

Memorandum for the Hong Kong Housing Authority
Year-end Review of the Housing Authority's
2023/24 Corporate Plan

PURPOSE

This paper sets out the results of the year-end review of the Housing Authority (HA)'s 2023/24 Corporate Plan (CP) for Members' information.

BACKGROUND

2. On 16 January 2023, Members endorsed HA's 2023/24 CP, which sets out HA's themes, objectives, key activities (KAs), and Key Performance Indicators (KPIs) for 2023/24 (Paper No. HA 1/2023). This year-end review reports on HA's overall implementation progress of KAs and KPIs in the 2023/24 CP, and summarises HA's financial position up to 31 March 2024.

PROGRESS

3. There were 35 KAs in 2023/24 CP. As at 31 March 2024, all KAs were on schedule, on-going, or partially completed. A summary of the progress is as follows –

Themes	No. of KAs in the 2023/24 CP	Implementation Progress as at 31 March 2024 ^{Note 1}	
		Action Completed	On Schedule / On-going/ Partially Completed
Providing Quality Homes	12	-	12
Promoting Sustainable Living	10	-	10
Optimising and Rationalising the Use of Public Resources	9	-	9
Enhancing the Attractiveness of Commercial Properties	4	-	4
Total	35	-	35

4. Detailed reports on the year-end performance of the Programme of Activities for Subsidised Housing, Commercial Properties, Procurement, Development and Construction, Building Control, and Corporate Services are set out respectively in Paper Nos. SHC 19/2024, CPC 7/2024, TC 66/2024, BC 42/2024, BC 33/2024 and FC 14/2024, which have already been issued to respective committees earlier.

PROVIDING QUALITY HOMES

5. Under this theme, HA has continued its work on improving people’s living conditions by providing quality public housing. To low-income families which cannot afford private rental accommodation, we provide public rental housing (PRH). In 2023/24, about 11 900 PRH/Green Form Subsidised Home Ownership Scheme (GSH) flats were completed. Around 23 600 PRH flats (comprising both newly completed flats and recovered flats) were allocated in

Note 1 The implementation progress of KAs is categorised in accordance with the following criteria –

- “Action Completed” for KAs with all performance goals achieved; and
- “On Schedule/On-going/Partially Completed” for KAs with their performance goals being pursued on schedule or on an on-going basis, and KAs with only some of their performance goals achieved.

2023/24. Of the around 23 600 flats, around 18 500 units were allocated to PRH applicants, while the rest were allocated to PRH tenants requesting transfer, households recommended by the Social Welfare Department for compassionate rehousing, junior civil servants, eligible clearerees, etc.^{Note 2} As at 31 March 2024, the average waiting time (AWT)^{Note 3} for general applicants (i.e. family and elderly one-person applicants) who were housed to PRH in the past 12 months was 5.7 years. Among them, the AWT for elderly one-person applicants was 3.8 years. We would continue our efforts to increase PRH supply with a view to shortening the waiting time for PRH.

6. In 2023/24, about 200 other subsidised sale flats (SSFs) were completed. In July 2023, the Sale of Home Ownership Scheme (HOS) Flats 2023 involving a total of 9 154 new flats was launched together with White Form Secondary Market Scheme (WSM) 2023 which involved an annual quota of 4 500. HOS flat selection commenced from end-January 2024 and successful WSM applicants were invited in March 2024 to apply for a Certificate of Eligibility to Purchase with a validity period of 12 months. The Sale of GSH Flats 2023, involving a total of 2 359 new flats, was launched in March 2024. Balloting would be held in the second quarter of 2024 and flat selection would start from the third or fourth quarter of 2024. To accelerate the sale of unsold flats in 39 estates under the Tenants Purchase Scheme (TPS), the Subsidised Housing Committee endorsed the regularisation of the sale of recovered TPS flats in June 2023. Around 400 flats had been put up for sale under the Sale of HOS Flats 2023 and flat selection commenced from end-January 2024. A new batch of around 350 recovered TPS flats has been put up for sale under the Sale of GSH Flats 2023.

