

3. MID-YEAR PERFORMANCE REVIEW OF THE 2013/14 CORPORATE PLAN

- 3.1 Out of the 40 KAs covered in the 2013/14 CP, nine KAs are new initiatives while 31 KAs are on-going initiatives. Up to 30 September 2013, among the 40 KAs, one (2.5%) was completed while 39 (97.5%) were on schedule, on-going or partially completed. The progress is highlighted below.

Provision of Public Housing

- 3.2 The goal for 2013/14 was to construct 14 100 PRH flats, 4 900 m² gross floor area (GFA) of retail facilities and 330 car / lorry parking spaces. As at 30 September 2013, the construction of about 7 900 PRH flats, 13 000 m² GFA of retail facilities^[4] and 410 car / lorry parking spaces were completed. Construction of the remaining domestic units and facilities was in progress and scheduled for completion in the second half of 2013/14. Regular meetings with the Government bureaux and departments concerned were held to identify and to endorse potential sites for public housing development as well as to increase the densities and plot ratios of suitable PRH sites.
- 3.3 Up to 30 September 2013, 11 310 PRH flats were allocated to WL applicants in 2013/14. The AWT^[2] for general WL applicants (excluding non-elderly one-person applicants) was 2.8 years as at 30 September 2013, while that for elderly one-person applicants was 1.6 years.

Note [4]: The 13 000 m² GFA of retail facilities constructed in the first half of 2013/14 includes 4 700 m² in Kai Tak Development Site 1B and 8 300 m² in Kai Tak Development Site 1A. The 410 parking spaces include 140 in Kai Tak Site 1A, 230 in Kai Tak Site 1B and 40 in Sai Chuen Road. Since the completion of Kai Tak Site 1A had been rescheduled from 2012/13 to 2013/14, the total GFA of retail facilities and car parking spaces constructed in the first half of 2013/14 exceeded the original performance goals.

- 3.4 As part of our housing policy, we have been planning and designing HOS development projects. The first batch of about 2 200 new HOS flats would be completed in 2016/17, and the pre-sale was scheduled for end-2014. We have also been implementing the interim scheme of extending the HOS Secondary Market to White Form buyers with an annual quota of 5 000. Approval letters to the first batch of 2 500 successful applicants were issued on 31 May 2013. The HA will issue the approval letters to the remaining 2 500 successful applicants by end-December 2013.

Providing Quality Homes

- 3.5 To achieve the aim of providing quality homes, we have made reference to Building Environmental Assessment Method Plus (BEAM Plus) to enhance environmental performance of existing PRH estates via more efficient use of energy and resources. Following the completion of the feasibility study in Kwai Shing West and Upper Ngau Tau Kok Estates to ascertain the levels of performance prescribed under BEAM Plus for existing buildings (including energy use, water use, indoor environmental quality etc.), we have registered Kwai Shing West Estate with the Hong Kong Green Building Council for BEAM Plus assessment, and submission for Provisional Assessment was scheduled for the fourth quarter of 2013. On the new building front, we had promulgated Specification Clauses for implementation in all new projects to achieve BEAM Plus readiness. We had also registered selected projects with the Hong Kong Green Building Council for assessment and rating under the BEAM Plus Assessment Scheme.
- 3.6 In pursuit of quality homes and to respond to the rising public aspirations for environmental conservation, we had incorporated green concepts into the design and construction of new PRH estates. Greening ratio of 20%-30% and tree planting ratio of not less than one tree per 15 flats for new PRH projects was adopted to enhance greening in all new estates. We had also incorporated green roofs at high-rise blocks and applied the balanced ecological planning and design principles in suitable projects. Furthermore, tree risk assessment and the related tree remedial works were completed in the second quarter of 2013.

