

3. MID-YEAR PERFORMANCE REVIEW OF THE 2020/21 CORPORATE PLAN

- 3.1 There were 52 key activities (KAs) in the 2020/21 Corporate Plan. As at 30 September 2020, one KA was completed and 51 KAs were on schedule, on-going or partially completed. The mid-year performance review of each of the Programmes of Activities of HA's main operations was reported to HA via Paper No. SHC 60/2020 (for subsidised housing), CPC 31/2020 (for commercial properties), BC 72/2020 (for development and construction), BC 73/2020 (for building control), TC 116/2020 (for procurement) and FC 46/2020 (for corporate services) respectively. The overall progress is recapitulated below.

Theme 1: Providing Quality Homes

Construction and development of public housing

- 3.2 Our goal was to construct about 6 100 PRH/Green Form Subsidised Home Ownership Scheme (GSH) flats and about 6 800 Other SSFs in 2020/21. Based on the Housing Construction Programme (HCP) as at September 2020, we completed the construction of about 1 700 PRH/GSH flats and about 5 000 Other SSFs in the first half of 2020/21. We anticipated that a total of about 8 000 PRH/GSH flats and 5 000 Other SSFs would be completed in 2020/21.
- 3.3 We continued to hold regular meetings with Government bureaux and departments concerned to identify and endorse potential sites for public housing development; agree on the programme of comprehensive studies for selected sites; and facilitate and advance site availability for public housing development. We also continued to endeavour to optimise the development potential of public housing sites through implementing the policy approved by Executive Council in December 2018 allowing the domestic plot ratio at the selected zones to increase by 10% (i.e. up to maximum 30% increase in total), and relaxing building height and non-building areas where technically feasible. In order to expedite the public housing construction, we continued to implement different measures, including the use of different types of standardised precast elements etc. Moreover, we have implemented measures like streamlining joint survey at foundation / building interface, and standardising falsework details in

our current projects.

- 3.4 We continued to strive to optimise site potential and maximise the supply of flats, and adopt comprehensive planning and site-specific design for all domestic blocks in new projects to best respond to site conditions, utilise plot ratio and maximise flat production. We had taken the views of the local community and other stakeholders and the requirements of bureaux/ departments into consideration in project planning and design stage, so as to provide various non-domestic facilities while optimising the development potential.
- 3.5 In order to promote a green and healthy environment, as well as to gain gross floor area concessions for some projects, we registered four new works projects with the Hong Kong Green Building Council (HKGBC) for assessment and rating under the Building Environment Assessment Method Plus (BEAM Plus) Scheme^[3] in the first half of 2020/21.
- 3.6 In the first half of 2020/21, we continued to adopt environmentally responsive planning and design and conducted “micro-climate” studies in 31 on-going projects and Air Ventilation Assessment in 22 on-going projects. The findings were applied in the design. We continued to use acoustic windows, balconies, fins and noise barriers in suitable projects in accordance with site-specific characteristics to mitigate noise. Furthermore, we conducted Carbon Emission Estimation for six projects in the first half of 2020/21, and would implement it in all projects in the design stage.

Management and maintenance of public housing

- 3.7 We continued to maintain building sustainability and meet statutory requirements by implementing various maintenance and improvement programmes. To ensure building safety in aged PRH estates, we scheduled to complete plan submission under the Fire Safety (Buildings) Ordinance for 94 blocks of PRH estates. Plan submissions proceeded as scheduled. We also planned to participate in the “Quality Water Supply Scheme for Buildings – Fresh Water (Management System)” of the Water Authority in 75 PRH estates. As at 30 September 2020, 41 of them had participated in the scheme and maintained the certifications.
- 3.8 We continued to implement the Comprehensive Structural Investigation

Note [3] BEAM Plus is a comprehensive environmental assessment scheme for buildings recognised by HKGBC. The BEAM Plus assessment scheme includes six aspects of a project (i.e. Site Aspects, Energy Use, Indoor Environmental Quality, Materials Aspect, Water Use, Innovations and Additions). A rating would be issued to the project according to the scoring after the assessment.

Programme for PRH estates with age around 40 years as scheduled to ascertain the state of structural safety. We continued to implement the Total Maintenance Scheme in 31 estates including implementation of the Mandatory Window Inspection Scheme in four estates and the Responsive In-flat Maintenance Services in all PRH estates. Under the Lift Modernisation Programme, replacement of old lifts was implemented as scheduled.

- 3.9 We continued to conduct annual internal audits to maintain the respective certification on ISO 14001 for Environmental Management System and ISO 50001 for Energy Management System. Moreover, the preparation of the eighth Carbon Audit Report for 14 typical domestic block types to monitor energy consumption was in progress.