7. In the process of planning and designing PRH estates, we continued to adopt comprehensive planning and site-specific design that responded to site conditions, utilised plot ratio best, and maximised flat production of all domestic blocks in new projects. In order to speed up the building process, we continued to identify suitable projects for adopting Design-and-Build (D&B) procurement method. We awarded contracts for the first three D&B projects in 2023/24 and issued tenders for three additional D&B projects in Q1 2024.

Note 2 Around 19 700 recovered flats were allocated in 2023/24, among which around 13 700 and 1 300 were allocated to PRH general applicants and non-elderly one-person applicants under the Quota and Points System respectively.

Note 3 Waiting time basically refers to the time taken between registration for PRH and the first flat offer, excluding any frozen period during the application period (e.g. when the applicant has not yet fulfilled the residence requirement; the applicant has requested to put his/her application on hold pending arrival of family members for family reunion; the applicant is imprisoned, etc.). AWT for general applicants refers to the average of waiting time of those general applicants who were housed to PRH in the past 12 months.

8. The Independent Checking Unit continued to exercise administrative building control over new public housing development projects and existing PRH estates without any part sold or divested, which were not subject to the Buildings Ordinance, by applying standards and practices parallel to that of the Buildings Department.

PROMOTING SUSTAINABLE LIVING

9. Besides providing homes, we hope to promote a sustainable living environment for those who live in HA's developments. We fully supported the Government's anti-mosquito and anti-rodent work and had been conducting the All-out Anti-mosquito Operations and various cleaning and anti-rodent campaigns through strengthening rodent and pest prevention and control work in all PRH estates in 2023/24, supplemented by the Year End Cleaning Campaign shortly before the Lunar New Year.

10. We continued to carry out publicity work on waste reduction and recycling amongst our residents. We organised visits for Estate Ambassadors to EcoPark to enhance their knowledge on waste reduction and recycling, and engage them to participate in estate activities to help promote messages on environmental protection.

11. We strived to enhance family cohesion and attend to tenants' needs. A cumulative total of 79 230 households have benefited from the Harmonious Families Policies. We widely publicised Rent Assistance Scheme through various channels to raise awareness of PRH tenants so that those in need can submit applications accordingly.

12. HA continued to make full use of both the traditional and social media in its promotion and publicity work. Media interviews/media briefings/press releases were arranged to publicise HA's initiatives.

OPTIMISING AND RATIONALISING THE USE OF PUBLIC RESOURCES

13. We spared no efforts in safeguarding the rational and efficient use of public housing resources. We completed vetting of no less than 450 000 Income and Assets Declaration Forms under the Well-off Tenants Policies within a two-year cycle and in-depth investigation of 16 100 households. In addition to intensified investigation measures, we launched various publicity and educational activities to enhance public awareness of cherishing public housing resources and providing PRH flats to those with pressing needs.

14. On the Information Technology front, we continued to implement and expand the use of the Development and Construction Site Mobile System to improve the workflow, communication and record management of site inspection process. We also commissioned the development of a new web-based Housing Smart Intake (HOST) System to streamline the deficiency reporting process during mass intake of completed housing projects. Phase 1 of the HOST System was rolled out in mid-2022 for PRH projects and Phase 2A for SSF projects was rolled out in Q1 2024. We continued to develop Phase 2B for SSF projects and for common areas at public housing estates for rolling out in Q2 2024.

15. On human resource management side, we continued to review and re-deploy existing manpower resources to meet operational demands, including the public housing supply target, vis-à-vis the Government's decision on zero-growth in the civil service establishment. In doing so, we will monitor the manpower situation and make the most effective use of human resources through re-engineering of work processes, staff redeployment and re-prioritisation of tasks, and to bid for additional manpower where necessary. To support staff development, we have been using the Development Scheme for Senior Professionals to provide Housing Department colleagues with opportunities to take up responsibilities beyond their professional boundary. Besides, management development programmes for different levels of staff and cross-division attachment programmes for Professionals have been arranged to broaden their perspectives.

