

HONG KONG HOUSING AUTHORITY

Memorandum for the Building Committee

**Progress Report of the Building Business Plan
for the Half-year ending 30 September 2000**

PURPOSE

This paper presents the progress report of the Building Business Plan for the half-year ending 30 September 2000.

BACKGROUND

2. As part of the corporate planning process, Heads of Branches will draw up Business Plans in respect of their core businesses for the coming financial year. This is to ensure that a coherent and effective set of policies and programmes can be put in place to achieve the Housing Authority's strategic objectives. The 2000/2001 Business Plan for the Building Business was approved by Members in October 1999 vide Paper No. BC 170/99.

PROGRESS

Key Initiatives

3. A total of 24 initiatives are covered in the 2000/2001 Business Plan. In this report period, all initiatives are under implementation. The overall implementation position is as below –

(A) Initiatives under Implementation	(B)
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Action Completed	On Schedule	On-going	Under Review	Behind Schedule	Initiatives not yet Implemented
2 (8%)	12 (50%)	8 (34%)	2 (8%)	0 (0%)	0 (0%)

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

Key Performance Indicators (KPIs)

4. A total of 11 KPIs have been developed and their progress is summarized below –

KPI	Target	Position as at 30.9.2000
1. No. of HOS/PRH/IH flats completed	80,000	19,737 HOS/PRH/IH flats completed
2. No. of PSPS flats completed	10,000	3,000
3. m ² GFA of commercial properties completed	150,000	8,523m ²
4. car/lorry parking spaces completed	10,000	403
5. Average production lead time per project	47 months	51.7 months
6. Average slippage time in project completion	27 days	29 days
7. Percentage of project management cost in construction expenditure	14%	10%
8. Average no. of defects per completed flat reported at handover	4	4

KPI	Target	Position as at 30.9.2000
9. Construction expenditure	\$26.0 Billion	\$11.9 Billion

10. Average construction costs per m ² CFA of flats for Rental and HOS blocks (excluding costs of demolition and site formation)		
Concord 1	\$7,595	\$6,960*
New Cruciform	\$6,943	\$5,830
Harmony 1 (Rental)	\$5,958	\$5,350+
11. Compliance with HKBEAM for new designs	Good ratings	Good ratings achieved on the two trial schemes

* Cost based on June 2000 construction cost yardsticks

+ Cost based on New Harmony 1 Block

FINANCIAL PERFORMANCE

5. Up to the half year ending 30 September 2000, the capital expenditure is \$11,849.7M which amounts to 45.5% of 2000/01 Approved Budget. An updated financial position of the business is at **Annex B**.

INFORMATION

6. This paper is submitted for Members' information.

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