- 3.7 To adopt environmentally responsive planning and design, “micro-climate” studies in 40 on-going projects and Air Ventilation Assessment in 21 on-going projects were continued to be conducted to optimize natural ventilation and the use of daylight in planning and design. We had also commenced the bio-filtration installation with spent mushroom compost in Ex-Cheung Sha Wan Police Quarters to reduce air pollutants from car park and the main road. To mitigate noise, acoustic windows, balconies, fins and noise barriers were used in different projects to suit site-specific characteristics. Furthermore, Carbon Emission Estimation for eight projects to gauge the total carbon emissions of new PRH development in construction stage and throughout the life cycle of the building was conducted. The results were satisfactory in general with the environmental quality greatly improved.
- 3.8 With a view to optimizing site potential and maximizing the supply of flats, we had adopted comprehensive planning and site-specific design for all domestic blocks in new projects to best respond to site conditions, utilize plot ratio and maximize flat production. We had taken into consideration the views of the local community and the requirements of the Government departments with an aim of providing the essential welfare facilities while optimizing the development potential.
- 3.9 To further enhance the environmental quality of PRH, we had successfully completed the feasibility study on the incorporation of the principle of ISO 19011 (Auditing Management System) and the framework of ISO 31000 (Risk Management) in the existing Quality Management System for the maintenance and improvement works in PRH estates. We had also acquired the ISO 50001 for Kwai Shing West Estate in June 2013 for implementation of energy saving initiatives, as well as enrolling three estates in the Hong Kong Quality Assurance Agency (HKQAA) Sustainable Building Index. Furthermore, we had applied the enhanced tree management plan to facilitate preservation and protection of all existing trees in construction sites and existing PRH estates.
- 3.10 To promote “green” construction, timber from sustainable sources was continued to be used for temporary works during construction and precast water tanks. We have also been studying the use of finger joints and composite joints in timber doorsets to reduce raw material wastage during the manufacturing process, and carried out studies on the use of sound insulation materials on floor slabs for reducing structure-borne noise with satisfactory result. The pilot use of Excelicrete in Kai Tak Site 1B was completed, and the performance was found to be effective in

reducing cement consumption and carbon emission in concrete production.

- 3.11 To further enhance the quality of estate management and to develop a comfortable and healthy living environment for our PRH tenants, we had implemented the ISO 14001 Environmental Management System Certification programme in planned maintenance and improvement works for all estates as well as in property management since 2010. We had successfully obtained the ISO 14001 certification for property management for all estates in July 2013. We had also obtained 25 building energy certificates issued by the Electrical and Mechanical Services Department for meeting the energy efficiency requirements on lighting, electricity, air-conditioning, lift and escalator installations in the first half of 2013/14.
- 3.12 With a view to improving building safety in aged PRH estates, the Comprehensive Structural Investigation Programme (CSIP), the Estate Improvement Programme, the Responsive In-flat maintenance Services and the Total Maintenance Scheme were continued to be implemented. We had also continued to carry out the lift modernization programme. As in September 2013, 45 out of 101 old lifts had already been replaced. Moreover, we had planned to update the Closed Circuit Television Security System in 20 PRH estates from black and white to colour monitors.

Promoting Sustainable Living

- 3.13 To promote mutual family support and care for the elderly, enhanced harmonious families policies and partnering functions with non-governmental organizations (NGOs) were continued to be implemented. The harmonious families policies were introduced in 2007 and fully implemented in 2009. A cumulative total of around 28 030 households had benefited from the policies. All Estate Management Advisory Committees (EMACs) had planned community activities in partnership with NGOs to promote neighbourliness in estates. EMACs would also collaborate with NGOs to organize functions to deliver outreaching services to the elderly tenants.