ENHANCING THE ATTRACTIVENESS OF COMMERCIAL PROPERTIES

16. We continued to identify asset enhancement opportunities through feasibility studies and Strengths-Weaknesses-Opportunities-Threats analyses. Projects of retail and car parking facilities earmarked under the five-year rolling programme were implemented as scheduled. To optimise the use of resources, we continued to explore ways to optimise the use of non-domestic premises and other spaces, including conversion to domestic or other uses. As at end March 2024, three domestic units converted from recovered Mutual Aid Committee offices had been successfully let out.

17. During the year, we continued to adopt a flexible marketing and leasing strategy in the management of HA's retail facilities to ensure an effective response to the ever-changing market trends and customer expectations with a view to providing more shopping choices and variety of services to the residents and local community. For new retail facilities such as Kai Chuen Shopping Centre, we proactively devised strategic leasing plans well in advance, aiming to prioritise core businesses in the trade mix to address the essential needs of local residents upon intake.

18. To sustain the popularity and attractiveness of Domain, HA's flagship shopping centre and as a regional mall, we continued our efforts in improving its trade and tenant mix through proactive strategies in tenancy renewal and well-planned leasing initiatives.

19. On environmental protection, we continued to implement green measures in the operation of HA's retail facilities such as supporting energy saving, reducing food waste, encouraging tenants of restaurants, supermarkets and market stalls to participate in food donation schemes organised by various non-government organisations. In complement with the Government's initiative to promote wider use of electric vehicles (EVs), HA has been actively providing EV charging facilities in its carparks since 2011. In March 2024, Members of Commercial Properties Committee approved the arrangements for implementing fee-paying charging services in HA's hourly parking spaces in support of the Government's initiative to marketise EV charging services so as to promote sustainable development of EV charging services in the long run.

KEY PERFORMANCE INDICATORS

20. To monitor and evaluate HA's overall performance, 18 KPIs were adopted in 2023/24 CP. The respective year-end position of these KPIs is at **Annex**.

FINANCIAL PERFORMANCE

21. The key figures for HA's 2023/24 financial performance are summarised below –

	2023/24 Actual	2023/24 Revised Budget
	\$M	\$M
Operating Surplus		
Rental Housing	778	174
Commercial	1,055	865
Home Ownership Assistance	11,144	11,584
Sub-total	12,977	12,623
Net non-operating income	44	44
	13,021	12,667
Funds Management Account Surplus	3,857	2,282
Agency Account Surplus	33	52
Total Surplus before Appropriation	16,911	15,001
Appropriation to the Government	(527)	(433)
Net Surplus after Appropriation	16,384	14,568
Capital Expenditure	22,058	22,931
Cash and Investment Balance at year-end	71,634	69,735

INFORMATION

22. This paper is issued for Members' information.

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**The Housing Authority (HA)'s Key Performance Indicators (KPIs)
for 2023/24 Corporate Plan**

	KPIs	2023/24 Target	Position as at 31 March 2024 (unless otherwise stated)
1.	No. of new flats to be provided ^{Note 1} - Public Rental Housing (PRH)/ Green Form Subsidised Home Ownership Scheme (GSH) flats - Other Subsidised Sale Flats (Other SSFs)	12 800 200	11 900 ^{Note 2} 200
2.	Average waiting time (AWT) ^{Note 3} for PRH applications (years) - General applicants - <i>Among which, elderly one-person applicants</i>	3 2	5.7 3.8
3.	Number of housing projects to be tendered out to adopt "Design for Manufacture and Assembly" (DfMA) (Modular Integrated Construction (MiC) approach included) and other advanced construction technologies as the main construction method	DfMA: All projects MiC approach: 4 projects	DfMA: All projects MiC approach: 12 projects
4.	Number of public housing units to be tendered out adopting Design and Build (D&B) procurement model	11 000	15 178
5.	No. of public housing units with completion to be advanced under phased completion arrangement	2 100	2 147
6.	Percentage of overcrowded families ^{Note 4} against total PRH families (%)	Below 0.55	0.44

Note 1 Figures were rounded to the nearest hundred.

