

中華人民共和國香港特別行政區政府  
立法會公務員及資助機構員工事務委員會  
主席譚耀宗議員

譚議員：

### 「建築署職能工作檢討」顧問研究

最近傳媒有不少關於建築署改組及大幅縮減人事編制的報導。反而我們作為建築署員工並不知悉政府當局的具體建議及進程，對此，我們感到十分無奈。

建築署以往在管方及員方互相合作及溝通下，成功地推行及落實不少改革。就今次部門改革一事，儘管員方已向政府聘任的顧問公司及政府當局提交了有關部門工作環境及不少實務問題的詳細意見，但當局並未安排員方參與研究部門的檢討及改組工作，加上近日傳媒就此事的報導，使我們對整個檢討是否已仔細考慮各方因素及意見極感疑慮。

在二〇〇一年五月二十三日給公務員事務局局長王永平先生的信中，我們指出員方支持改革以不斷提高部門的服務水平。同時我們也呈交了員方對部門改革的詳細意見，很可惜政府當局並沒有與我們討論或跟進有關意見。謹附上我們給王局長五月二十三日信件的副本，並希望在這裏重申員方立場：任何改革均須建基於客觀事實、合理分析、全面及持平的檢討；當局不應以改革為名卻以裁減員工為實。

我們得悉貴委員會曾於二〇〇一年十月十一日的會議上，要求政府當局評估壓縮政府架構對公務員隊伍及公營機構的成效、效率及士氣的影響。故此我們希望貴委員會在審議公務員或政府部門改革方案時能採用一套客觀的標準而非主觀的「政策目標」。

若貴委員會需要進一步的資料或協助，我們當樂意效勞。

（由專業及技術職系工會及代表聯名簽署）

二〇〇二年一月十日

**附件** — 建築署員工致公務員事務局局長  
二〇〇一年五月二十三日函件副本

致立法會公務員及資助機構員工事務委員會主席譚耀宗議員  
二〇〇二年一月十日函件簽署人：

（建築署建築師協會主席陳偉人）

（建築署園境師協會主席容振偉）

（建築署屋宇保養測量師協會主席陳浩然）

（建築署工料測量師協會主席梁立基）

（建築署結構工程師協會主席關醒忠）

（建築署屋宇裝備工程師及機電工程師職系代表何國富）

（建築署工程監督職系代表羅兆堅）

（公務人員總工會建築署技術主任  
（屋宇裝備及機電工程）分會主席黃港生）

（香港政府華員會技術主任分會執行委員陳貴松）

（政府建築署人員協會主席廖榮芝）

（政府工程技術及測量人員協會  
建築署技術主任（建築設計）代表范再洋）

（政府工程技術及測量人員協會  
建築署技術主任（屋宇裝備）代表王志漢）

（政府工程技術及測量人員協會  
建築署技術主任（結構工程）代表張子耀）

（建築署工料測量主任職系代表杜慕貞）

**副本分送：**

政務司司長曾蔭權先生  
財政司司長梁錦松先生  
立法會何鍾泰議員  
立法會劉炳章議員  
公務員事務局局長王永平先生  
庫務局局長俞宗頤女仕  
效率促進組專員冼兢先生  
工務局局長李承仕先生  
建築署署長鮑紹雄先生

23<sup>rd</sup> May 2001

Mr. Joseph W.P. Wong, JP  
Secretary for the Civil Service  
Central Government Offices  
West Wing  
Lower Albert Road  
Hong Kong

Dear Mr. Wong,

**Consultancy Study on the Management Review  
of Architectural Services Department Functions**

1. We were glad to have the opportunity of discussing with you, during your visit to the Architectural Services Department on 3rd May 2001, the staff's views and concerns regarding the captioned review.

2. We are concerned that it is the general feeling among the staff that, whichever way the facts and analyses may point to, Government is minded to reduce its commitment to its staff, and the review is only a tool to achieve this aim. Naturally, we are also concerned that our livelihood will be affected as a result of any decision that may result in "downsizing" of ArchSD. However, as we mentioned in our discussion, the staff's unease should not be seen as being prompted merely by self-interest. It is the staff's genuine concern that, apart from being "interviewees", we are denied from participating in the review, and yet some fundamental issues cannot be satisfactorily addressed without our involvement. We do not resist any change just because our livelihood is at stake. Equally, Government should not be seen to instigate any change just for the sake of change.

