Serve and satisfy the expectations of our customers

顧客為本

滿足客戶的期望和願望
Situations may keep changing, yet our mission remains the same.

Satisfying the housing needs of a community as diverse as Hong Kong is an evolving challenge. Half a century ago, our founding members created the mission to provide affordable and quality housing through innovative schemes, either in association with the Government or in our own right. Today, we are still committed to fulfilling this mission either in association with the Government or in our own right. However, the financial catchment within which we operate and the sectors of the community that we target, are changing.
Planning and Development

The backlog that has accrued in the supply of public and private sector housing in Hong Kong over the past year has had a significant effect on our current sale program and the planning of future developments. Some projects were delayed pending the formation of the Urban Renewal Authority. Others were the subjects of discussions with the Government over their future use and the related modifications of land premiums.

Marketing and Sales

In terms of sales, buying sentiment continued to remain weak throughout the year. To support a sensitive residential marketplace, the Government announced measures in mid 2000 which included a postponement on the sale of Home Ownership Scheme units until 2002, the conversion of 16,000 HOS flats into rental units over the coming four years and a reduction in target figures for future housing production. In line with this, the sale of 1,000 Sandwich Class Housing Scheme units was deferred.

Eligible applicants under the Sandwich Class Housing Scheme (SCHS) purchased 606 flats offered at five developments across the SAR between May and August 2000. Completed flats were fitted out as show homes for applicants during the viewing period. The result is regarded as satisfactory, given the prevailing market conditions.

Our developments at Highland Park, Marina Habitat and Cascades had an average take up rate in the market of 25%. This rate was a direct reflection of the availability of other residential units within similar price range. At 31 March 2001, 391 out of 1,067 units had been sold.

At The Pinnacle in Tseung Kwan O, first launched in 1997, we have 645 units that remain to be sold. The opening of the MTR's Tseung Kwan O extension should provide a sales stimulus to this development.

We have formulated marketing plans for the sale of our developments in Kennedy Town, Ma On Shan and Tseung Kwan O. All were originally developed as part of the Government's Sandwich Class Housing Scheme and the removal of the resale restrictions will widen the potential market for these units. The Cayman Rise in Kennedy Town is the only development of its kind in that part of Hong Kong Island and the sale potential of its 496 units is promising. At Ma On Shan, our 1,124 units are located along the waterfront and will be released in a phased sales program with similar promise. At Tseung Kwan O where there is an ample supply of sale flats, we will release only a limited number of our 1,526 units at any given time.
Senior Citizens Housing

Land grants for the two pilot projects under Senior Citizen Residences (SEN) Scheme have been awarded in Tseung Kwan O and Jordan Valley. The innovative, non-profit making scheme will provide 567 self-contained flats. The architectural design, finalized and tested at two trial flats, reflects specific design details for elderly occupants, including handrails, non-slip tiles, emergency alarms and easy-to-use shower cubicles. Each SEN development will contain support facilities such as rehabilitation and physiotherapy rooms, libraries, hobby rooms and multi-purpose halls. Senior citizens who meet the eligibility criteria will occupy the units under a "lease-for-life" tenure.

The pilot developments are expected to be ready for occupation by 2003. From an operational perspective, the Housing Society is working with the Sheung Kung Hui Welfare Council and the Haven of Hope Christian Service, who will oversee all operational aspects of the developments and provide the necessary services required to enable senior residents to enjoy "healthy aging".

Population of the Housing Society (as at 31 March 2001)

- 19% Flat-For-Sale Scheme (29,617)
- 12% Sandwich Class Housing Scheme (18,681)
- 62.6% Rental Estate (97,761)
- 3.3% Urban Improvement Scheme (5,182)
- 3.1% Rural Public Housing (4,923)
Mixed Development Scheme

The Government’s Mixed Development Scheme has continued to evolve with two pilot projects at Ap Lei Chau and West Kowloon set to provide a total of 2,700 units of private and public sector housing. The concept, initiated by the Government, aims at encouraging developers to participate in public housing projects. While the development is the key responsibility of successful private sector tendering companies, 30% of the homes built will be sold, through the Housing Society, to applicants who have met eligibility criteria similar to those under the Housing Authority’s Home Ownership Scheme. The remaining 70% of the units will be sold by the developers as private sector housing. Tenders for the two projects have been awarded to a consortium formed by Amoy Properties and a Korean construction company, and Sun Hung Kai Properties. The developments are expected to be completed by 2003 and 2004 respectively.

