

## **Legislative Council Panel on Housing**

### **Proposed Creation of Directorate Posts in Housing Department and Increase in Establishment Ceilings for Transport Department and Environmental Protection Department to Cope with the Upfront Increase in Workload for Implementation of the New Home Ownership Scheme**

#### **PURPOSE**

This paper seeks Members' view on the following proposals to cope with the upfront increase in workload for implementation of the new Home Ownership Scheme (HOS) -

- (a) creation of six directorate posts, including one Assistant Director of Housing (AD of H) (D2) post to head a new Project Sub-division, and five chief professional (D1) posts, namely one Chief Architect (CA), one Chief Building Services Engineer (CBSE), one Chief Planning Officer (CPO), one Chief Quantity Surveyor (CQS) and one Chief Structural Engineer (CSE), in the Development and Construction Division (DCD) of the Housing Department (HD)<sup>1</sup> on 22 June 2012; and
- (b) increase in the ceilings placed on the total notional annual mid-point salary (NAMS) value of all non-directorate posts in the permanent establishment of Head 186 – Transport Department (TD) from \$520,529,000 by \$1,001,580 to \$521,530,580 and of Head 44 – Environmental Protection Department (EPD) from \$678,600,000 by \$2,968,140 to \$681,568,140 in 2012-13.

#### **JUSTIFICATION**

##### **The New HOS**

2. In his 2011-12 Policy Address, the Chief Executive announced the resumption of the HOS and tasked the Housing Authority (HA) with the responsibility to produce flats under the new HOS. As an immediate step, more than 17 000 flats will be provided over four years from 2016-17 to 2019-20, with a target production of 5 000 flats a year on average thereafter.

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<sup>1</sup> The HD is the executive arm of Housing Authority (HA). HD staff (all being civil servants) are seconded to HA, which also employs its own staff under HA contract terms.

For the first year, 2 500 flats will be produced. The first batch of flats is required to be ready for pre-sale in 2014 or 2015.

3. To meet the above target, we have to fast-track the production of six HOS projects for completion by 2016-17 and to accelerate the development of the remaining projects in subsequent years. Major stages in the development of the projects include feasibility studies, rezoning, resumption/clearance and demolition/site formation, design, tender and construction. The development timeframe for individual projects will vary depending on various factors. Given the processes involved, we plan on the basis that it takes about seven years from site identification to building completion. Actual delivery timetable will depend on the complexity involved in individual sites. We will however fast-track the first six new HOS projects under an exceptionally compressed timetable with a view to complete the public consultation, planning, design and construction in five years, i.e. with the building completion scheduled for 2016-17. Subject to the successful commencement of the planning, feasibility and technical studies in 2012-13, we aim to complete the other new HOS projects from 2017-18 onwards, also under a very compressed and fast-tracked timetable. To meet the yearly target of producing about 5 000 new HOS flats, we will continue to search for more sites for new HOS developments.

## **Creation of one AD of H and five chief professional posts in HD**

### Directorate set-up of DCD

4. DCD is responsible for the production of new public rental housing (PRH) units, which include all facets of project management and production work covering the initial site search and feasibility studies, community engagement, planning, design, contract management, commissioning for occupation, up to the expiry of maintenance period and the settlement of final accounts. DCD is also responsible for establishing operational policies on procurement, design, construction, quality performance assessment, dispute resolution, research and development, safety and environmental management for public housing development in Hong Kong.

5. DCD is headed by a Senior Assistant Director of Housing (D3) designated as the Deputy Director (Development and Construction) (DD(DC)), who is underpinned by three ADs of H (D2) and 13 chief professionals<sup>2</sup> (at D1

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<sup>2</sup> The 13 chief professionals include five CA; one CBSE; one Chief Engineer (CE); one Chief Geotechnical Engineer (CGE); one CPO; one CQS and three CSE posts. One CSE post in DCD is currently sharing the workload of the Independent Checking Unit on a part-time basis.

level), and working in a fully integrated multi-disciplinary matrix organisation to deliver the Public Housing Construction Programme (PHCP) as each and every housing development requires input from all professional disciplines. The current total establishment of DCD including non-directorate staff is 1 786.

6. At present, DD(DC) directly supervises the Planning Section headed by a CPO for the initial work stages of projects which include site potential studies, feasibility and planning stages. These are all taken forward under a very tight time-table. In addition, with the assistance of three ADs of H designated respectively as Assistant Director (Project)1 (AD(P)1), Assistant Director (Project)2 (AD(P)2) and Assistant Director (Development and Procurement) (AD(DP)), DD(DC) also oversees and supervises 12 Sections<sup>3</sup> in the matrix organisation delivering the PHCP. AD(P)1 and AD(P)2 are responsible for overseeing public housing construction projects. AD(DP) is responsible for corporate procurement policies, technical standards, research and development, as well as capital budget co-ordination. AD(P)2 also oversees the development and operation of the quality management system and information technology systems, while the CPO and CE (under AD(P)1) also assist DD(DC) in performing daily bureau functions, relating to land supply for PRH, the Committee on Housing Development matters, administration of projects under Head 711 of the Capital Works Reserve Fund, etc. The current organisation chart of DCD is at **Annex A**.

#### Increase in workload in construction projects

7. The implementation of the new HOS has significant workload implications for DCD. The current set-up of DCD is geared for an average annual production of 15 000 new PRH units, with a total production of 75 000 flats in a rolling five-year period. In fact, the housing production will reach a peak in the coming years. As at December 2011, PHCP for 2011-12 to 2015-16 is summarised below –

<b>Year</b>	<b>Number of PRH flats to be produced</b>
2011-12	11 200
2012-13	13 100
2013-14	17 100
2014-15	14 500
2015-16	19 700

<sup>3</sup> The 12 Sections are Architectural Section 1, 2 & 3; Development and Standards Section; Procurement Section; Building Services Section; Civil Engineering Section; Geotechnical Engineering Section; Quantity Surveying Section; Structural Engineering Section 1, 2 & 3.

To meet the new requirement for HOS production, which in effect adds one third to the current housing production target, as well as to cope with the ongoing PRH production programme, DCD urgently needs additional staffing resources.

### Continued increase in task complexity

8. Beyond the new HOS programme, which is in itself substantial, the workload of DCD has significantly increased over the years as the housing development work has become more and more complex. Given the scarcity of land supply for suitable housing development sites, those sites earmarked for this purpose are more often than not heavily constrained and difficult to develop in terms of site constraints, planning considerations and/or site topography. Hence, increasingly there is a need for detailed assessments with extensive site potential studies and site specific design be conducted before we can confirm the suitability of such sites for future public housing development. The proliferation of small housing projects, particularly those involving intensive planning and site-specific design, project management input, close liaison with other government departments, extensive slope works and noise mitigation, has also entailed more manpower resources. New initiatives such as Building Environmental Assessment Method Plus (BEAM Plus)<sup>4</sup> and Gross Floor Area (GFA) Concession<sup>5</sup> have also been adopted to boost housing production on the available housing sites. In addition, more stringent statutory, planning and environmental requirements have been introduced, necessitating more studies and greater effort being required to obtain agreement/approval from the enforcement departments in working out the planning briefs, project development parameters and scheme designs, and enhancing quality and safety of site supervision. Considerable effort is also now required for public consultation and community engagement functions. For projects of larger scale or attracting local concerns, community engagement workshops, meetings and briefings with different stakeholders, including the Legislative Council, District Councils, local residents and other departments have to be conducted to take in the views/concerns of various stakeholders in order that PRH developments can be taken forward. Such work has to be taken up by experienced senior officers at the directorate level

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<sup>4</sup> BEAM Plus is the locally devised mechanism developed by the Hong Kong Green Building Council for comprehensive green building assessment, certification and performance labeling which is a pre-requisite for GFA Concession.