3. In this context, we welcome the assurances that you gave to the staff, namely, there is no preconceived policy of change to the ArchSD structure; Government is the final arbiter of any proposals; any change will only be based on a balanced review of all facts, analyses and opinions, including consideration of the staff's well-being; there will be no redundancy; and in any event no member of staff will have to leave government service against his/her will. These assurances are particularly timely. On the one hand, they clear up some of the uncertainties and worries of the staff. On the other hand, the staff's views and concerns can now be better received by Government as genuine and unbiased.

4. You no doubt noticed in our brief conversation that we took considerable pride in what we had achieved in ArchSD. We have extensive knowledge and experience in this field and we are best placed to offer comments on the practicability of various proposals. We are of course mindful of the need for continuous improvement. Numerous changes have in the past been initiated and successfully implemented as a result of the joint effort of both the staff and management in ArchSD. As evident from our financial review, we have maintained our operating cost at a level compatible with, if not lower than, the private sector. Against this background, we fail to understand why the process is reversed this time, by imposing a review upon ArchSD and not involving the staff in this important process.

5. As the matter is being pursued in such haste, we are not optimistic that there will be enough deliberation on many important issues such as those factors justifying the existing system and the shortcomings/limitations of any alternatives that we see at the operation level but are not as obvious to "outsiders" at the theoretical analytical stage. We would draw your attention to the points detailed in our letter to PricewaterhouseCoopers dated 26<sup>th</sup> April 2001 (copy **enclosed**). These concerns are based on our professional knowledge and hard-earn experience. No other party has as much experience as we do about the operational requirements and constraints of ArchSD and its unique roles in the Construction Industry. No other party has spent as much time as we have in the steady development of ArchSD, only through numerous deliberations, trials and errors, and fine-tuning.

6. We note your assurance that any change will only be based on a balanced review of all facts, opinions and analyses. However, we would challenge the wisdom of denying the staff from participating in this very important review process. We demand that the report, when completed, must truly and faithfully record all relevant facts and opinions. It must provide a balanced view of the pros and cons of various systems. Any recommendation must be linked to a structured review of all relevant facts and analyses. It must present a comprehensive picture with supporting data and analyses to allow Government and the staff to make a reasoned judgement.

7. Furthermore, we consider it mutually beneficial to Government and the staff if we are allowed to comment on PricewaterhouseCoopers' report in conjunction with ArchSD senior management, the Efficiency Unit, Finance Bureau, Works Bureau, and your office representing the Government. A reform is not necessarily preceded by confrontation. We are confident that if, like previously, we are allowed to work together with various interested parties, a "win-win" solution will be achieved.

8. We are anxious to provide whatever assistance you may require, and look forward to expanding our dialogue on this very important subject.

Yours sincerely,

(W.Y. Chan, Chairman, ArchSD Architects Association)

(Jonathan Yung, Chairman, ArchSD Landscape Architects Association)

(H.Y. Chan, Chairman, ArchSD Maintenance Surveyors Association)

(Francis Leung, Chairman, ArchSD Quantity Surveyors Association)

(S.C. Kwan, Chairman, ArchSD Structural Engineers Association)

(K.F. Ho, Building Services Engineer Grade and  
Electrical & Mechanical Engineer Grade Representative)

**Encl. - Joint letter to PricewaterhouseCoopers  
dated 26th April 2001**

c.c. Ms. D. Yue, JP, Secretary for the Treasury )  
Mr. C. Sankey, JP, Head, Efficiency Unit ) with encl.  
Mr. S.S. Lee, JP, Secretary for Works )  
Mr. S.H. Pau, JP, Director of Architectural Services  
Deputy Director of Architectural Services  
Heads of Grade  
Departmental Secretary  
Directorate Officers  
ArchSD Technical Staff Representatives

**BY FAX AND BY POST**

26<sup>th</sup> April, 2001

PricewaterhouseCoopers  
33/F, Cheung Kong Centre  
2 Queen's Road Central  
Hong Kong