- 3.14 We treasured the views and feedback from tenants on the planning and design of PRH estates as these opinions were important for cultivating harmonious and sustainable living in the community. We had held community engagement workshops, forums and meetings for project proposals in different districts, including the Open Plaza in Domain, Pak Tin Estate Redevelopment, Ex-Kwai Chung Police Married Quarters, Cheung Sha Wan Wholesale Food Market and a number of sites in Northwest Kowloon. We had also conducted post-completion review workshops for three projects and held Action Seedling ceremony for four projects. Furthermore, we had consolidated the findings of the survey on the communal behavior and social benefits in the provision of communal terraces at Kwai Luen Road Estate after occupation. Given the design of the communal terraces were well-received, we had given suggestions to the Building Committee for the design of similar terraces in the future.
- 3.15 We continued to partner with green groups to implement the long-term community environmental programme “Green Delight in Estates” to raise environmental awareness among residents and instill a lifestyle culture that would protect and improve the environment. The theme this year was on “Reduction of Municipal Solid Waste”, and under which, an estate-wide educational programme on food waste reduction had been conducted. We had also organized various community activities covering themes such as fire safety, public hygiene, in-flat maintenance, epidemic prevention, environmental protection, healthy ageing etc., with a view to engaging PRH tenants in improving their living environment and building a caring community.
- 3.16 We continued to enhance tree management and implement landscape improvement programmes. The annual tree risk assessment works for all construction sites and existing PRH estates had been completed, and one refresher/training courses for Estate Tree Ambassadors had been held. We had also completed uploading the tree data of 2012 to the Tree Database and the uploading of 2013 data was in progress. Furthermore, to cultivate green concept among tenants, green activities with community participation had been held in 14 estates and tree planting days had been organized in eight estates. We had also completed landscape improvement works in nine estates while works for thematic gardens in two estates, Lee On and Shun On, were in good progress.

- 3.17 To secure competent and reliable business partners, we strive to improve our procurement practices, and to raise service standards by ensuring a competent workforce and implementing tendering scoring measures. Commencing from the second quarter of 2013, we required a Director of each works contractor to submit a statutory declaration when they applied for admission to the list or renewed contracts. We also continued to employ a two-envelope tendering system for complex building and piling contracts. Moreover, we had been monitoring the Performance Assessment Scoring System in building, building services, piling, demolition and soft landscape contracts. As approved by the Tender Committee in the third quarter of 2013, we had also implemented the Preferential Tender Award System for District Term Contracts.
- 3.18 In developing new PRH estates, we were mindful of socio-spatial equity for users of all abilities, as well as elements of social cohesion and sustainability. We adopted the universal design principles in the design and planning of community facilities and domestic flats. We provided Integrated Community Play Areas for all ages and abilities, and implemented Barrier Free Access to block entrances, strategic estate facilities and transportation nodes.
- 3.19 We continued to monitor the safety management system for construction sites to ensure its effectiveness in the prevention of accidents, and improvement measures would be devised and implemented for the system as necessary. In the first half of 2013/14, we have implemented new specification clauses such as protecting workers from heat stroke and safe use of working platforms and handling of large panel formwork etc. to enhance the working environments and work practices at construction sites. We also required the contractors to provide safety orientation, work guidance and site familiarization to probationers and new comers. Our relentless efforts resulted in a low accident rate of 6.5 per 1 000 workers up to the second quarter of 2013/14. To further enhance the safety and health of workers, we had explored the enhancement of the specification for “health check for workers” in consultation with Hong Kong Construction Association Limited.
- 3.20 To commemorate the 60th anniversary of public housing development in Hong Kong, we had organized a number of events and activities in the first half of 2013/14. Following the Launching Ceremony of the 60th anniversary activities in the end of April 2013, the 60th anniversary documentary video, roving exhibitions in PRH estates and the Public Exhibition were launched as scheduled.

Optimizing and Rationalizing the Use of Public Resources

- 3.21 We continued to take actions to ensure the rational and effective use of public housing resources. During the first half of 2013/14, Public Housing Resources Management Sub-section (PHRM) conducted rigorous checks on some 3 500 cases on income / assets declaration under the Housing Subsidy Policy and Policy on Safeguarding Rational Allocation of Public Housing Resources. Among these cases, some 100 suspected false statements were detected. To step up the measures, a special team was established under PHRM on 1 April 2013. Intensive checking on some 2 360 additional cases were further conducted. PHRM also proactively carried out in-depth investigations into some 6 400 occupancy-related cases, among which notice-to-quit were recommended for some 250 cases. Some 90 PRH flats were recovered. To arouse public awareness to cherish the public housing resources, a series of publicity programmes had been launched through estate newsletters, posters, advertisements in the press, broadcast on radio and Housing Channel, etc.
- 3.22 To revitalize aged PRH estates and review the site development potential for optimization, a dedicated Redevelopment Potential Action Team was formed in the first quarter of 2013. The team had carried out a preliminary review of the non-divested aged PRH estates with a view to formulating a redevelopment priority list in the wider district context. A development potential assessment was also being conducted on aged PRH estates under the “Refined Policy on Redevelopment of Aged Public Rental Housing Estates” and in line with the CSIP with the aim of optimizing land use and flat production.
- 3.23 We have always benchmarked the average construction cost of the HA’s residential buildings against those in the private sector. According to the latest tender price movements, the construction cost of the superstructure of PRH was on average about 53% lower than that of private sector residential buildings of average standard. The market cost trend and the adequacy of the project budgets were also closely monitored. The budgets of 15 capital works new works projects were being updated to align with the June 2013 Construction Cost Yardsticks.
- 3.24 On the manpower side, under the Long-term Manpower Strategy, 64 contract posts were converted into civil service posts in the first half of 2013/14. We have secured a number of staff to cope with the growing workload arising from the increased public housing production targets