We are monitoring progress of the two developments and looking after the Housing Society’s interests during the planning, design and construction stages at both developments.

Urban Redevelopment

The redevelopment plans for Hong Kong’s older urban areas has stepped up with the formation of the Urban Renewal Authority, which replaces the Land Development Corporation, and the streamlining of procedures for urban renewal schemes. Urban renewal is critical to Hong Kong’s future development, in light of the community’s concern about protecting the natural environment and improving the urban environment.

Over the past year, the Housing Society has completed comprehensive studies of possible urban renewal projects in selected areas of North Point, Wanchai and Shamshuipo. These studies have covered both financial evaluations in terms of project and rehousing costs and revenue as well as implementation programs. The requirements for rehousing people who are currently living in those areas have also been addressed.

At the same time, the Society is looking at the conservation of old buildings, particularly those which have been designated as historical buildings by Government’s Antiquities and Monuments Office. The Housing Society will find new uses for these buildings as part of the conservation projects.

混合發展建屋計劃

由政府推行的「混合發展建屋計劃」，已在鴨脷洲及西九龍進行兩個試點項目，共提供二千七百個私營及公營住宅單位，這個由政府倡導的計劃，旨在鼓勵私人發展商參與興建公共房屋，投得的私人發展商主要負責發展事宜，其中百分之三十的落成單位將透過房協售予資格的申請人，而申請資格與房屋委員會的「居者有其屋」計劃相若。至於其餘百分之七十的單位，則由發展商自行以私人樓宇形式安排發售。由淘大置業和一家韓國建築公司組成的財團及新鴻基地產已投得上述兩個試點的發展項目，預計將分別於二零零三年及二零零四年落成。

我們正密切監察兩個發展項目的進度，並會在策劃、設計及建築過程，保障房協在這兩個發展項目中的權益。

市區重建

隨著市區重建局成立並取代土地發展公司，及當局簡化了市區重建計劃的手續，香港舊區的重建步伐已經加快。由於香港市民日益關注環保及改善市區環境，市區重建對香港的未來發展委實重要。

在過去一年，房協於北角、灣仔及深水埗某些地點進行市區重建項目的全面研究。研究內容包括建築和安置成本及物業收入的財務評估，及推行重建計劃的方案。而區內市民的安置問題亦在考慮之列。

同時，我們亦正研究保存古舊的建築物，特別是被政府古物古蹟辦事處列為歷史建築的物業。為保存此類歷史古物，房協將為古舊建築物開闢新用途。
Redeveloping Rental Estates
A detailed study into the redevelopment of four older estates in Tsuen Wan, Aberdeen, Shaukeiwan and Ma Tau Wai was completed during the year. Potential rehousing sites have been identified for tenants and a medium term redevelopment strategy will be finalized over the coming year. Estates are prioritized for redevelopment depending on the age and condition of buildings and the redevelopment potential of the sites. The Society needs to clarify rehousing issues in particular before moving the study closer towards implementation.

Review of Operations

Developments Completed (no. of units)

- **Rental Estate**: 53.0% (31,111)
- **Urban Improvement Scheme**: 9.6% (5,620)
- **Sandwich Class Housing Scheme**: 20.5% (12,066)
- **Flat-For-Sale Scheme**: 14.9% (8,736)
- **Rural Public Housing**: 2.0% (1,198)

重建出租屋邨
年内，房協詳盡地研究了荃灣、香港仔、筲箕灣及馬頭圍的四個舊型屋邨的重建工作。我們已初步選定安家置屋的適當地點，並將於今明兩年制訂中期重建策略。房協是根據屋邨的樓齡、樓宇狀況及重建價值編訂重建的優先次序。經研究階段後，房協需要先解決安置問題，才進一步推行有關計劃。
Construction and Project Management

Implementing quality initiatives and ensuring that the housing we build precisely meets the needs of today's marketplace remains a high priority for our project teams.