Dear Sirs,

**Consultancy Study on the Management Review  
of Architectural Services Department Functions**

1. We, the undersigned representing the staff associations and consultative bodies, are writing jointly to express our views and concerns regarding the management review of the Architectural Services Department (ArchSD) currently being undertaken by PricewaterhouseCoopers (the Consultant) under the captioned Consultancy Study. The Consultancy Study was commissioned by the Efficiency Unit of the Government Secretariat.
2. As part of the Consultancy Study programme, we had the opportunity of meeting representatives of the Consultant on 30<sup>th</sup> March 2001. At the meeting, we were asked nine general questions (**Appendix A**) centered on our perception of ArchSD's roles and services, and our views of alternative forms of procurement. We understand that, also as part of the Consultancy Study, ArchSD's senior management and ArchSD's other business associates and counterparts have been or will be asked to comment on the same set of questions.
3. The staff that we represent are professional, senior and chief professional officers embodying the middle management of the various functions of ArchSD. We are the core members who have the professional expertise and hands-on experience in successfully completing numerous projects, giving professional advice, and developing industry standards, best practices and protocols. We hold an unparalleled knowledge base and resource pool. We work in an environment unfettered by overriding commercial constraints. We have in-depth knowledge about both ArchSD and the local Construction Industry, and are best placed to give advice on the practicability of procurement alternatives alluded to in the Consultancy Study, from both managerial and technical perspectives.
4. In this letter we wish to give, as we did at our meeting on 30<sup>th</sup> March 2001, our candid views of the ArchSD systems, the internal and external environments, and the procurement alternatives. However, we must first record our concern over the very short time period within which the Consultant must complete its study, the results of which seem certain to have far reaching implications on ArchSD and the Industry as a whole.
5. Within the very short time slot that we were allocated with the Consultant on 30<sup>th</sup> March 2001, we replied to the nine questions. Beyond the confines of these nine questions, we also gave our opinion about the operational environment of ArchSD, and the roles that it played in the local Construction Industry. These points were

briefly recorded in the notes of meeting issued by the Consultant on 6<sup>th</sup> April 2001 (**Appendix B**). Unfortunately, in their brevity, these notes do not adequately reflect our views and sentiments on this very important subject. We would submit in more detail what we said at the meeting, and expand on some of these points. We request further detailed discourse on this matter in view of the potential implications to Government, the Construction Industry and our future livelihood.

### ***The Public Interest***

6. Dating back to its establishment as the Architectural Office of the Public Works Department, ArchSD, as a Government Department, has always put public interest before any commercial considerations. This has allowed the introduction of numerous endeavours, some initiated internally and some externally through the various Government Bureaux, aimed at ensuring a healthy growth of the Construction Industry. Based on our hands-on experience, we have established many practices and published many standards which are adopted and followed by the public and private sectors of the Industry. These include standard specifications, standard drawings / details, codes of practice, conditions of contract etc. covering a wide range of topics in design, procurement, contract administration and supervision, maintenance, computerization, quality assurance, safety and environmental performance.

7. In addition to its role as the industry leader, ArchSD also complies with the Government's policies in relation to accountability, transparency, access to information, stores and procurement regulations, WTO Government Procurement, "helping the business", "employment opportunities for contractors and consultants", etc. All these are pitched at the long term growth and well-being of the Industry.

### ***The Tang's Report***

8. The Industry has benefited from these professional standards and good practices. However, as the pay back period is extremely long and sometimes the benefits materialize at the industry rather than company level, it is highly unlikely that any organizations geared to commercial objectives are willing to assume these long-term functions. In any case, we do not think that the Industry is mature enough for these important functions to be left to the market force. In the recently published Report of the Construction Industry Review Committee, the Hon. Henry Tang rightly observes that the Industry is "fragmented with a multitude of players in different sectors each pursuing his own self-interest"<sup>1</sup>, so much so that he recommends that an industry co-ordinating body be set up to "uphold public interest while promoting the interests of the professionals and the trades".<sup>2</sup>

### ***Different Cost Centres***

9. A comparison with the private sector can only be accurate if it is based on the same cost centres covering the same set of activities. As we have pointed out, ArchSD provides services of a much wider scope than the private sector. Unfortunately in most cases, the time we spend on those additional "non-fee-earning"

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<sup>1</sup> Para. 3.1 of Report

<sup>2</sup> Chapter 9 and para. 4.21 of Report



activities is either not accurately identified or conveniently brushed aside. A comparison can only be meaningful if ArchSD, like its counterparts in the private sector, makes its "investment decisions" and commits its resources based on commercial considerations in the first place. However, being a Government Department, we do not operate to compete with the private sector. Our primary objective is to deliver quality services, which cannot be compromised by resources and financial considerations. We are not selective of the type and nature of projects to further any marketing or profitability concerns.