<sup>5</sup> GFA Concession refers to GFA of those feature or areas that can be exempted or disregarded in the overall GFA calculation. Studies on new measures have to be conducted in accordance with the Practice Notes for Authorised Persons, Registered Structural Engineers and Registered Geotechnical Engineers (PNAP) No. APP-151 and APP-152.

## Increase in workload due to new policy initiatives

9. Given the existing workload situation, DCD simply does not have sufficient manpower to cater for the additional average production of 5 000 units arising from the new HOS. Indeed, DCD also has to take up other housing-related initiatives arising from the Policy Address in the following areas -

### *(a) Redevelopment of aged PRH estates*

In view of the strong demand for PRH and the scarce supply of land, we have to actively pursue a redevelopment policy focusing on older estates that may have potential for increasing their development intensity through redevelopment and/or upgrading. This is a new initiative under the 2011-12 Policy Address. Previously, the approach set out under the 1998 Long Term Housing Strategy was that public rental housing blocks will only be cleared if they are no longer safe or economic to maintain. In order to follow up on the revised approach, a comprehensive review of the existing aged estates is necessary to assess their redevelopment potential. To this end, a rolling programme will be drawn up whereby there will be a detailed assessment of all of the aged estates (including all technical studies to confirm its feasibility and viability). This will be used to draw up recommendations for the appropriate redevelopment strategies (full/partial redevelopment, upgrading or retention with appropriate repairs), identification of suitable rehousing resources, consultation with relevant bureaux/departments and, seeking of approvals from HA and its committees for the recommended actions for individual estates, etc. DCD has started redevelopment studies on seven aged estates since 2009-10. Only one of these studies has been completed. On the other hand, studies on a number of aged estates have not yet commenced due to other competing priorities; and

### *(b) Extensive site search on using Green Belt and industrial land for housing development*

- (i) In search of additional housing land supply, extensive site search exercises, including Green Belt, Government/Institution and Community (G/IC) and industrial land have to be undertaken. The development of these sites is often difficult, complex, time consuming and resource intensive. Most of them require rezoning, site clearances, land resumption and site formation works, and are lacking in supporting infrastructure, such as roads,

sewerage or drainage facilities. More planning, architectural and engineering studies have to be conducted and local objections resolved before these sites can be confirmed for PRH or new HOS development; and

- (ii) HA was previously provided with zoned, cleared, formed and readily available land for development of public housing. Recently, however, HD has also been tasked to undertake in-depth assessments on potential sites to ascertain their suitability and viability for public housing use. In this connection, HD will need to step up the number of site potential studies in the coming five years, which will require comprehensive planning and engineering studies. Each site potential study would involve on average more than ten technical studies depending on the site constraints and requirements of various government departments. These studies include assessments on land use, architectural feasibility, retail viability, microclimate, environmental, visual, air ventilation, traffic, sewage, drainage, water supply, land contamination, ground conditions, potential hazardous installations, tree surveys, land surveying, condition survey for existing buildings, natural terrain hazards, archaeological, ecological, heritage impact assessments, etc.

Need for one AD of H Post (designated as AD(Project)3 (AD(P)3))

10. To ensure the timely production of new HOS flats as well as to meet the above challenges, we see a need to set up a new Project Sub-division headed by an AD of H post. The present directorate support in DCD is grossly inadequate to meet the substantial increase in workload arising from the implementation of new HOS and other new initiatives. Both DD(DC) and the existing three ADs in DCD are already overloaded with their respective directorate supervision and management functions. To sustain operational efficiency and ensure the annual production of new HOS as well as to maintain the average annual production of 15 000 new PRH units, we need to have an additional AD of H post. The new AD, to be designated as AD(P)3, will head a new Project Sub-division to oversee the new HOS development and other new initiatives as well as the related policy matters. There will not be any significant changes to the responsibilities of the three existing AD of H posts. The job descriptions of the existing three AD of H posts and the proposed AD of H post in DCD are at **Annexes B1 – B3**.

## Need for five chief professional posts

11. We propose that the proposed new Project Sub-division, to be headed by the proposed AD(P)3, be underpinned by five chief professionals at D1 level to provide the necessary strategic input from different disciplines. Given that each of the professional disciplines has their distinct roles to play and the existing D1 officers are already fully stretched, at this stage, one chief professional post is required for each of the five disciplines on architectural, building services engineering, planning, quantity surveying and structural engineering. With the creation of the additional chief professional posts, certain re-shuffling of duties and responsibilities among some existing directorate posts will be arranged to better suit the operational workflow.

### *Chief Architect/4 (CA/4)*

12. There are currently five CA posts in DCD, namely CA/1, CA/2, CA/3, CA/Development and Standards (CA/D&S) and CA/Procurement (CA/P). CA/1, CA/2 and CA/3 are responsible for handling new public housing development and monitoring of the works. CA/D&S is responsible for handling central functions including development and standards matters, while CA/P is responsible for handling corporate functions including list management, procurement/tendering and other support functions for HA. Altogether, there are three CAs working as the Project Managers, Design and Contract Managers for the development and construction of new public housing development with flat production of an average of 15 000 units per annum. With the complexities of projects from inception, feasibility studies to completion, the essential coordination work and associated improvement works in the neighbourhood and in the districts (such as footbridges, lift towers, community halls, welfare and community facilities, etc.) have been increasing all the time. Coupled with the new initiatives in sustainable building design requirements<sup>6</sup> that entail more environmental studies (such as visual impact assessments, air ventilation assessments, innovative noise abatement measures, etc.) and implementation work from design to construction and commissioning upon occupation, the existing CAs have been persistently overloaded and have no capacity to take up the extra workload generated from the new HOS and other new initiatives. We, therefore, propose to create an additional CA post.

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<sup>6</sup> Following the Chief Executive's 2010-11 Policy Address, the Administration has introduced a series of measures to enhance the design standard of new buildings to foster a quality and sustainable built environment in Hong Kong. The HA would implement various new environmental initiatives including the BEAM Plus certification by the Hong Kong Green Building Council as prerequisite for granting up to 10% GFA concessions, and covers various studies. This BEAM Plus certification resulting in GFA concession is particularly important in enhancing the number of flat production given the current scarcity land for construction of public housing.

13. The new CA post will be responsible for handling new HOS development and monitoring of the works; and overseeing the provision of architectural services for the site potential studies for both public housing and new HOS developments. There will not be any major changes to the responsibilities of the other five existing CAs except that CA/D&S has to handle central functions including development and standards matters for new HOS developments. Job descriptions of the concerned posts are at **Annexes C1 to C4**.

