are delays in some areas, we are confident that we can catch up and achieve most of the set targets by March 2000. A summary of the overall progress by business/service is tabulated as follows -

<u>Business/ Service</u>	<u>Total No. of Initiatives Committed</u>	<u>Status of Committed Initiatives</u>			
		<u>Action Completed</u>	<u>On Schedule/ On-going</u>	<u>Under Review</u>	<u>Behind Schedule</u>
Building	11	3	8	-	-
Rental Housing	23	3	16	3	1
Home Ownership	10	4	6	-	-
Commercial	11	3	6	1	1
Corporate Services	15	1	13	-	1
Finance and Accounting	14	4	9	1	-
Total	84	18	58	5	3

5. For those initiatives that are behind schedule/under review, their latest position and implementation difficulties are set out below -

Initiative	Position as at 30.9.1999	Status	Present Position
To recover 95% of the rental flats from HOS/Home Purchase Loan Scheme (HPLS) purchasers/ recipients within one month after taking up new flats.	Among the total 7,150 flats recovered, 2,940 or 41% of the total were recovered within one month.	Behind Schedule	We have intensified actions to recover flats, including charging higher rentals to discourage tenants from surrendering flats late.
To enhance the computer system for rent collection for commercial premises.	Tender specifications were being drafted.	Behind Schedule	System pilot run has been scheduled before end 2000.
To set up an archive to produce a consolidated library of materials on public housing.	Relevant materials were being collected. We anticipate delay in the project owing 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 Exhibition and Resource Centre (ERC) at a later stage.	Behind Schedule	The archive will be ready by April 2000 when the ERC opens.
To review the policy on handling under-occupation in public rental housing (PRH).	The subject was put on hold pending an overall review on the management policies such as addition policy and transfer of households.	Under Review	A brainstorming session will be held with the Rental Housing Committee in January 2000 before finalizing the proposal.

Initiative	Position as at 30.9.1999	Status	Present Position
To introduce performance-based tender evaluation and punitive systems for Property Management Agents (PMAs).	The systems would be developed after introducing the Private Sector Involvement (PSI) package which might affect the monitoring system.	Under Review	Pending the study outcomes of the Task Force on PSI.
To review manpower strategy to enhance productivity in the Management Branch.	The reviews on Technical Teams, Assistant Housing Manager and Housing Officer ranks had commenced. The review on Estate Assistant ranks would be considered pending the study outcomes of the Task Force on PSI.	Under Review	The programme will be re-scheduled to tie in with the decisions of the Task Force on PSI.
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.	Under Review	Pending the study outcomes of the Task Force on PSI.
To enhance the Stock and Inventory Control System in the Finance and Accounting Branch.	The enhancement initiative to support the devolution of supplies functions was withheld pending further review by individual branch users.	Under Review	A post-implementation review to collect feedback from users will be completed by December 1999.

— A detailed report on the progress of individual initiatives is at **Annex**.

FINANCIAL PERFORMANCE

6. The position of the HA's income and expenditure for the 6-month period ending 30 September 1999 was as follows -

	Budget (\$ billion)	Actual Position (\$ billion) [% against budget]
Income	43.5	14.2 [33%]
Recurrent Expenditure	33.2	10.1 [30%]
Capital Expenditure	28.4	14.1 [50%]

2000/2001 CORPORATE PLANNING CYCLE

7. The 2000/2001 corporate planning cycle has commenced whereby the HA's strategic objectives and key initiatives were endorsed by the SPC in June 1999. Business Directors had subsequently drawn up their business/service plans which were endorsed by business committees between October and November 1999. We are now consolidating the HA 2000/2001 Corporate Plan which will be submitted for Members' endorsement on 27 January 2000.

INFORMATION

8. This paper is for Members' information.

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