10. Like other Government Departments, we are often unfairly equated with excessive or unnecessary procedures. Criticisms of "long lead-time", "bureaucracy" and "excessive vetting and reporting" are often leveled at works departments like ArchSD, without paying regard to the fact that these procedures originate from policy concerns. A long lead-time is required, for example, because public consultations are required at various stages of procurement of public works. Our tender reports are prepared in such detail not only to record that the most suitable contractor has been selected but also that all tenderers taking part in the tender have been treated fairly. These considerations are not required, or at least are not as important, in the procurement of projects in the private sector. In any event, ArchSD are bound by these procedures because it is engaged in the procurement of public works and spending public money. There must be no misconception that these procedures could be dispensed with if a project is procured through a private consultant instead of a Government Department.

11. Despite all these difficulties and differences, throughout these years ArchSD has maintained a constant level of quality services. Indeed, in 1999 the management structure and procedures of the Property Services Branch of ArchSD were confirmed to be viable as a result a detailed management study conducted by Coopers and Lybriard and supervised by the Management Services Agent of the Government Secretariat. In a preliminary report prepared by the Consultant in January 2001, it was noted that there were less quality difficulties with ArchSD in-house projects than out-sourced projects. We are also glad to learn from the ArchSD Senior Management that, based on our financial analysis and discounting those "non-fee-earning" activities, ArchSD maintains its operating cost at a level compatible with, if not more competitive than, the private sector.

### ***The Unhealthy State of Providing the Bare Minimum***

12. We have already explained that it is unlikely that the private sector will be motivated into taking over from ArchSD to provide some of its services. From our experience of managing consultants on project-related activities, and understandably because of commercial concerns, consultants are only prepared to provide the bare minimum. Managing a consultant is very much different from supervising a contractor. In the latter case, the client's requirements are clearly specified by means of drawings and specifications, and it is simply a question of deciding whether a piece of work meets the specifications. In the case of a consultant, the end product is yet to be developed and is a function of the consultant's performance. We as managers are often placed in an invidious position of having to decide between "it is a mediocre design/proposal which we personally would never produce" and "yet it is hard to

argue that it fails to meet the specifications". Unfortunately, it often ends up in the worst of both worlds where we have to accept the consultant's design/proposal but spend our own time perfecting it.

13. At present, consultants from the private sector are engaged by ArchSD to supplement its capacity and expertise. We consider this to be a viable means to allow ArchSD with its fixed staff resources to cope with the fluctuating workload of the works programmes. With no intention of discrediting the consultants' contribution, for the reasons stated in the previous paragraph we have great reservations with regard to any alternative forms of procurement which will result in a substantial increase in the level of participation by the private sector.

14. We are not necessarily saying that we are more competent than the private sector at the organization level. However, our advantage over them is that, as civil servants, we are not bound by commercial considerations which encourage a culture of providing the bare minimum. A client who is tempted to adopt a cheaper design runs the risk of paying more at the operational stage of a project, in the form of inefficient utilization, over-design, or higher operating/maintenance cost. It requires "trained eyes" to tell the difference and identify the hidden costs. The fact that the backlog of overdue final accounts is largely with those projects handled by consultants, as recorded in the Consultant's preliminary report of January 2001, is a vivid illustration of consultants giving priority only to fee-earning activities.

#### ***The ArchSD Knowledge Base and Resource Pool***

15. For the past few years the competition among private sector consultants for ArchSD projects became very keen but only because of the overall short supply of construction works as a result of the financial downturn. During the earlier years, when the economy was good, many consultants declined our invitations for submitting tender proposals. They saw ArchSD projects as not attractive and not profitable. There is no question of ArchSD "monopolizing" our projects. Quite to the contrary, we see a practical need to maintain the present level of work in-house to maintain the current knowledge base, and ensure a steady supply of expertise and resources. In any event, we cannot be too reliant on consultants for those functions directly affecting our role as a watchdog of public money, such as project expenditure planning, forecasting, and control.