*Chief Building Services Engineer/2 (CBSE/2)*

14. DCD has only one CBSE who is responsible for leading and managing the delivery of professional building services for PHCP. The existing CBSE has been persistently overloaded in leading the delivery of building services work and the associated supporting facilities for the public housing development. Also, in recent years, he has to address the many developing building services initiatives, such as rainwater harvesting system and photovoltaic system, arising from sustainable building design and healthy living. He has no capacity to take up the extra building services workload generated from the new HOS development and other new initiatives. We, therefore, propose to create an additional CBSE post. With the creation of the new CBSE post, one CBSE post will focus on leading the delivery of building services work for PRH development, including overseeing the building services provision for the site potential studies and carrying out project-related research and development work covering specialist mechanical and electrical services installations for PRH. The other one will mainly be responsible for leading the delivery of building services work and overseeing the building services provision for the site potential studies for new HOS development. The new CBSE will also be responsible for formulating policies and standards, and carrying out researches relating to building services engineering and utility services for both PRH and new HOS development. Such work will need to be in line with new initiatives in sustainable building design requirements that entail more sophisticated studies and implementation work from design to construction and commissioning upon occupation. Job descriptions of the two CBSE posts are at **Annexes D1 and D2**.

*Chief Planning Officer/2 (CPO/2)*

15. There is only one CPO in HD who is responsible for conducting site potential, feasibility and planning studies, running the Housing Management Information System, monitoring the PHCP and Public Housing Development Forecast, and undertaking bureau functions in searching and securing land supply for public housing.

16. Arising from the new HOS, redevelopment of aged PRH estates and extensive site searches on Green Belt, industrial, G/IC and school sites, there is a substantial increase in site search and related planning work. The planning process is also becoming more complex as new technical studies, such as visual impact assessments, archeological assessment study, etc, are required and more efforts are needed to deal with public enquiries and local consultations. The existing CPO is already over-stretched and cannot take up the additional duties. We, therefore, propose to create an additional CPO post. With the creation of the new CPO post, one CPO post will be responsible for all planning matters in relation to public housing development and land supply issues, while the other one will take up all planning matters related to new HOS development and redevelopment of aged PRH estates. Job descriptions of the two CPO posts are at **Annexes E1 and E2**.

*Chief Quantity Surveyor/2 (CQS/2)*

17. Currently, there is only one CQS in HD and he is already fully engaged in acting as the Surveyor for all major HA construction contracts and the authorising officer for all standard tender documentations and conditions of contract, regulating and advising on contractual issues, cost estimation and control, and preparation of capital budget. With the implementation of the new HOS, substantial quantity surveying input is required for preparing capital budget and project budget, compiling new construction cost yardsticks, developing tender procedures, and standard documentations for the new HOS works contracts, etc. There is a need to create a new CQS post to cope with the additional duties arising from the new HOS and other new initiatives.

18. With the creation of the new CQS post, one CQS post will mainly be responsible for overseeing the provision of quantity surveying services for public housing development as well as contract advices, appointment and management of quantity surveying service providers, dispute resolution and monitoring of final accounts settlement. The other one will mainly be responsible for overseeing the provision of quantity surveying services for the new HOS development as well as co-ordination and control of capital budget and compilation of cost yardsticks, site potential studies and development of information technology systems for quantity surveying services. Job descriptions of the two CQS posts are at **Annexes F1 and F2**.

### *Chief Structural Engineer/3 (CSE/3)*

19. At present, there are three CSE posts in DCD. Two of the CSEs, namely CSE/1 and CSE/2, are responsible for providing structural engineering input in public housing development including the conduct of feasibility studies for the new potential housing sites. The third CSE, designated as CSE/Development and Construction & Independent Checking Unit (CSE/DC&ICU), is responsible for providing central support in DCD on structural design, standards, specifications, construction materials testing, and supervision on the operation of contractors' performance assessment systems. Since 2006, the post has also been redeployed on a part-time basis to the Independent Checking Unit (ICU) to examine structural submissions submitted to ICU under a three-tier vetting system<sup>7</sup>.

20. With the implementation of the new HOS, the existing CSEs have been persistently overloaded and have no capacity to take up the extra structural engineering workload generated from the new HOS. We, therefore, propose to create one additional CSE post to oversee the provision of structural engineering services for the potential site studies, planning, design and construction of new HOS development; and to provide structural engineering support, from inception to post-construction stages of the development, to community engagement and associated improvement works in the development (such as footbridges, lift towers, community halls, welfare and community facilities, etc.). This new CSE post will also oversee the provision of structural engineering services for the site potential studies for both public housing and new HOS developments. There will not be any major changes to the responsibilities of the three existing CSEs. The job descriptions of the CSE posts concerned in DCD are at **Annexes G1 to G3**.

### Alternatives Considered

21. We have critically examined whether the heavy additional workload of DCD can be handled through internal redistribution of work, redeployment of resources and re-engineering of work processes. Both DD(DC) and the existing three ADs face a substantially greater workload than was envisaged when the current staffing situation was put in place in April 2006. This has been caused by the fact that sites available for housing development are far more complex in nature, smaller and with more constraints than those in the past, in terms of environmental, social and economic dimensions. To ensure that the new HOS production target can be met, we need to create an additional AD of H post who will head a new Project Sub-division to oversee HOS

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<sup>7</sup> Under this system, the submissions will be vetted by officers at professional, senior professional and chief professional levels, with the CSE/DC&ICU post playing the final vetting and decisive role.

construction, associated public housing construction and redevelopment projects such as the redevelopment study on aged PRH estates, and to lead the projects in close liaison with other government departments for various technical studies.

22. Apart from the three AD of H posts in DCD, there are five other AD of H posts in HD. We have critically reviewed the possibility of re-deploying these ADs of H to take up the tasks of the proposed AD of H post. However, they are already fully occupied with their own distinct areas of responsibilities, with one in ICU for building control function; three in Estate Management Division (EMD) for estate management; and the remaining one in Strategy Division for implementation of housing subsidies schemes and allocation of PRH units. It is not possible for them to absorb the additional workload of the proposed AD of H post.

23. For the chief professional posts in DCD, having regard to the reasons as set out in paragraphs 12-13 (for CA), 14 (for CBSE), 15-16 (for CPO), 17-18 (for CQS) and 19-20 (for CSE), it is also not feasible for them to take up the additional duties. Apart from the aforementioned posts in DCD, there are two CBSE posts overseeing management and maintenance of the HA's properties, and formulating outsourcing policies and providing headquarter support for the building services discipline respectively, and one CSE taking charge of the Comprehensive Structural Investigation Programme in EMD. Owing to the growing number of housing properties, implementation of new housing initiatives and building services maintenance and improvement programmes, it is also not feasible to redeploy them to DCD to take up the extra workload arising from the new HOS.

#### Proposed new structure and non-directorate staffing implications

24. With the creation of the proposed AD of H and five chief professional posts, the Project Sub-division 3 in DCD will comprise five sections<sup>8</sup>. Another 176 new non-directorate civil service posts, providing professional, technical, clerical and secretarial services, will be created in DCD for the new HOS. The proposed organisation charts of DCD and HD are at **Annexes H and I** respectively. In addition, we will also create 12 new non-directorate civil service posts in ICU for checking all the submissions for the HOS development projects, including submissions relating to building plans, site formation, foundation design, structural design, drainage, etc. We would review the posts in seven years' time (i.e. 2018-19) having regard to the target of delivering 17 000 new HOS units in 2019-20.

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<sup>8</sup> The five sections are Architectural Section 4, Building Services Section 2, Planning Section 2, Quantity Surveying Section 2 and Structural Engineering Section 4.

25. We will keep in view the staffing requirements having regard to the actual workload. Additional resources will be sought in accordance with the established mechanism as and when necessary.

### **Need for additional support from other government departments**

26. While HD is taking the lead in the implementation of the new HOS, support from other government departments, viz. TD, EPD and Drainage Services Department (DSD) will be required.

