

# 3 Mid-Year PERFORMANCE REVIEW IN 2002/03

- 3.1** Up to 30 September 2002, 65 out of the 68 initiatives covered in the Corporate Plan for 2002/03 had been completed or were on schedule, with three initiatives behind schedule. The progress in implementing these key initiatives is highlighted below.

## Building Quality Enhancement

- 3.2** In order to align the relevant construction practices and procedures with those of the Buildings Department, we continue to implement the reform programmes under the Quality Housing Initiatives. The scope of the independent checking procedures has been extended to cover projects at planning stage and all on-going non-standard designed projects approved before May 2000. To further enhance quality standard, the quality management system had been re-designed to meet the ISO 9001:2000 Edition requirements. Besides, research studies were conducted to enhance piling design and construction practices to ensure effectiveness of the piling process. In June 2002, the Housing Authority Research Fund was launched to promote researches for exploring and developing new construction methods, technologies and materials.



## Provision of Public Housing

- 3.3** During the first six months of 2002/03, some 19 100 flats were built. We also allocated about 16 400 PRH flats to Waiting List applicants and rehoused 1 800 households affected by the Comprehensive Redevelopment Programme. Government's pledge of reducing the overall average waiting time to three years by 2003 had been achieved ahead of schedule by more than one year. As of end September 2002, the average waiting time stayed at a record low of 2.6 years.

- 3.4** In October 2002, the former Rental Housing Committee decided to defer the domestic rent review of the vast majority of PRH flats for another year. To further enhance our assistance to tenants facing short-term financial difficulties, it also approved measures to relax the eligibility criteria for the Rent Assistance Scheme (RAS) under which successful applicants receive a 50% rent reduction. Elderly households paying over 20% of their incomes as rents or with income below 60% of the respective Waiting List income limits are now eligible for RAS. Eligible tenants affected by the Comprehensive Redevelopment Programme can apply for rent assistance upon rehousing to new or refurbished flats. In addition, the grace period after which beneficiaries of rent assistance are required to move to cheaper flats has been extended from two to three years.

### Home Ownership Scheme

- 3.5** We offered some 2 450 new flats for sale under HOS Phase 24A launched in September 2002. Subsequent to HA's endorsement of the relevant measures announced by the Secretary for Housing, Planning and Lands in his Statement on Housing Policy in November 2002, the production and sale of home ownership flats will cease indefinitely from 2003 onwards. As for the HPLS, some 3 300 loans/subsidies were granted to eligible households to help them purchase flats in the private market or HOS secondary market.

### Commercial Properties

- 3.6** Some 59 900 m<sup>2</sup> gross floor area of commercial properties and 2 800 carparking spaces were completed in the first half of 2002/03. We completed the second rent reassessment exercise with an overall 19% rent reduction offered to our shop/market operators. We further stepped up other promotional activities such as concessionary parking arrangements for shoppers to help enhance the competitiveness of our shopping centres. A Business Opportunity Centre was set up in August 2002 to provide one-stop service to potential clients interested in setting up businesses in our estates. Innovative measures including short-term letting, open instant tender and "weekly special offers" were launched to expedite letting and reduce vacancy.

### Greater Use of Information Technology

- 3.7** We put in place a competency-based structure for the Information Technology (IT) Sub-division and formulated the IT Security Policy. The Counter-party List Management System (Phase 1) was launched to enhance automation in supporting services. Other examples of wider use of IT include the adoption of 1:1 user/seat ratio of Computer-Aided Design workstation, pilot use of Personal Digital Assistant for site inspection, etc.

### Private Sector Participation

- 3.8** The estate management and maintenance functions of some 59 100 PRH flats under Batch 5 Property Services Contracts (PSC) and Batch B Management-Buy-Out (MBO) contracts were outsourced between April and September 2002. Options were being explored for further outsourcing the services to the private sector in areas like divestment of carparking and retail facilities, legal advice services, and part of the financing and accounting work.