16. ArchSD's expertise should be allowed to grow by continuing to acquire hands-on experience in the design and management of our projects. This in-house expertise is essential for us to discharge our duties in providing professional advice; developing good practices and standards; meeting various requirements of the Public Works Programme; and responding to urgent requests and sometimes emergency situations such as the provision of refugee accommodation. We believe that the wealth of experience and expertise that we have acquired constitutes the "core competency" of ArchSD.

17. Throughout these years, we have made significant achievements in the design and construction of public buildings. These achievements have been recognized by numerous awards and citations by local and overseas professional institutions. We

have assumed the role of Construction Industry leader. We have built up a knowledge base and a resource pool. Our system has proven to function efficiently and effectively. Our staff are fully qualified and experienced. We are always ready to serve. There is no need to look elsewhere. We agree that, in line with the development of the Industry and society, our organization and operations must be under constant review. We have in this letter identified some valid problems and concerns which must be thoroughly investigated and considered before we are hurried into any irrevocable changes. We feel particularly strongly about this as the Industry is still very much in need of co-ordination and is not mature enough to take up a self-regulating role.

Yours faithfully,

(W.Y. Chan, Chairman, ArchSD Architects Association)

(Jonathan Yung, Chairman, ArchSD Landscape Architects Association)

(H.Y. Chan, Chairman, ArchSD Maintenance Surveyors Association)

(Francis Leung, Chairman, ArchSD Quantity Surveyors Association)

(S.C. Kwan, Chairman, ArchSD Structural Engineers Association)

(K.F. Ho, Building Services Engineer Grade and  
Electrical & Mechanical Engineer Grade Representative)

**Encl.**

c.c. Director of Architectural Services  
Deputy Director of Architectural Services  
Heads of Grade  
Departmental Secretary  
Directorate Officers  
ArchSD Technical Staff Representatives

**Architectural Services Department Management Review  
Staff Interview Guideline**

- 1 Views on ArchSD's roles and core services
- 2 Views on ArchSD's current practices of outsourcing (eg consultants, design and build, etc) & areas of improvement
- 3 Experience on managing inhouse and outsourced professional services (e.g. difficulties, outcome, monitoring effort, etc)
- 4 Views on ArchSD' strengths and weaknesses
- 5 Comment on consultants' and contractors' strengths and weaknesses-expertise, capacity, etc in handling ArchSD's work
- 6 Ideal forms of cooperation/partnership between ArchSD and consultants and contractors
- 7 Suggest criteria in defining ArchSD roles and core services and selecting work for outsourcing
- 8 Suggest types/stages of projects/work suitable for ArchSD's core services, and those suitable for outsourcing
- 9 Anticipated benefits/problems if ArchSD were to devolve some current works to client departments

Architectural Services Department Management Review  
**Summary notes of staff interview meeting (Professional grades)**  
March 30, 2001 p.m.

1 Views on ArchSD's roles and core services

- Vote controller
- Deliver high quality, environment-friendly, safe and comfortable buildings for public use. Through direct involvement in project delivery, ensure buildings meet the ever-increasing public expectations.
- Research and develop standards for different professional building disciplines, different types of public sector buildings and building materials.
- Ensure all government buildings follow such standards.
- Act as a role model for other public sector organisations and even the industry, in terms of building standards.
- Lead the industry, as no single private sector firm can match ArchSD's experience in terms of project types and project scale
- Responsible for the long term maintenance of government property
- Advise policy bureaux in making public works policies and then execute the policies.

2 Views on ArchSD's current practices of outsourcing (eg consultants, design and build, etc) & areas of improvement

- Design and build suitable for infrastructure which can have clear specifications, but not suitable for building projects whose specifications cannot be laid down completely in writing.
- Under design and build arrangement, consultant, being employed by contractor, will consider contractor's interest of higher priority relative to ArchSD's interest.