#### TD

27. TD has to take an active facilitating role at different stages to support the implementation of the new HOS. The work involved includes carrying out preliminary traffic reviews to assess the potential traffic impact due to the new HOS, providing the necessary traffic engineering and public transport advice to HD in carrying out the traffic impact assessment if necessary, ensuring that the necessary traffic and transport improvement measures are identified, vetting HD's traffic engineering and public transport related submissions, planning and monitoring the implementation of the necessary traffic improvement measures including those related to the public transport facilities in the vicinity of the new HOS site, and monitoring the traffic impact to see if further improvement measures are required after the new HOS development has been completed and occupied. To enable the timely and satisfactory completion of the new HOS, and to ensure that the interests and concerns of the travelling public arising from the aforesaid housing projects can be properly addressed, three additional time-limited non-directorate posts, namely one Engineer/Assistant Engineer and two Technical Officer/Technical Officer Trainee posts will be created in TD from 2012-13 to 2017-18, to undertake the associated planning and implementation work in respect of traffic and transport provisions.

#### EPD

28. Under the new HOS, EPD will be responsible for providing advice on environmental assessment process; and formulating policy on the provision of sewerage infrastructure and planning of such facilities. The work involved includes carrying out preliminary vetting of potential HOS sites, checking the HOS development designs with respect to the need for reducing potential noise impact and meeting the relevant environmental criteria and standards, evaluating impact of the HOS development on the sewerage network, conducting public consultation and statutory procedures in relation to the sewerage infrastructure works projects and overseeing implementation of those

projects. To ensure provision of effective and timely advice relating to environmental assessment process and sewerage infrastructure so as to facilitate delivery of the HOS development proposals under a tight schedule, five time-limited non-directorate posts, including one Senior Environmental Protection Officer, two Environmental Protection Officer/Assistant Environmental Protection Officer and two Senior Environmental Protection Inspector posts, will be created in EPD, from 2012-13 to 2017-18.

### DSD

29. Besides, two additional time-limited non-directorate Engineer/Assistant Engineer posts will be created in DSD from 2012-13 to 2016-17 for the new HOS. These two additional posts are needed for DSD to provide inputs on project coordination, vetting of proposals, technical assessment and advice related to the provision of the required drainage and sewerage infrastructure to achieve early and higher flat production for the new HOS.

### **FINANCIAL IMPLICATIONS**

30. The proposed creation of the six permanent directorate posts will entail an additional notional annual salary cost at mid-point of \$8,397,600 as follows-

	<b>Notional annual salary cost at mid-point \$</b>	<b>No. of post</b>
AD of H (D2)	1,611,600	1
CA (D1)	1,357,200	1
CBSE (D1)	1,357,200	1
CPO (D1)	1,357,200	1
CQS (D1)	1,357,200	1
CSE (D1)	1,357,200	1
<b>Total</b>	<b><u>8,397,600</u></b>	<b><u>6</u></b>

The additional full annual average staff cost, including salaries and staff on-cost is \$11,563,000. As for the creation of the 188 non-directorate posts (176 for DCD and 12 for ICU) in HD as mentioned in paragraph 24 above, the notional annual salary cost at mid-point and full annual average staff cost, including salaries and staff on-cost, are \$81,763,140 and \$141,831,000 respectively. The full cost for both directorate and non-directorate posts will be recovered from HA under the usual arrangement for HD staff seconded to HA. The redistribution of duties among the directorate staff in DCD has no financial implication.

31. The total additional notional annual salary cost at mid-point for the three non-directorate posts to be created in TD will be \$1,001,580 and the full annual average staff cost, including salaries and on-cost, will be around \$2,007,000. We propose to increase the ceiling placed on the NAMS value of all non-directorate posts in the permanent establishment of Head 186 – TD from \$520,529,000 by \$1,001,580 to \$521,530,580 in 2012-13.

32. The total additional notional annual salary cost at mid-point for the five non-directorate posts to be created in EPD will be \$2,968,140 and the full annual average staff cost, including salaries and on-cost, will be around \$5,181,000. We propose to increase the ceiling placed on the NAMS value of all non-directorate posts in the permanent establishment of Head 44 – EPD from \$678,600,000 by \$2,968,140 to \$681,568,140 in 2012-13.

33. The creation of the two additional non-directorate posts in DSD will entail an additional notional annual salary cost at mid-point of \$1,175,760. The additional full annual average staff cost, including salaries and on-cost, will be around \$2,244,000. DSD will meet the additional staffing cost requirement in 2012-13 by internal redeployment.

34. We have sufficient provision in the 2012-13 Estimates to meet the additional funding requirements for TD, EPD and DSD, and will reflect the resources required in the Estimates of subsequent years.