Provision of PRH and SSFs

- 3.10 From 1 April to 30 September 2020, about 5 900 PRH units were allocated to PRH applicants. The average waiting time (AWT)^[4] for general applicants (i.e. family and elderly one-person applicants) was 5.6 years as at 30 September 2020. While the latest AWT for general applicants has exceeded three years, we will continue to strive to achieve the target of providing the first offer to general applicants at around three years on average in the long run.
- 3.11 We addressed the home ownership aspiration of low- to middle-income families through various subsidised housing schemes. Owing to the COVID-19 pandemic, the launch of Home Ownership Scheme (HOS) 2020 involving a total of 7 047 new flats, originally scheduled for late July 2020, was postponed to September 2020. Ballot was conducted in December 2020 and flat selection was tentatively scheduled for May/June 2021.
- 3.12 The annual quota of White Form Secondary Market Scheme (WSM) was increased from 3 000 in 2019 to 4 500 in 2020. WSM 2020 was launched in September 2020 together with HOS 2020 and e-services for submission of application was available. Successful applicants would be informed to apply for a Certificate of Eligibility to Purchase with a validity period of 12 months tentatively in June 2021. Around 4 700 GSH flats will be put up for sale in phases in 2021, with the first batch of

Note [4] Waiting time 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 refers to the average of the waiting time of those general applicants who were housed to PRH in the past 12 months.

about 2 100 flats expected to be launched in May 2021 and e-Submission for GSH would continuously be provided.

- 3.13 To make active preparation with a view to accelerating the sale of unsold flats in the 39 estates under the Tenants Purchase Scheme (TPS), Subsidised Housing Committee (SHC) endorsed at its meeting on 28 July 2020 the sale arrangements for the sale of recovered TPS flats and the additional initiatives to encourage sitting TPS tenants to purchase the flats in which they reside.
- 3.14 A number of corresponding publicity arrangements were adopted in the face of the COVID-19 pandemic. To comply with social distancing requirements under the COVID-19 pandemic, live broadcast of ballot drawing for GSH 2019 was arranged in April 2020 via HA's Facebook page and responses received were very positive. A full range of publicity was organised at the launch of HOS/WSM 2020 in September 2020. To provide the public with online access to view the building models and doll houses of the HOS courts due to closure of the Exhibition Area at HA Customer Service Centre, a video was produced and uploaded to the designated website for HOS 2020 in addition to a wide range of sales information. In addition, we continued our communication with the general public via social media platforms covering messages such as stepped-up cleaning actions and infection control measures in PRH estates as well as HA's commercial premises in view of the situation arising from the COVID-19 pandemic.

Theme 2: Promoting Sustainable Living

Relationship management with stakeholders

- 3.15 We continued to enhance community bonding and attend to tenants' needs. The Estate Management Advisory Committees (EMACs) partnering with non-governmental organisations (NGOs) used to hold functions to promote neighbourliness in PRH estates and deliver caring and outreaching services for elderly tenants but these were temporary suspended due to COVID-19 pandemic so as to minimise the risk of spreading infections in the community. On the estate management level in enhancing family cohesion, a cumulative total of 62 620 households had benefited from the Harmonious Families Policies.
- 3.16 We also continued to publicise the Rent Assistance Scheme (RAS) to raise the awareness among PRH tenants so that those in need would apply accordingly. The messages were disseminated through various channels such as radio and HA's Housing Channel, posters, leaflets, estate

newsletters, YouTube, “iHousing” Mobile App and promotion via HA/HD website and EMAC meetings. Estate staff also solicited support from NGOs, District Council members and EMAC members to refer tenants in need to estate office for rent assistance. Starting from May 2020, the HA had further implemented a temporary relief measure to withhold the issuance of Notice-to-quit (NTQ) against tenants who failed to settle their rent payments on time. Eligible tenants may submit one-off applications to HA and NTQ against them would be withheld up to October 2020 upon approval of their applications. In view of the recent difficult economic environment, this measure has been extended for a further period of five months from November 2020 to March 2021 in a bid to assist the tenants in need to overcome their short-term financial difficulties. As at 30 September 2020, 431 applications were approved.