3 Experience on managing inhouse and outsourced professional services (e.g. difficulties, outcome, monitoring effort, etc)

- Design and build in maintenance works: ArchSD has to vet designs in great details to prevent over-design, which often happens as contractor fees are based on measurement of work measurement.
- Design and build in new works: Again ArchSD has to vet designs in great details to prevent under-design, which often happens as contractor fees are on a fixed lumpsum basis.
- High transaction costs in outsourcing design: ArchSD staff has to train the inexperienced consultants, who are not familiar with government procedures, eg in tendering report and client communications
- ArchSD is ultimately accountable to the public for public sector buildings and thus has to spend a lot of resources in monitoring consultants and contractors.
- Number of adverse reports cannot reflect quality of work of consultants as ArchSD staff spent a lot of resources to ensure consultants' work being up to standard.

4 Views on ArchSD' strengths and weaknesses

- Extensive experience in terms of project types
- Accountable to the public and will always consider value-for-money
- ArchSD's quantity surveying discipline involves less cost in contract administration. Compared with the private sector, ArchSD has fewer disputes with contractors as ArchSD has established standards in conditions of contract, which contractors know well.

5 Comment on consultants' and contractors' strengths and weaknesses-expertise, capacity, etc in handling ArchSD's work

- A few years ago during the construction boom, not many consultants were interested in designs of public sector buildings
- Private sector is profit-oriented. In some instance where there are different approaches to a problem, private sector will choose one which leads to higher profits.
- Often use inexperienced consultants to handle outsourced work
- High staff turnover and affect continuity of the project

6 Ideal forms of cooperation/partnership between ArchSD and consultants and contractors

- For maintenance, private sector should provide one-stop-shop service, from portfolio management, to property management and maintenance. If private sector cannot provide such one-stop service, ArchSD prefers to keep maintenance inhouse.
- For new projects, private sector should supplement ArchSD when volume of work exceeds ArchSD's capacity.
- Should involve contractors at earlier stages to provide input to designs. (Currently, bound by the tendering procedures, contractors do not participate in the project until designs have been completed.)
- For some special projects, prequalification of contractors is necessary. Contractors will be required to propose alternative modes of construction at the prequalification stage.

7 Suggest criteria in defining ArchSD roles and core services and selecting work for outsourcing

***For maintenance***

- Availability of inhouse expertise-special works like water treatment plants should be outsourced
- Knowledge of the maintenance history of the building-ArchSD keeps all relevant information and is able to foresee future maintenance needs based on maintenance records
- Possible consequences of outsourcing-which might lead to massive follow-up work by ArchSD

***For new project delivery***

- Outsourcing must be under the context that inhouse expertise will be retained-so that staff remain well equipped to handle future work in project delivery, technical advisory and monitoring of consultants
  - Manpower requirement of the project
  - Urgency and government priority to the project: such projects should be completed inhouse while other works outsourced
- 8 Suggest types/stages of projects/work suitable for ArchSD's core services, and those suitable for outsourcing

***Based on the criteria in (7), for new project delivery***

- Delivery of complex projects and institutional buildings should be kept inhouse-to outsource simple projects which require little monitoring efforts
- Projects which require tedious labour work eg School Improvement Programme, which requires consultants to visit individual schools to investigate, should be outsourced

***For maintenance work***

- Outsource those one-off works that won't affect long term strategy in maintenance eg removal of asbestos
  - Renovation work that would affect the integrity of the entire building should be kept inhouse
- 9 Anticipated benefits/problems if ArchSD were to devolve some current works to client departments
- Client departments may not have expertise to decide whether consultants' advice is valid, and ArchSD may have to follow up with the poor quality work of consultants
  - Client departments may not follow government building standards
  - Cases like Chek Lap Kok air cargo terminal and subvented schools were quoted as examples of adverse consequences for not involving ArchSD in project delivery

***Other comments***

Comparing inhouse and outsourcing costs

- Additional costs in issuing site instructions, in case there are problems in the design plans, have not been taken into account
- Inhouse and outsourcing involve different tasks and duties. When comparing the costs of these two modes, all tasks not executed by the consultants should be listed and taken into consideration.

ArchSD's roles should expand in the following areas

- Advise client departments in earlier stage of the project, not until departments have already decided their requirements
- More research and development in the application of new building materials
- Conduct technical review after project completion