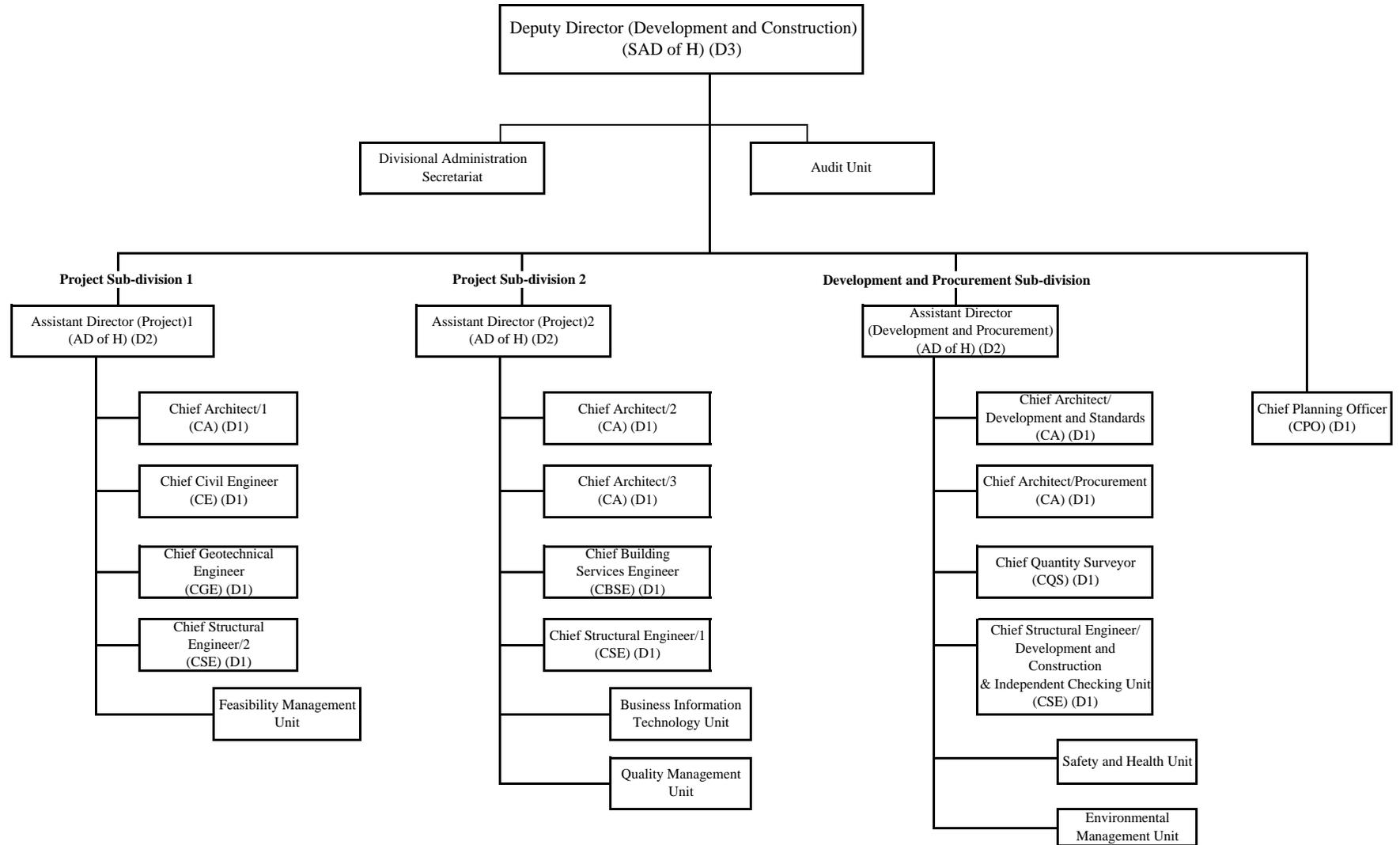
## **ADVICE SOUGHT**

35. Members are invited to comment on the proposals. Subject to Members' support, we will submit the proposals to the Establishment Subcommittee of the Finance Committee in June 2012.

**Transport and Housing Bureau  
April 2012**

# Existing Directorate Organisation Structure of Development and Construction Division

( as at 1 April 2012 )



Legends:

- AD of H - Assistant Director of Housing
- CA - Chief Architect
- CBSE - Chief Building Services Engineer
- CE - Chief Engineer
- CES - Chief Estate Surveyor
- CGE - Chief Geotechnical Engineer
- CPO - Chief Planning Officer
- CQS - Chief Quantity Surveyor
- CSE - Chief Structural Engineer
- SAD of H - Senior Assistant Director of Housing

**Job Description**  
**Assistant Director (Development and Procurement)**

Rank : Assistant Director of Housing (D2)

Responsible to : Deputy Director (Development and Construction)

Major Duties and Responsibilities -

1. to establish, develop, maintain and review procurement strategies and practices to meet corporate needs. Major tasks include -
  - (a) to review and improve the procurement/tendering systems of the Housing Authority and the Housing Department and to provide specialist support to committees and tender boards on major and strategic issues;
  - (b) to explore new procurement methods, conduct pilot projects and advise other Divisions on execution of the same where appropriate;
  - (c) to oversee and co-ordinate the operation of the procurement and supplies functions, counter-party list management and contractors performance assessment systems for enhanced transparency, objectivity, efficiency and accountability; and
  - (d) to advise on procurement and contract matters.
2. to assist Deputy Director (Development and Construction) in the formulation of construction policies and procedures with a view to producing quality public housing. Major tasks include -
  - (a) to co-ordinate functional construction activities relating to architectural, quantity surveying, building services and engineering disciplines;
  - (b) to co-ordinate researches/feedback on public housing design, quality management activities, business process re-engineering, consultant management for outsourced projects, etc.;

- (c) to develop and manage construction standards, specifications, guidelines and the associated quality management systems; and
  - (d) to supervise capital budget control and contractors performance assessment systems in the construction of public housing developments.
3. to formulate, develop and review initiatives relating to environmental management and site health and safety, including benchmarking with industry standards and establishing co-operation with internal and external stakeholders, and to oversee supporting services such as laboratory and testing services; and
  4. to collaborate with concerned departments, institutions, professional bodies and the construction industry on issues such as procurement, environmental management, site health and safety.

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**Job Description**  
**Assistant Director (Project)1/2**

Rank : Assistant Director of Housing (D2)

Responsible to : Deputy Director (Development and Construction)

Major Duties and Responsibilities –

1. to oversee the design and construction of public housing development, including new construction and redevelopment of existing estates, and to liaise with other departments and relevant parties to ensure that production targets are met. Major tasks include -
  - (a) to oversee the preparation of project budget, overall capital budget and five-year forecast;
  - (b) to monitor the programme and budget of public housing development as Project Director at all stages of the development process to ensure the production targets are met;
  - (c) to ensure construction standards, specifications, guidelines and the associated quality management systems are properly followed;
  - (d) to monitor the performance of contractors and consultants to ensure that they are performing in accordance with agreed programmes, quality requirements, policies and procedures;
  - (e) to supervise the handling of contractual disputes of long outstanding final accounts and consultancy agreements; and
  - (f) to facilitate the implementation of housing-related infrastructure projects, including the control and monitoring of the use of funds allocated for these projects.
2. to assist Deputy Director (Development and Construction) in the formulation of construction policies and procedures with a view to producing quality public housing. Major tasks include -

- (a) to co-ordinate functional construction activities relating to architectural, quantity surveying, building services and engineering disciplines;
  - (b) to co-ordinate researches/feedback on public housing design, quality management activities, business process re-engineering, consultant management for outsourced projects, etc.; and
  - (c) to advise on the development and management of construction standards, specifications, guidelines, etc.
3. to co-ordinate the development and maintenance of information technology and quality management systems.

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**Job Description**  
**Assistant Director (Project)3**

Rank : Assistant Director of Housing (D2)

Responsible to : Deputy Director (Development and Construction)

Major Duties and Responsibilities –

1. to oversee the design and construction of new home ownership scheme (HOS) development, including new construction and redevelopment of existing estates, and to liaise with other departments and relevant parties to ensure that production targets are met. Major tasks include –
  - (a) to oversee the preparation of project budget, overall capital budget and five-year forecast;
  - (b) to monitor the programme and budget of new HOS development as Project Director at all stages of the development process to ensure the production targets are met;
  - (c) to ensure construction standards, specifications, guidelines and the associated quality management systems are properly followed;
  - (d) to monitor the performance of contractors and consultants to ensure that they are performing in accordance with agreed programmes, quality requirements, policies and procedures;
  - (e) to supervise the handling of contractual disputes of long outstanding final accounts and consultancy agreements; and
  - (f) to facilitate the implementation of housing-related infrastructure projects, including the control and monitoring of the use of funds allocated for these projects.
2. to assist Deputy Director (Development and Construction) in the formulation of construction policies and procedures with a view to producing quality new HOS. Major tasks include –

- (a) to co-ordinate functional construction activities relating to architectural, quantity surveying, building services and engineering disciplines;
  - (b) to co-ordinate researches/feedback on new HOS design, quality management activities, business process re-engineering, consultant management for outsourced projects, etc.;
  - (c) to advise on the development and management of construction standards, specifications, guidelines, etc.
3. to oversee the site potential studies for public housing and new HOS developments; and
  4. to oversee the implementation of redevelopment projects and related policy matters.

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**Job Description  
Chief Architect/1-3**

Rank : Chief Architect (D1)

Responsible to : Assistant Director (Project) 1/2

Major Duties and Responsibilities –

1. to prepare, update and monitor the programme and budget of public housing projects assigned at all stages of the development process;
2. to take up specific responsibilities of public housing developments such as Authorised Person and Contract Manager;
3. to facilitate the preparation of development parameters and to carry out feasibility studies and to prepare master layout plan and detailed design on sites included in the Public Housing Construction Programme and Public Housing Development Forecast;
4. to oversee and manage the performance of professional services providers/contractors employed in public housing developments to ensure the standard of service and production meeting the agreed requirements;
5. to assist in the formulation of department policies, and to initiate and contribute to special studies/researches relating to the design and construction of public housing and ancillary facilities; and
6. to liaise with the concerned departments on the implementation of public housing development and to monitor the progress of works.