Construction Milestones

Two major housing projects were completed during the past financial year and, as at 31 March 2001, we had six projects under various stages of construction at a total estimated cost of HK$3,540 million.

The six projects under construction will produce 2,656 units under the Flats-For-Sale Scheme, 856 rental units and 567 units for the Senior Citizen Residences pilot housing projects. We are continuing to upgrade existing estates and to cover the future guarantees and extended warranties that are in place on newer developments.

Construction costs in Hong Kong have dropped significantly since the fourth quarter of 1997 and in the procurement of new contracts we have observed declining tender prices due to a more competitive environment. During the year, our contract management team reacted promptly and effectively to resolve disputes over construction contracts and to protect the contractual interests of the Housing Society.

Estate Redevelopment

After four years of meticulous planning, the phased demolition and rebuilding of Housing Society estates at Kwun Lung Lau and Tanner Hill have begun. The construction work at Kwun Lung Lau will be carried out over 10 years. During that time, all six existing towers will be demolished and replaced with residential towers, some of which will be as high as 50 storeys. When completed in 2009, Kwun Lung Lau will have almost 3,000 units of housing, car parks, shops, landscaped gardens and other communal amenities.

At Tanner Hill, 590 existing units are being redeveloped into three 40-storey residential towers with over 1,000 units in total. Tanner Hill redevelopment is expected to be completed by 2004.

Tenants in both estates are being rehoused as close as possible to their current homes.
Provide quality products and services
Maintaining Quality

Quality assurance and management have been integral aspects of our project work and we have steadily built a culture of quality that stretches from project design through to construction. Our consultant architects and engineers have followed our specifications and checklists for design, technical reviews and working drawings. We have collaborated with various associations and unions, including the Hong Kong Construction Association and the Hong Kong Construction Industry Employees General Union, to produce a series of videos that focus on construction procedures and site practices based on quality standards we expect to be adhered to on all of our sites.

A Quality Steering Group was established during the year. Part of its task will be to oversee the monitoring and implementation of quality plans and programs. Various seminars focusing on quality management issues and featuring guest speakers already experienced in quality issues were held throughout the year.

Designing Intelligent Homes

The Housing Society is constantly looking at ways to improve home design in terms of better building and environmental practices. We encourage our consultants to be innovative and forward thinking in looking at the direction of design trends and the demands of a new generation of homeowners.

Hung Shui Kiu is a new town which is being planned by Government with a major emphasis on environmental friendliness and sustainability. In considering the preliminary feasibility of a proposed large-scale housing project in this new town, we have expanded our search for innovative design concepts from professors and students of the departments of architecture at the University of Hong Kong and the Chinese University of Hong Kong. Groups of students, together with the Society, have jointly developed some initial project design concepts focusing on environmental, cultural and community aspects. The design concepts, which won a Merit Award from the Outstanding Green Project Awards 2000 sponsored by the Leisure and Cultural Services Department and other relevant professional institutions, will become the reference point in the detailed design for the development scheme.

保持優質

貫徹優質保證及管理，一向是房協發展項目方面的重要環節。從項目設計至建築的每個環節，我們建立優質的文化。在設計、技術審核及施工圖則方面，我們均要求建築師及工程師均遵從我們所訂的規格及各項要求。此外，我們還與各商會及工會合作，包括香港建造商會及香港建造業總工會，製作一系列有關建築工序及地面運作的錄影片，說明房協對這些工序所要求的質量標準。

年內，我們成立了品質策導小組，其中一項任務，是督導優質計劃及項目監察及推行工作。此外，我們在年內舉辦了多項以優質管理為主題的講座，邀請在這方面的資深人士擔任主講嘉賓。

設計智能住宅

房協不斷研究改善住宅設計的方法，以建造更理想的樓宇及配合環保概念。我們鼓勵建築顧問以創意和遠見，研究設計趨勢的發展以及新一代業主的需要。

洪水橋是政府規劃的一個新市鎮，以環保及可持續發展作為設計重點。在初步考慮該市鎮內一個大型發展項目是否可行時，我們邀請香港大學及中文大學建築系的教授及學生提供新設計的意念。房協與這些學生合作，共同構思出一些以環境、文化及社區為主的初步設計意念，並獲得由康樂及文化事務署及其它有關專業組織贊助的「二零零零年傑出綠化工程獎」的優異獎。這些構思將成為該發展項目詳細設計的參考。
Property and Estate Management

The Housing Society currently manages and services 53,347 flats on its own rental estates and in ownership developments where it performs key management roles. These estates and developments boast close to 100 per cent occupancy.