and other housing initiatives. As at end-September 2013, the HD's establishment was 9 207, representing a net increase of 166 posts as compared to end-March 2013. To nurture a committed, motivated and competent workforce, we had arranged local and overseas management development and leadership programmes for selected staff. A series of staff engagement activities including training courses, employee wellness programmes and core values promotion activities, etc. had also been arranged. Besides, we had gathered feedback and views on issues of staff concerns through various channels such as group meetings and goodwill visits to enhance staff communication.

- 3.25 New technology had been used to improve customer services and enhance operational efficiency. We continued to apply Radio Frequency Identification (RFID) technology in tracking the workflow and logistics of building components as well as the maintenance of buildings. RFID would be fully implemented to monitor the disposal of construction and demolition materials in new works construction projects in early 2014. We had widened the application of Building Information Modelling (BIM) in all disciplines / aspects for planning, design and construction of selected projects. To assist project teams in BIM implementation, the BIM Project Execution Guide had been compiled. Approval for the revamp of Specification Library Information system was also obtained, and tender for the necessary services was in progress. It is expected that the implementation work would commence in the first quarter of 2014. We had also continued to use Geographic Information System in the management of centralized drawing records and for location identification in maintenance works orders. Moreover, we expanded its function to provide a web-based mapping system to assist in the search for potential sites, the carrying out of site feasibility studies and tree management, as well as tools for carrying out three-dimensional spatial studies. To further enhance the customer services to our PRH tenants, implementation of the new Customer Services Management System in all estate offices was completed in August 2013.

Enhancing the Attractiveness of Commercial Properties

- 3.26 In order to enhance the value of our retail portfolio and create a better business environment, we continued to take strategic measures to enhance the attractiveness of commercial properties. A more diversified trade mix has been adopted for both new and existing neighbourhood shopping centres in order to provide our PRH residents with more shopping choices. Under the five-year rolling programme for

prioritising major asset enhancement works, upgrading works for the commercial properties earmarked, i.e. On Kay and Lung Poon Courts as well as Ping Shek, Wah Fu (I) & (II) and Kwai Shing West Estates, were in progress. Through the implementation of various leasing strategies for retail facilities, the vacancy rate for shops was further reduced from 2.1% as at end-March 2013 to 1.5% as at end-September 2013.

- 3.27 To integrate environmental protection initiatives in the management of commercial facilities, we had joined the Government's Energy Saving Charter to reduce the electricity consumption for air-conditioning in commercial premises. We had maintained an average indoor temperature of 24 to 26 degree Celsius in our shopping centres from June to September 2013. Furthermore, we had actively promulgated food waste reduction management practice through the appointed management service providers in the newly built shopping centres and markets.
- 3.28 Domain, our largest integrated commercial centre in Kowloon East District, had been attaining a steady growth in popularity on the footfall and business turnover since the grand opening ceremony on 1 December 2012. We had adopted the quality facility management practice through implementation of energy savings initiatives, green management and promotion of happy workforce in Domain. A yearly strategic and sustainable publicity plan with tailor-made promotional activities in partnership with shop tenants of Domain was drawn up to raise pedestrian flows and boost patronage. To further enhance footfall and sustain business growth, a consultant had been appointed to provide Domain with strategic management services with effect from October 2013.