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**Job Description  
Chief Architect/4**

Rank : Chief Architect (D1)

Responsible to : Assistant Director (Project)3

**Major Duties and Responsibilities –**

1. to prepare, update and monitor the programme and budget of new home ownership scheme (HOS) development assigned at all stages of the development process;
2. to take up specific responsibilities of new HOS development such as Authorised Person and Contract Manager;
3. to facilitate the preparation of development parameters and to carry out feasibility studies and to prepare master layout plan and detailed design on sites included in the new HOS development;
4. to oversee and manage the performance of professional services providers/contractors employed in new HOS development to ensure the standard of service and production meeting the agreed requirements;
5. to assist in the formulation of department policies, and to initiate and contribute to special studies/researches relating to the design and construction of new HOS and ancillary facilities;
6. to oversee the provision of architectural services for site potential studies for public housing and new HOS developments; and
7. to liaise with the concerned departments on the implementation of new HOS development and to monitor the progress of works.

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**Job Description**  
**Chief Architect/Development and Standards**

Rank : Chief Architect (D1)

Responsible to : Assistant Director (Development and Procurement)

Major Duties and Responsibilities –

1. to develop best practice design guides and master details, and provide professional and technical support to project teams regarding domestic blocks, commercial centers and ancillary facilities for public housing and new home ownership scheme (HOS) developments;
2. to conduct studies/researches on materials, products, construction techniques, environmental enhancement and demonstration projects to support knowledge sharing and management, and provide guidance to project teams;
3. to develop, maintain and upkeep the Hong Kong Housing Authority Specification Library and Contract Specification Generation System;
4. to establish and co-ordinate Standard Modular Flats , Model Client Briefs and Technical Guides for the public housing and new HOS developments;
5. to evaluate feedback from project teams, the public and internal/external stakeholders and to provide solutions to policy/regulation related issues on housing design and technical standards; and
6. to liaise and attend meetings with other bureaux, departments and public organisations on development, standards and environmental matters.

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**Job Description**  
**Chief Architect/Procurement**

Rank : Chief Architect (D1)

Responsible to : Assistant Director (Development and Procurement)

Major Duties and Responsibilities –

1. to assist in the development and implementation of list management and procurement strategies and practices;
2. to review and identify improvement areas in list management and procurement/tendering systems of the Housing Authority (HA) and the Housing Department (HD), and to provide specialist support to the HA Committees and the HD Tender Board on major and strategic issues;
3. to initiate new procurement methods with a view to improving operational efficiency and cost effectiveness, conduct pilot projects and advise other Divisions on execution of the same where appropriate;
4. to supervise and co-ordinate the operation of procurement and supplies functions, counter-party list management and contractors and professional services providers performance assessment systems for enhanced transparency, objectivity, efficiency and accountability;
5. to provide professional advice on procurement and contract matters;
6. to promote procurement best practices within the department; and
7. to liaise and attend meetings with other bureaux, departments and public organisations on procurement matters.

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**Job Description  
Chief Building Services Engineer/1**

Rank : Chief Building Services Engineer (D1)

Responsible to : Assistant Director (Project) 2

**Major Duties and Responsibilities –**

1. to oversee the provision of building services for site potential studies for public housing development;
2. to oversee planning, design and supervision of building services works in the construction of public housing development;
3. to address the implications on the design and construction of building services works for public housing development arising from changes in statutory requirements and regulations, and other external documents;
4. to oversee and manage the performance of professional services providers/contractors employed in public housing developments to ensure the standard of service and production meeting the agreed requirements;
5. to assist in developing best practice building services designs and implementation, and to carry out project related research and development work for public housing development; and
6. to liaise and attend meetings with other departments and public organisations on building services matters for public housing development.

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**Job Description  
Chief Building Services Engineer/2**

Rank : Chief Building Services Engineer (D1)

Responsible to : Assistant Director (Project) 3

**Major Duties and Responsibilities –**

1. to formulate policy and standards for building services works and utility services accommodating sustainable building design requirements, and to develop best practice design guide and implementation for public housing development and new home ownership scheme (HOS) development;
2. to oversee planning, design and supervision of building services works in the construction of new HOS development;
3. to oversee the implications on the design and construction of building services works on public housing development and new HOS development arising from changes in statutory requirements and regulations, and other external documents;
4. to oversee and manage the performance of professional services providers/contractors employed in the new HOS development to ensure the standard of service and production meeting the agreed requirements;
5. to conduct research on new technology and materials to improve the quality, cost-effectiveness and sustainability of building services works for public housing development and new HOS development;
6. to oversee the provision of building services for site potential studies for new HOS development;
7. to provide technical support in the assessment of applications to the building services contractors lists for public housing development and new HOS development; and

8. to liaise and attend meetings with other departments and public organisations on building services matters for public housing development and new HOS development.

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**Job Description  
Chief Planning Officer/1**

Rank : Chief Planning Officer (D1)

Responsible to : Deputy Director (Development and Construction)

**Major Duties and Responsibilities –**

1. to supervise, co-ordinate, and facilitate the reservation and acquisition of suitable sites for public housing development in accordance with approved housing policies and targets;
2. to oversee and co-ordinate site potential studies for agreement by other bureaux/departments for public housing development;
3. to administer and monitor the regular updating of Public Housing Production Programme, the Housing Monitoring Information System and Private Housing Information System;
4. to provide inputs to and monitor the territorial and strategic/regional/district/local planning studies relating to public housing development;
5. to initiate revision and monitor the review of planning standards and guidelines, co-ordinate researches on planning and housing issues, as well as develop and maintain planning data and information systems on public housing development to facilitate the planning and co-ordination of the department's work;
6. to be responsible for planning of public housing development and district planning work including providing advice on relevant town planning, land use and local/district/regional/territorial development matters which are likely to affect the public housing development plans or targets;
7. to undertake large scale planning studies as required by the Administration to confirm feasibility of the proposed sites for public housing development;

8. to provide support and co-ordinate input to the inter-departmental and bureaux meetings on matters relating to housing land supply; and
9. to liaise and attend meetings with other bureaux/departments, local communities and public bodies/organisations on planning matters.

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**Job Description  
Chief Planning Officer/2**

Rank : Chief Planning Officer (D1)

Responsible to : Assistant Director (Project) 3

**Major Duties and Responsibilities –**

1. to supervise, co-ordinate, and facilitate the reservation and acquisition of suitable sites for new home ownership scheme (HOS) development in accordance with approved housing policies and targets;
2. to oversee and co-ordinate site potential studies for agreement by other bureaux/departments for new HOS development;
3. to provide input to and monitor the territorial and strategic/regional/district/local planning studies relating to new HOS development;
4. to be responsible for the new HOS development and district planning work including providing advice on relevant town planning, land use and local/district/regional/territorial development matters which are likely to affect the new HOS development plans or targets;
5. to develop and maintain planning data and information systems on new HOS to facilitate the planning and co-ordination of the department's work;
6. to undertake planning studies as required by the Administration to confirm feasibility of proposed sites for new HOS;
7. to manage the Aged Estate Assessment and Overall Programme in accordance with the approved policy and to undertake the required research in support of the programme; and
8. to liaise and attend meetings with other bureaux/departments, local communities and public bodies/organisations on planning matters.