Residential Property Management

The past financial year was challenging in financial terms for estate management teams. For the third consecutive year, rents on all domestic units were frozen. This, together with the slow recovery of the retail and car park business, enforced stringent budgetary controls.

Despite the financial constraints, we have continued to provide quality levels of service throughout our estates. More than HK$118 million has been spent on major improvements and repairs. In addition, we have funded a strong customer relations program, through financing mutual aid committees on each estate to organize community activities and maintaining clear channels of communications with the various resident associations.

We also subsidize subscriptions to careline services for more than 900 elderly people. This is proving an effective alert tool for use by elderly tenants should they need medical or community assistance.

Providing quality services remains our priority on our estates and at the 27 sales properties which we manage. Over the past year we have prepared for the implementation of ISO 9001 - 2000 version with a focus on making continual improvements to the properties and ensuring that the services we provide are meeting the expectations of our customers. Regular customer surveys give us accurate feedback on our work. Our aim is to obtain full quality accreditation by the end of 2001.

Value added services introduced include Intranet Solution as a home portal which enables owners and tenants to book club facilities or enhance better communication on management issues within their properties. This service has been introduced on one estate and is now being extended with the objective of gradually covering more estates. The Society has also continuously installed broadband facilities on its estates aiming to introduce new technology to its customers.
Car Parks and Commercial Property
A program of revamping some of the commercial properties on housing estates is now underway. Last year, we initiated action to convert a wet market into a mega super store. Because it is critical that we obtain the right mix of commercial property within any residential estate, we look carefully at the interest of all tenants and aim for a mix of trade and services that precisely meets their needs.

We are continuing to place the management of our car parks in the hands of professional operators to better serve our customers as well as optimizing our investment in car parks. The operators ensure professional and efficient services and provide us with a steady guaranteed income.

Business Development
We have established a business unit to focus specifically on new estate and property management opportunities across Hong Kong. Business operations arising from public sector housing management were pursued. Competition in this area is fierce, but we are confident that we can apply our 50 plus years of property management experience and secure new business initiatives for the continued growth of the Housing Society.
Corporate Services

Our Corporate Services teams oversee information technology, human resources and corporate and office administration. All three are vital in providing efficient quality services that enable the Housing Society to fulfill its mission.

Information Technology

Across the spectrum of our property and related estate management work, we are constantly looking to introduce new services and to benchmark our standards in a quality context.

Major initiatives over the past year have focused on the implementation of an Enterprise Resource Planning (ERP) system that improves the flow of information and streamlines many operational procedures. The first phase of the system has been installed and was activated on 2 April 2001. It forms the foundation of a corporate-wide data warehouse which will improve business analytics and facilitate critical decision-making. The remainder of the system will be rolled out progressively over the coming year.

We have also identified an internationally recognized application system for integrated property management, known as First Housing. This will improve the efficiency of all aspects of our property management abilities and incorporate global practices into our operations and services. This software will be implemented by phases over the coming year. Both our Internet web site and Intranet services have been enhanced to upgrade communications to staff, Members and the general public.
Shape an attractive working environment for members and staff

人才為基

為委員及員工締造良好的工作環境
Human Resources

The Housing Society values and recognizes the contribution of all employees and teams of employees, regardless of their level or position within the organization. Rewards and compensation are based on performance and merit. Staff numbers have remained steady at 644 and we have promoted and maintained a positive work environment in which equal employment opportunity, personal and professional development, open communication, participative management and teamwork are emphasized. Equal employment policies and practices are applied to all areas of human resource management in line with relevant laws and ordinances.

We continue to develop and retain a competent, professional, versatile and motivated workforce. Vigorous and effective training programs are critical to this goal. Over the past year, training and development programs have been continuously organized to elevate staff competencies. Our core value on "quality" was reinforced and our self-learning culture was strengthened.