- 3.17 We continued to value the views and feedback from tenants on the planning and design of housing estates. We continued to conduct community engagement activities, including engagement workshops, as well as forums and meetings, to present development proposals and obtain feedback on the planning and design of projects, and surveys to gauge the residents’ views in every newly completed estate. We have conducted post-completion review workshop for Tung Chung Area 56 (Ying Tung Estate) in September 2020. No face-to-face interview for resident survey has been conducted in first half of the year due to the COVID-19 pandemic. We keep in view and get prepared to resume the resident survey once the COVID-19 situation has improved.
- 3.18 In order to secure competent and reliable business partners, we continued to strive to improve our procurement practices and raise service standards, by implementing tendering scoring measures for tender assessments and ensuring a competent workforce. We continued to employ a two-envelope tendering system for complex building and foundation contracts. Moreover, we had been applying the Performance Assessment Scoring System to our various new works contracts. The Preferential Tender Award System had been implemented for District Term Contracts. We also continued to require every works contractor to submit statutory declaration when applying for admission to or annual retention on HA Lists of Works Contractors.

Promotion of greening, social inclusion and safety

- 3.19 In order to promote greening in PRH estates, we organised activities to raise the environmental awareness of PRH residents. Due to the COVID- 19 pandemic, we only completed tree planting day activities in two targeted estates and arranged landscape improvement works in six

estates. The tree planting day activities of the remaining eight estates and the landscape improvement works of the remaining 14 estates were under planning or in progress. Two refresher/ training courses to provide Estate Tree Ambassadors with the basic knowledge on identifying suspected problematic trees within the estates originally scheduled in June and September 2020 were cancelled due to the COVID-19 pandemic while the two remaining courses are scheduled to be held in December 2020 and March 2021 respectively. We continued to conduct an annual tree risk assessment exercise and updated the tree database records for effective tree management through a computerised Enterprise Tree Management System. We also held greening activities for community participation in one estate with target completion of the other 19 estates within December 2020.

- 3.20 To collaborate with the Environment Bureau/Environmental Protection Department, the trial project on collection of plastic recyclable materials, first implemented in 15 PRH estates in Eastern District in late 2018, had been further extended to 46 PRH estates in Kwun Tong and Sha Tin Districts in late September 2020. Posters on waste electrical and electronic equipment, recovery of fluorescent lamp, rechargeable battery, etc., were also delivered to estate offices for display continuously.
- 3.21 In developing new PRH estates, we had been mindful of socio-spatial equity for users of all abilities, as well as elements of social cohesion and sustainability. We continued to adopt universal design principles in the design and planning of community facilities and domestic flats. We also continued to provide Integrated Community Play Areas for all ages and abilities, and implement barrier free access to block entrances, strategic estate facilities and transportation nodes.
- 3.22 We continued to monitor the safety management system for construction sites to ensure its effectiveness in the prevention of accidents. We devised and implemented improvement measures for the system as necessary. We also continued to conduct safety training, forum and seminars, issue safety and health alerts, organise award ceremony and support territory wide safety campaigns regularly to engage stakeholders and promote the best safety practices. Our relentless efforts resulted in a record of zero fatal accident up to 30 September 2020 and an accident rate of 4.4 and 0 per 1 000 workers for new works contracts and maintenance works contracts respectively based on data up to the second quarter of 2020. Furthermore, in order to achieve the highest site safety standards, strive for continuous improvements and promote a safety culture, recertification audit had been successfully conducted in May 2020 and new ISO 45001:2018 Occupational Health and Safety Management System

Certificate was received on 3 September 2020.

Theme 3: Optimising and Rationalising the Use of Public Resources

HA's public housing resources

- 3.23 In light of the increasing demand for PRH, we put much effort in safeguarding the rational and efficient use of public housing resources. As at 30 September 2020, we completed Biennial Inspection (BI) on some 468 000 PRH flats in the current BI cycle which started in November 2018. Intensive checking on some 6 000 income and assets declaration cases (declaration forms) and rigorous investigation on some 6 600 randomly selected occupancy-related and suspected tenancy abuse cases (households) by the Public Housing Resources Management Sub-section were in progress.
- 3.24 In addition to the intensified investigation measures, we launched various publicity and outreaching activities to enhance public awareness of providing PRH flats to those with pressing needs. Outreaching visits to EMACs to promote the cherishing of public housing resources were carried out on a regular basis.
- 3.25 For the 2020 PRH rent review, SHC endorsed the outcome of the rent review in accordance with the Housing Ordinance (Chapter 283) at its meeting on 28 July 2020. PRH rent was adjusted upward by 9.66% with effect from 1 September 2020. At the same meeting, SHC also endorsed providing a two-month rent waiver for PRH tenants in accordance with the Housing Ordinance (Chapter 283) in September 2020 and September 2021 respectively.
- 3.26 In order to provide housing to applicants with genuine housing needs, SHC endorsed at its meeting on 21 June 2019 the implementation of a trial for a new initiative whereby under-occupation households with all family members aged 70 or above would be given an option to enjoy full rent exemption upon their transfer to PRH units of suitable sizes. The trial scheme was implemented on 16 December 2019. It would be reviewed in December 2020. As at end-September 2020, we had approved about 270 applications. Among 159 housing offers made, 35 households accepted the offers.
- 3.27 Taking into account the outcome of the Hong Kong Housing Society's (HKHS) "Letting Scheme for Subsidised Sale Developments with Premium Unpaid" (Letting Scheme), SHC agreed at its meeting on 29 July 2019 for HA to join HKHS's Letting Scheme on a trial basis,