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**Job Description  
Chief Quantity Surveyor/1**

Rank : Chief Quantity Surveyor (D1)

Responsible to : Assistant Director (Development and Procurement)

**Major Duties and Responsibilities –**

1. to oversee the provision of quantity surveying services for the planning, design and construction of public housing development;
2. to advise on and regulate the contract procedures, assessment of liquidated damages, contractual issues and claims for capital works contracts, to compile and maintain a new set of standard Conditions of Contracts for use in capital works contracts and to prepare standard documentation and special conditions of contract;
3. to appoint, manage and monitor the performance of Quantity Surveying Services Providers (QSSP) including processing fee applications and accounts;
4. to facilitate dispute resolution and monitoring of final account settlement;
5. to carry out process verification on the quantity surveying works (including in-house and QSSP) at various stages and on Building Services tender process;
6. to co-ordinate issues relating to World Trade Organisation Government Procurement Agreement in respect of procurement for construction works;
7. to act as the Surveyor in undertaking project duties including advising and regulating the tender and contract procedures, cost estimation and control, contract administration and final account settlement for the construction of public housing development; and
8. to liaise and attend meetings with other departments, public organisations and professional bodies on quantity surveying matters.

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**Job Description  
Chief Quantity Surveyor/2**

Rank : Chief Quantity Surveyor (D1)

Responsible to : Assistant Director (Project) 3

**Major Duties and Responsibilities –**

1. to oversee the provision of quantity surveying services for the planning, design and construction of new home ownership scheme (HOS) development;
2. to co-ordinate the preparation, control and monitoring of the annual capital budget and expenditure, and to provide advice on construction costs including establishment and updating of standard cost yardsticks and tender price indices;
3. to co-ordinate issues relating to construction insurance and dispute resolution advisors system;
4. to explore, develop and review applications of information technology systems in carrying out quantity surveying duties including preparation and maintenance of measurement practice;
5. to oversee the provision of quantity surveying services for site potential studies for public housing and new HOS developments;
6. to collect cost data and set up cost database for the new HOS development and benchmark the construction cost of new HOS development with that of the private sectors;
7. to act as the Surveyor in undertaking project duties including advising and regulating the tender and contract procedures, cost estimation and control, contract administration and final account settlement for the construction of new HOS development; and
8. to liaise and attend meetings with other departments, public organisations and professional bodies on quantity surveying matters.

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**Job Description  
Chief Structural Engineer/1 & 2**

Rank : Chief Structural Engineer (D1)

Responsible to : Assistant Director (Project) 1/2

Major Duties and Responsibilities –

1. to oversee the provision of structural engineering (SE) services for the planning, design and construction of public housing development;
2. to undertake the role of the Registered Structural Engineer in certifying that all demolition and structural works are designed and executed in compliance with the provision of the Buildings Ordinance and Regulations;
3. to act as the Contract Manager for demolition and foundation contracts;
4. to manage, co-ordinate and monitor the provision of material testing services for public housing construction and maintenance and to keep abreast of the latest developments in the testing standards;
5. to assist in formulation policies and co-ordinate studies/researches relating to the control of quality and standard of SE works in public housing development;
6. to co-ordinate the planning, design and execution of SE works in public housing development with other disciplines and departments; and
7. to liaise and attend meetings with other departments and public organisations on structural engineering matters.

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**Job Description  
Chief Structural Engineer/3**

Rank : Chief Structural Engineer (D1)

Responsible to : Assistant Director (Project) 3

**Major Duties and Responsibilities –**

1. to oversee the provision of structural engineering (SE) services for the planning, design and construction of new home ownership scheme (HOS) development;
2. to undertake the role of the Registered Structural Engineer in certifying that all demolition and structural works are designed and executed in compliance with the provision of the Buildings Ordinance and Regulations;
3. to act as the Contract Manager for demolition and foundation contracts;
4. to manage, co-ordinate and monitor the provision of material testing services for HOS construction and maintenance and to keep abreast of the latest developments in the testing standards;
5. to assist in formulation policies and co-ordinate studies/researches relating to the control of quality and standard of SE works in new HOS development;
6. to co-ordinate the planning, design and execution of SE works in new HOS development with other disciplines and departments;
7. to oversee the provision of structural engineering services for site potential studies for public housing and new HOS developments; and
8. to liaise and attend meetings with other departments and public organisations on structural engineering matters.

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**Job Description**  
**Chief Structural Engineer/Development and Construction &**  
**Independent Checking Unit**

Rank : Chief Structural Engineer (D1)

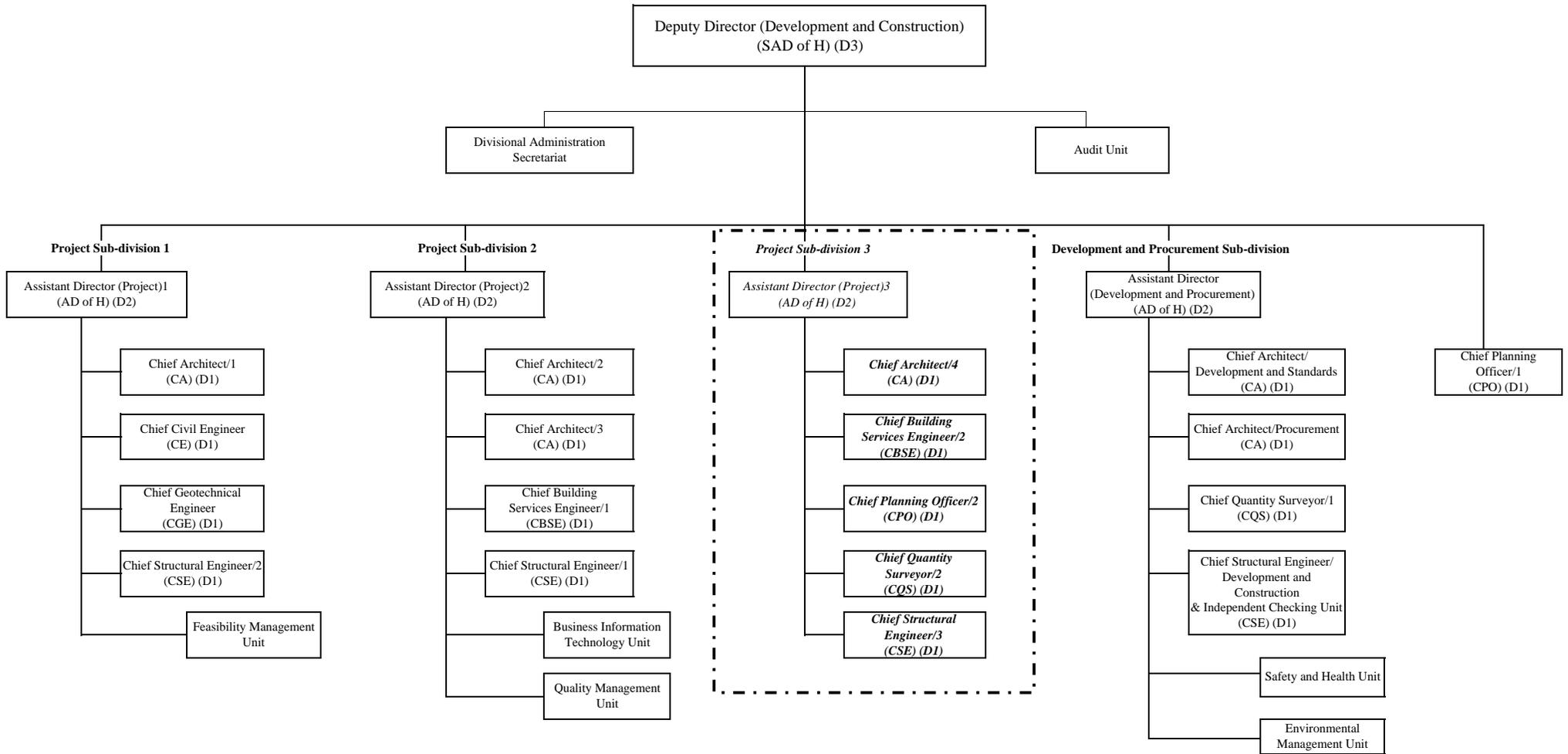
Responsible to : Assistant Director (Development and Procurement)  
Assistant Director (Independent Checking Unit)