Note 2 Excluding about 900 PRH/GSH flats in Redevelopment of Pak Tin Estate Phase 10 (Block 5) which were rescheduled for completion from 2023/24 to 2024/25.

Note 3 Our target is to cap the AWT for PRH at the level of six years. The Government also introduced the index of Composite Waiting Time (CWT) for Subsidised Rental Housing to reflect general applicants' composite waiting time for traditional PRH or Light Public Housing (LPH).

Note 4 Overcrowded families are families with living density below 5.5 m² internal floor area per person.

	KPIs	2023/24 Target	Position as at 31 March 2024 (unless otherwise stated)
7.	Vacancy rate (%) - PRH - Retail Premises (Shops)	Below 1.3 Below 2.5	0.4 3.2 ^{Note 5}
8.	Average turnaround time for vacant flat refurbishment (days)	Not exceeding 44	54.56 ^{Note 6}
9.	Average construction time for foundation and superstructure of public housing projects with 40 domestic storeys (months)	56	52.7
10.	Processing applications for fast-track occupation permit of new construction projects (with pre-occupation permit inspection completed) within 10 days	100%	100%
11.	Processing applications for fast-track temporary occupation permit of new construction projects within 10 days	100%	100%
12.	Processing plans for new construction projects wholly adopting pre-accepted typical design/details – - first submission within 15 days - amendment within 10 days	90% 90%	100% N/A
13.	No. of joint environmental hygiene operations with stakeholders in PRH estates under HA	Not less than 500	852

Note 5 The vacancy rate for Retail Premises (Shops) was 3.2% (2.96% if excluding ward offices) against the KPI of below 2.5%. The higher vacancy rate was mainly due to the changing shopping habits of local residents with the growing popularity of online purchase and “going north” for consumption.

Note 6 The slippage was due to substantial increase in the number of vacant flat refurbishment cases arising from existing tenants moving to newly completed subsidised sale flats and concentration of the vacant flats in some management regions required for refurbishment in a short period of time.

	KPIs	2023/24 Target	Position as at 31 March 2024 (unless otherwise stated)
14.	Accident rate ^{Note 7} (Average No. of accidents per 1 000 workers) - for new works contract - for maintenance and improvement works contract	Not more than 8 Not more than 8	5.2 ^{Note 8} 0.7
15.	Rationalise PRH resources - Vetting of Income and Assets Declaration Forms under the Well-off Tenants Policies within a two-year cycle (nos.) - In-depth investigation per year (households)	No less than 450 000 10 000	450 000 16 100
16.	Training investment per staff member (\$)	2,100	2,674
17.	Paper consumption	Maintain consumption per staff comparable to 2022/23 level ^{Note 9}	Target met under comparable operating conditions
18.	Water consumption in HA Headquarters	Maintain consumption per staff comparable to 2022/23 level ^{Note 10}	Target met under comparable operating conditions

Note 7 Reportable accident as defined under the Factories and Industrial Undertakings Ordinance (Cap. 59) refers to deaths or injuries arising from industrial activities causing incapacity for a period exceeding three days immediately following the accident. It has all along been HA's objective to keep fatal accidents at zero.

Note 8 Annual accident rate based on accident statistics of 2023 received on 30 April 2024 from the Labour Department (LD). LD compiles accident statistics on basis of calendar year.

Note 9 At present, there is no Government's service-wide saving target for paper consumption in office. For 2023/24, we target to maintain paper consumption per staff comparable to 2022/23 level, which is the actual consumption per staff.

Note 10 At present, there is no Government's service-wide saving target for water consumption in office. For 2023/24, we target to maintain water consumption per staff comparable to 2022/23 level, which is the actual consumption per staff.