allowing eligible owners of HA's SSFs to let their flats with premium unpaid to eligible PRH applicants. As at 30 September 2020, HKHS received around 420 and 510 applications from owners and tenants respectively, among which around 330 and 260 applications from owners and tenants respectively had been approved and more than 40 tenancy agreements had been signed.

- 3.28 To facilitate HKHS's "Flat-for-Flat Pilot Scheme for Elderly Owners", SHC approved at its meeting on 21 June 2019 to allow eligible elderly owners of HKHS's SSFs who have sold their original flats without payment of premium to buy a smaller one in HA's Secondary Market. As at 30 September 2020, HKHS had received 13 applications from owners, among which nine eligible applications were approved with "Trade Down Permit" issued and four were ineligible. Among the nine approved applications with "Trade Down Permit" issued, one sale had been recorded.

HA's financial, human and IT resources

- 3.29 We continued to benchmark the average construction cost of HA's residential buildings against those in the private sector. We continued to closely monitor the construction cost per flat in PRH/GSH and SSF developments against the respective alert levels at feasibility study stage in order to achieve cost effectiveness. For projects with construction cost per flat exceeding the alert level, HA's Strategic Planning Committee will consider factors contributing to the higher unit cost and make a conscious decision of whether to include the sites in HA's HCP.
- 3.30 In respect of funds management, an annual health check on HA's Strategic Asset Allocation had been conducted. Having consulted and taken into account the advice of the Funds Management Sub-Committee (FMSC), the findings and recommendations were reported to the Finance Committee (FC) in August 2020. Actions were taken in accordance with the FMSC's advice to implement the recommendations as approved by the FC.
- 3.31 In 2020/21, we further secured 49 additional civil service posts to meet the public housing supply target. We will continue to monitor the manpower situation and seek additional staff resources as and when necessary, as well as making flexible use of supplementary workforce, e.g. body-shopped personnel, to cope with periodic peaks of workload.
- 3.32 For supporting staff development, we had organised programmes, such as the Development Scheme for Senior Professionals, Housing Department Development Programme and internal attachment programmes to broaden

staff's perspectives. Due to the outbreak of the COVID-19 pandemic, we had also turned classroom training into webinars, video-on-demand and other e-learning resources as appropriate.

- 3.33 On the IT front, the upgrade projects of Identity Management software and Enterprise Resource Planning System were completed in May and June 2020 respectively. The upgrade of Office Application Suite for personal computers was completed in October 2020. The storage encryption of restricted data in application systems and personal computers was also completed in October 2020.

Theme 4: Enhancing the Attractiveness of Commercial Properties

- 3.34 During the first half of 2020/21, we conducted feasibility studies and Strengths-Weaknesses-Opportunities-Threats analyses for identifying asset enhancement opportunities, and earmarked the retail facilities in Upper Ngau Tau Kok and Mei Tin Estates for further studies under the five-year rolling programme for asset enhancement. The improvement works for downsizing of the Chinese restaurant to create new shops for Lei Muk Shue Shopping Centre was completed. To optimise the usage of non-domestic premises, we had continued to review the utilisation of storerooms and other spaces and undertake studies and conversion works to change them into domestic flats, welfare or retail uses where feasible and when opportunities arise. Furthermore, we continued to implement various measures to maximize the usage of HA's car parking facilities and meet the needs of residents and the local communities.
- 3.35 In the light of studies on necessary fire safety improvement works to meet the requirements under the Fire Safety (Industrial Buildings) Ordinance, letting of vacant factory units had been frozen. As at end-September 2020, the vacancy rate of factory estates had increased to 2.6%. The Department has also taken the opportunity to explore the feasibility of redeveloping individual HA's factory estate sites for public housing. Through enhancing the potential of HA's commercial properties and improving business environment, the overall vacancy rate was maintained at a low rate of 2.0% for shops and 0.6% for shopstalls and cooked food stalls as at the end of September 2020.
- 3.36 Having regard to the rapid development of the COVID-19 pandemic, we had progressively implemented a series of strengthened anti-epidemic measures in HA's shopping centres and markets since mid-July 2020. Due to the need for social distancing as a preventive measure against the spread of COVID-19, we had been suspending major promotional events

and activities at HA's shopping Centres since February 2020. During the first six months of 2020/21, two civic, education and community building activities were held in HA's shopping centres.