Years of Service Analysis (as at 31 March 2001)

<table>
<thead>
<tr>
<th>Years of Service</th>
<th>Percentage</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 1 year</td>
<td>10.6%</td>
<td>68</td>
</tr>
<tr>
<td>1 - 3 years</td>
<td>8.7%</td>
<td>56</td>
</tr>
<tr>
<td>3 - 5 years</td>
<td>15.8%</td>
<td>102</td>
</tr>
<tr>
<td>5 - 10 years</td>
<td>31.4%</td>
<td>202</td>
</tr>
<tr>
<td>10 - 20 years</td>
<td>22.8%</td>
<td>147</td>
</tr>
<tr>
<td>20 years or over</td>
<td>7.4%</td>
<td>48</td>
</tr>
<tr>
<td>Under probation</td>
<td>3.3%</td>
<td>21</td>
</tr>
</tbody>
</table>

Human資源

房協重視並表彰各職級及崗位員工個人和團隊的貢獻，並會根據員工的表現及能力給予獎賞及報酬。房協將職員人數維持在六百四十四名的穩定水平，並致力構造一個積極進取的工作環境，強調平等就業機會、個人及專業發展、開明溝通、共同參與管理，及團隊合作。房協並根據有關法規及條例，在人力資源管理方面全面貫徹平等就業機會政策及實務守則。

我們持續發展及維繫一支能幹、專業、技能全面而士氣高昂的工作隊伍。嚴謹而有效的培訓在這方面發揮了重要作用。房協在去年舉辦了一連串的培訓及發展計劃，以提升職員的工作能力，並加強「優質」的工作信念和自學文化。
A total of 269 in-house and external training programs were delivered and organized throughout the year. Training man-days reached a new high at an average of 3.5 man-days of training per staff member. Training programs covered 87% of our employees. A structured training and development plan was implemented for our Customer Service Officers. To reinforce the importance of quality, three seminars on “Quality First: People, Partnership & Product”, “ISO appreciation” and “Balanced Scorecard” brought the Housing Society into a new era of development and illustrated its strong commitment to quality.

Various initiatives were introduced to further develop our culture of self-learning. They include bi-monthly library promotions, 12 e-learning courses and intranet knowledge-sharing practices. As a result, new learning records were set with 474 library calls, 109 registered e-learning users and 1,010 learning transactions. These initiatives, together with well-established tuition and professional membership reimbursement policies, raised the learning ambitions of staff across the Society.

Remarks:
1. Headcounts of different Divisions are in accordance with the current organization structure effective May 2000.
2. Finance Division includes Accounts and Finance.
3. Corporate Services Division includes IT, Administration and Human Resources.

Headcount by Division

- **12%** Corporate Services
  - 77 employees

- **5%** Finance
  - 35 employees

- **6%** Projects
  - 36 employees

- **7%** Planning and Development
  - 41 employees

- **68%** Estate Management
  - 440 employees

- **2%** Executive Director’s office
  - 15 employees

Remarks:
1. Headcounts of different Divisions are in accordance with the current organization structure effective May 2000.
2. Finance Division includes Accounts and Finance.
3. Corporate Services Division includes IT, Administration and Human Resources.

for the annual training programs and the training man-days reached a new high of 3.5 man-days per staff member. Training programs covered 87% of the employees. A structured training and development plan was implemented for our Customer Service Officers. To reinforce the importance of quality, three seminars on “Quality First: People, Partnership & Product”, “ISO appreciation” and “Balanced Scorecard” brought the Housing Society into a new era of development and illustrated its strong commitment to quality.

Various initiatives were introduced to further develop our culture of self-learning. These include bi-monthly library promotions, 12 e-learning courses and intranet knowledge-sharing practices. As a result, new learning records were set with 474 library calls, 109 registered e-learning users and 1,010 learning transactions. These initiatives, together with well-established tuition and professional membership reimbursement policies, raised the learning ambitions of staff across the Society.

Remarks:
1. Headcounts of different Divisions are in accordance with the current organization structure effective May 2000.
2. Finance Division includes Accounts and Finance.
3. Corporate Services Division includes IT, Administration and Human Resources.
The Environment and Social Responsibilities

From staff to tenants, architects to contractors and school children to senior citizens, our environmental initiatives over the past 12 months have literally involved every sector of the community with whom we work.

