

**Chronology of Important Activities Relating to Stainless Steel Cladding  
in Shek Yam Estate Phase 2 Building Contract**

<b><u>Date</u></b>	<b><u>Eventc</u></b>
20 July 1995	Building Committee (BC) approved client brief, control plan and project estimates for Shek Yam Estate Redevelopment Phases 1 to 4
26 October 1995	BC approved the appointment of Dennis Lau & Ng Chun Man Architects & Engineers (HK) Ltd. (DLN) as the Architectural Consultant for Shek Yam Redevelopment Phases 2 and 3
16 May 1996	BC discussed the proposed revised client brief/scheme design and project budget for Shek Yam Estate Phase 2 (SY)
30 September 1996	BC approved by presumption the proposed revised client brief/scheme design and project budget for SY
16 May 1997	Invitation of tenders
13 June 1997	Five tenders received by Housing Department (HD)
21 August 1997	BC approved tender award to China State Construction Engineering Corporation (CSCEC) at tender price of \$1,096 million
31 October 1997	Commencement of Building Contract
16 June 1998	DLN specified inspection percentage of external metal cladding to be at least once per block
26 November 1998	DLN issued Architect's Instruction (ref.:AI-MC-186) to CSCEC to clarify the discrepancies between contract document and contract drawing over the thickness of stainless steel cladding, and to confirm the use of 2 mm thick stainless steel cladding
30 November 1998	Progress payment to CSCEC for 20% of the value of stainless steel cladding against partial completion of work

<b><u>Date</u></b>	<b><u>Eventc</u></b>
11 December 1998	Contractor Report showed external wall cladding setting-out and fixing in progress
24 December 1998	Contractor Report showed external wall cladding setting-out and fixing in progress
31 December 1998	Progress payment to CSCEC for 30% of the value of stainless steel cladding against partial completion of work
7 January 1999	Contractor Report showed external wall cladding setting-out and fixing in progress
21 January 1999	Contractor Report showed external wall cladding setting-out and fixing in progress
30 January 1999	Progress payment to CSCEC for 50% of the value of stainless steel cladding against partial completion of work
22 February 1999	Contractor Report showed external wall cladding setting-out and fixing in progress
28 February 1999	Progress payment to CSCEC for 70% of the value of stainless steel cladding against partial completion of work
10 March 1999	Contractor Report showed external wall cladding setting-out and fixing in progress
26 March 1999	Contractor Report showed external wall cladding setting-out and fixing in progress
30 March 1999	Progress payment to CSCEC for 85% of the value of stainless steel cladding against partial completion of work
9 April 1999	Contractor Report showed external wall cladding setting-out and fixing in progress
23 April 1999	Contractor Report showed external wall cladding setting-out and fixing in progress
30 April 1999	Progress payment for the final 15% of the value of the cladding works was held back as per the request of DLN in site meeting

<b><u>Date</u></b>	<b><u>Eventc</u></b>
10 May 1999	DLN gave conditional approval to the shop drawings for the cladding
12 May 1999	HD Audit Team observed anomalies in the sample submission and shop drawing approval procedures for the stainless steel cladding and raised its findings with DLN and HD's Liaison Team
20 May 1999	External wall cladding facing Tung Chi Street was recorded completed in Contractor Report for period up to 19/5/99
27 May 1999	DLN approved the cladding sample submission
June 1999	DLN observed defective cladding
June to August 1999	DLN urged CSCEC to rectify the defects in relation to steel cladding at site meetings
30 August 1999	DLN issued Architect's Instruction (AI-MC-404) to urge CSCEC to furnish Project Structural Engineer (PSE) with result of survey of status and remedial proposal on the non-conforming external stainless steel cladding
20 September 1999	DLN requested Project Quantity Surveyor to deduct from payment to CSCEC payment for the non-compliant works including stainless steel cladding
March 2000	CSCEC removed the defective steel cladding works
28 March 2000	Independent Commission Against Corruption arrested 16 persons including site staff and employees of Hung Fung Engineering Limited, sub-contractor of stainless steel cladding, for alleged bribery in connection with non-compliant works
20 April 2000	DLN and Housing Authority inspected and approved mock-up of the new steel cladding works. Reinstallation of steel cladding commenced
2 to 26 May 2000	Site staff conducted inspection of stainless steel cladding. All delivered material had been fully checked and found to be in order before reinstallation

<b><u>Date</u></b>	<b><u>Eventc</u></b>
3 May 2000	Registered Structural Engineer certified completion of the new steel cladding works
10 July 2000	DLN submitted to HD a report on stainless steel cladding installation
16 September 2000	Completion of Building Contract

*Source of information : written and oral evidence provided by witnesses*