Major Duties and Responsibilities –

1. to provide technical support to structural engineering (SE) project teams, including establishing and updating the standards and specifications for demolition, foundation and structural works, and to provide SE input and advice on the development of standard and non-standard designs and performance of existing standard designs;
2. to supervise and co-ordinate the operation of contractors performance assessment systems;
3. to initiate and conduct research and development studies on engineering materials, designs, environmental enhancement and construction techniques, to promote knowledge sharing and management, and to maintain and update the quality systems/procedural/technical manuals;
4. to assist Assistant Director (Independent Checking Unit) in formulating and refining building control policies in line with the practice of Buildings Department (BD);
5. to develop and maintain an independent building control system and vetting procedures for structural works in line with BD's practice; and
6. to vet reports and endorse recommendations on building control submitted by senior professionals and to check against statutory compliance and structural safety under BD's delegated authority.

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# Proposed Directorate Organisation Structure of Development and Construction Division



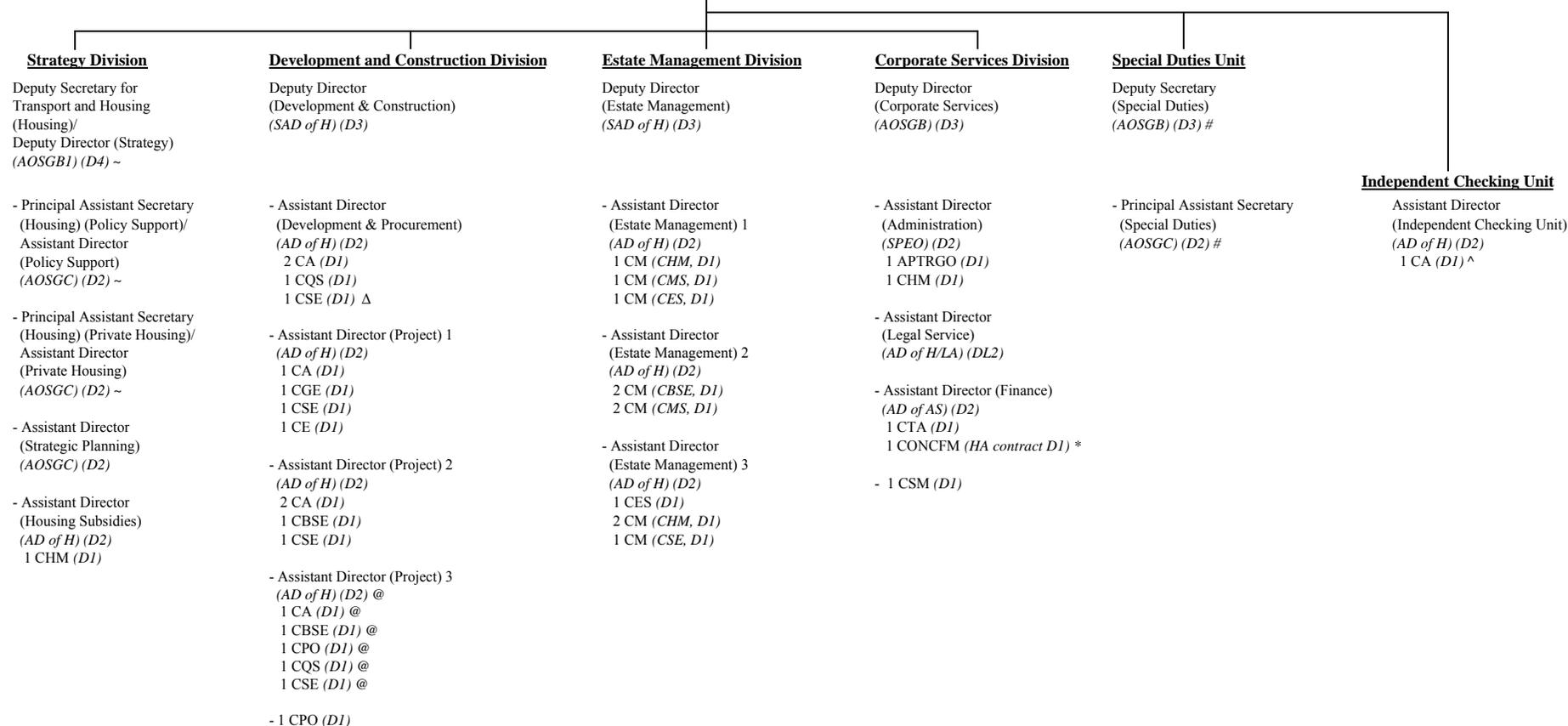
- Legends:**
- AD of H - Assistant Director of Housing
  - CA - Chief Architect
  - CBSE - Chief Building Services Engineer
  - CE - Chief Engineer
  - CES - Chief Estate Surveyor
  - CGE - Chief Geotechnical Engineer
  - CPO - Chief Planning Officer
  - CQS - Chief Quantity Surveyor
  - CSE - Chief Structural Engineer
  - SAD of H - Senior Assistant Director of Housing

 Proposed new Sub-division

## Proposed Organisation Chart of Housing Department

Permanent Secretary for Transport and Housing (Housing)/Director of Housing

(AOSGA1) (D8) ~



Legends:

AD of AS - Assistant Director of Accounting Services  
 AD of H - Assistant Director of Housing  
 AOSGA1 - Administrative Officer Staff Grade A1  
 AOSGB1 - Administrative Officer Staff Grade B1  
 AOSGB - Administrative Officer Staff Grade B  
 AOSGC - Administrative Officer Staff Grade C  
 APTRGO - Assistant Principal Training Officer  
 CA - Chief Architect  
 CBSE - Chief Building Services Engineer  
 CE - Chief Engineer  
 CES - Chief Estate Surveyor  
 CGE - Chief Geotechnical Engineer  
 CHM - Chief Housing Manager

CM - Chief Manager  
 CMS - Chief Maintenance Surveyor  
 CONCFM - Contract Chief Finance Manager  
 CPO - Chief Planning Officer  
 CQS - Chief Quantity Surveyor  
 CSE - Chief Structural Engineer  
 CSM - Chief Systems Manager  
 CTA - Chief Treasury Accountant  
 HA - Housing Authority  
 LA - Legal Advice  
 SAD of H - Senior Assistant Director of Housing  
 SPEO - Senior Principal Executive Officer

~ - These posts are given bureau designations in addition to normal departmental designations to better reflect the nature of their duties which are largely policy-related.  
 Δ - Post deployed to Independent Checking Unit on a part-time basis.  
 ^ - Post temporarily deployed to Independent Checking Unit.  
 \* - HA contract post  
 # - Supernumerary post  
 @ - Posts proposed for creation.