Environmental initiatives and concerns lie at the heart of many of our policies. Careful urban renewal will release some of the pressure on land supply without compromising the natural environment of Hong Kong. The Housing Society fully supports the Government’s moves in this direction.

But at the same time, we are concentrating increasingly on environmental care in both our existing developments and in the design and construction of future developments.

The Housing Society is a key supporter of INTEGER principles, which include ideas on construction innovation, sustainable materials, “green” technology, intelligent systems and the layout, orientation, shape and appearance of a residence. The Hong Kong Housing Society is a founder member of the INTEGER Hong Kong pavilion which is being built on the Tamar site showcasing intelligent and green housing. Open to the public for promotion and education, it includes two demonstration flats, a lift lobby, sky garden and demonstrates how intelligent and green concepts can be applied to Hong Kong’s high-density, high-temperature and high-humidity environment.

With the support and encouragement of the Society, our residents have actively participated in the Waste Recycling Campaign organized by the Environmental Campaign Committee, the Housing Society and other organizations since 1997. Remarkable results have been achieved over the past year. More than 3 million kilograms of waste paper, 50,000 kilograms of aluminium cans and 20,000 kilograms of plastic bottles were collected from our 37 rental estates and managed properties, and recycled during the year.
The Society also collaborated with Friends of the Earth and Radio Television Hong Kong to promote a sense of environmental protection among residents through a five-month environmental awareness campaign. Pop singers and television artists supported the program to encourage residents to cultivate green habits. A report card system was introduced with residents recording environmental action they had undertaken during the campaign. An environmental action day was held at Verbena Heights in Tsueng Kwan O, and Housing Society staff and tenants continued to take part in tree-planting exercises around Hong Kong in addition to their participation in a Corporate Afforestation Programme at Tai Tam Country Park.

The Society and its staff also show their commitment to the community by participating in charity functions, community activities, senior citizens day celebrations and other environmental campaigns. A staff volunteer team was formed in 1998 aiming to provide volunteer service to those in need. For the third consecutive year, we entered a team in the charity fundraiser, Hong Kong Trailwalk and participated in various Community Chest Activities including the Corporate Challenge Half Marathon, Sowers Action Fund Raising Walk, Skip Lunch and Dress Casual Days. Our Corporate and Employee Contribution program was recognized by the Community Chest with a Bronze Award.

In the academic area, the Society sponsored a conference on “Housing Policy & Practice in the Asia-Pacific: Convergence and Divergence” organized by the Hong Kong Housing Research Network.

Our social responsibility also includes ensuring that our business operations are adequately transparent and any complaints about the Society, whether referred to us by the media, the Ombudsman or members of the public, receive a clear and concise response. Communication channels with the local media have been kept open and through corporate newsletters, a regularly-updated web site, media releases and organized visits, our role as a significant housing provider continues to be widely recognized.
The Future

Our future lies in specific and individual markets – in the area of urban renewal, conservation, mixed development housing; for niche groups of people such as the elderly, and lower income earners; in new property management areas. We will continue to provide housing for those in need, but we will increasingly operate in the context of these specific markets. As an organization, we are prepared for this new era. We have the corporate structure in place and the expertise amongst our team of senior managers and on-the-ground staff.

Our future, to a large extent, also depends on Government policies on housing. Later this year, the direction of these policies, and therefore the role which we will play, will become clear. Meanwhile, we remain committed to the strategic policies now in place and the projects that we have underway.

Over the coming year, we expect to have another 1,624 flats completed. We plan to market 2,280 units in the coming year. We will study the redevelopment potential of four rental estates and hope to partner the Urban Renewal Authority on three re-housing sites. We will also continue to look at the feasibility of implementing further private sector participation projects.

To attain and maintain our reputation for reliability and quality, we will continue to enhance our property management systems and the way we manage information to ensure that we provide services, as and when required.

Our new corporate structure places greater responsibility and accountability with our Members. As a result, communications and working relationships between Members and the Executive and senior management of the Housing Society will become stronger. The expertise of our Members in their specific fields will become a critical source of inspiration and information in our future projects.
prudence

Maintain prudent principles  堅守審慎的營運原則

資源為用