- 3.37 In line with the Government's measures to help individuals and businesses, HA had provided a 50% rent concession for the period from 1 October 2019 to 31 March 2020, and a 75% rent concession from 1 April to 30 September 2020 for eligible retail and factory tenants. The total estimated rent foregone amounted to around \$1,004.7M. In line with Government's further measures, HA approved in September 2020 to extend the 75% rent concession under the same coverage and arrangements for another six months from 1 October 2020 up to 31 March 2021, resulting in an estimated total rent foregone of around \$1,629.5M.
- 3.38 In view of the popularity of online shopping and growing demand for logistics services, especially amidst the COVID-19 pandemic, we continued to arrange letting of shops for express delivery services and sites for parcel lockers. As at end-September 2020, 57 sets of parcel lockers had been set up in 44 estates. We continued to maintain close communication with the Hong Kong Monetary Authority and banks. The mobile banking services had been extended to cover 30 estates. Besides, we had enhanced the provision of Wi-Fi service in HA's major shopping centres and retail facilities.
- 3.39 In order to maintaining Domain's market positioning and competitiveness as HA's regional shopping mall, we continued to adopt strategic and flexible approach during the tenancy renewal exercise with a view to widening the trade and tenant mix. We had extended the Domain Club Scheme to the adjoining Yau Lai Shopping Centre on a trial basis with effect from 1 August 2020. In addition, we kick-started the toilet improvement programme and the mock-up design was expected to be completed in end 2020/ early 2021.
- 3.40 To promote environmental protection initiatives in HA's commercial facilities, we continued to join the Energy Saving Charter^[5] and Charter on External Lighting^[6] for some of our shopping centres. To minimise the use of disposable plastic tableware, the promotional campaign titled

Note [5] 11 shopping centres have joined the Energy Saving Charter, i.e. Choi Tak, Hoi Lai, Kwai Chung, Lei Muk Shue, Mei Tin, On Kay, Shek Mun, Tin Yan and Yau Lai Shopping Centres, Shui Chuen O Plaza and Domain, maintaining an average indoor temperature between 24 to 26 degrees Celsius in the summer months.

Note [6] 10 shopping centres have joined the Charter on External Lighting, i.e. Cheung Lung Wai, Ching Long, Choi Tak, Hung Fuk, Kwai Chung, Nam Shan, Yau Lai and Wah Fu (II) Shopping Centres, Choi Ying Place and Domain, to switch off lighting installations for decorative, promotional or advertising purposes from 11 p.m. to 7 a.m. of the following day.

“Plastic-Free” was launched in seven shopping centres ^[7]. We further joined Phase 2 of the Government’s Food Waste Collection Pilot Scheme ^[8] with effect from July 2020 in addition to Phase 1.

- 3.41 In addition to the standard electric vehicle (EV) charging facilities provided in new car parks, we had been providing standard EV charging facilities at monthly parking spaces in existing car parks in response to demand and subject to technical feasibility. Moreover, 12 medium chargers at hourly parking spaces in the car parks at Domain, Tak Long Estate and On Tat Estate had been installed. As at end-September 2020, we had provided EV chargers at some 290 hourly parking spaces and some 880 monthly parking spaces in 50 estates, out of which about 40 were quick and medium chargers. Another 12 medium chargers were anticipated to be completed by early 2021. We will keep in view the usage of these medium chargers and gradually install more of them in other suitable car parks as appropriate.

Note [7] Seven shopping Centres have joined “Plastic-Free”, i.e. Ching Long, On Tai, Shek Mun, Ying Tung and Yau Lai Shopping Centres as well as Domain and Shui Chuen O Plaza.

Note [8] 18 shopping centres/markets have joined the two phases of the Food Waste Collection Pilot Scheme. (Phase 1: Cheung Ching, Ching Long, Kwai Chung, Kwai Shing West, Lai Yiu, Lei Muk Shue, Nam Shan and Wah Fu (I) and (II) Shopping Centres. Phase 2: Hung Fuk, On Tai, Ping Yan, Shek Mun, Tin Yan, Yan Tin and Ying Tung Shopping Centres, Siu Hong Commercial Centre as well as Shui Chuen O Plaza).