

ITEM FOR ESTABLISHMENT SUBCOMMITTEE OF FINANCE COMMITTEE

HEAD 62 – HOUSING DEPARTMENT Subhead 000 Operational expenses

Members are invited to recommend to Finance Committee the creation of the following permanent posts in the Housing Department with effect from 1 April 2013 –

1 Administrative Officer Staff Grade B
(D3) (\$154,900 - \$169,050)

1 Principal Executive Officer
(D1) (\$112,200 - \$122,650)

PROBLEM

We need dedicated staffing support at the appropriate directorate level to lead a new enforcement authority, namely the Sales of First-hand Residential Properties Authority (SRPA), to implement the Residential Properties (First-hand Sales) Ordinance (the Ordinance).

PROPOSAL

2. We propose to create the following two permanent posts with effect from 1 April 2013 to cope with the workload arising from the implementation of the Ordinance –

- (a) one Administrative Officer Staff Grade B (AOSGB) (D3) post to head the SRPA; and

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- (b) one Principal Executive Officer (PEO) (D1) to provide dedicated support to the AOSGB.

JUSTIFICATION

Regulating the sales of first-hand residential properties by legislation

3. The purchase of a residential property is a major undertaking for most Hong Kong people. To further enhance the transparency and fairness of the sales arrangements and transactions of first-hand residential properties, the Transport and Housing Bureau (THB) submitted the Residential Properties (First-hand Sales) Bill to the Legislative Council (LegCo) for scrutiny in March 2012. The Bill was the outcome of the participation and thorough discussion of the relevant parties at the Steering Committee on the Regulation of the Sale of First-hand Residential Properties by Legislation (the Steering Committee)¹ and a subsequent public consultation exercise². With the support of the Bills Committee and LegCo Members, the Ordinance was passed in LegCo on 29 June 2012 and enacted on 6 July 2012.

4. The Ordinance sets out detailed requirements in relation to sales brochures, price lists, show flats, disclosure of transaction information, advertisements, sales arrangements, and the mandatory provisions for the Preliminary Agreement for Sale and Purchase (PASP) and Agreement for Sale and Purchase (ASP) for the sales of first-hand residential properties. It also provides for prohibitions against misrepresentation and the dissemination of false or misleading information. Offences are created for the contravention of the provisions in the Ordinance.

Need for setting up the SRPA

5. To ensure that the Ordinance is implemented effectively, an enforcement authority, namely the SRPA, is needed to perform the following functions –

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¹ The then Chief Executive announced in the 2010-11 Policy Address that a Steering Committee would be set up to discuss specific issues on regulating the sales of first-hand residential properties by legislation. The Steering Committee was set up in October 2010. It completed its work and submitted recommendations on how to regulate the sales of first-hand residential properties in a report to the then Secretary for Transport and Housing (STH) in October 2011.

² THB conducted a public consultation exercise on the legislative proposals to regulate the sales of first-hand residential properties in the form of a White Bill from November 2011 to January 2012.

- (a) administering and supervising compliance with the provisions of the Ordinance (including monitoring sales practices through regular inspections and checks on sales brochures, price lists, show flats, sales offices, registers of transactions, sales arrangement announcements, vendors' websites and advertisements);
- (b) handling complaints and public enquiries;
- (c) arranging publicity programmes and educating the public on matters relating to the sales of first-hand residential properties;
- (d) issuing practice guidelines for stakeholders, and conducting investigations on cases of non-compliance and contravention against the provisions of the Ordinance; and
- (e) maintaining an electronic database containing the sales brochures, price lists, and registers of transactions of individual first-hand residential developments.

6. To facilitate early implementation of the Ordinance and ensure prudent use of public resources, we propose that the SRPA be set up under the Housing Branch of the THB³, i.e. Housing Department (HD). In this regard, the Ordinance empowers STH to appoint a public officer to be the SRPA for the purposes of the Ordinance and to appoint other public officers to assist the SRPA in performing his functions. The Ordinance will come into operation on a day to be appointed by STH by notice in the Gazette.

7. We undertook to bring the Ordinance and the SRPA into operation within 12 months after the Ordinance was enacted in July 2012. Our current plan is to bring the Ordinance and the SRPA into operation by the end of April 2013.

Work of the SRPA

8. Over the past ten years or so, the average annual take up rate of first-hand residential properties was about 18 500 units. Looking ahead, and in light of the then Chief Executive's announcement in the 2010-11 Policy Address that land for some 20 000 private residential properties would be made available annually in the next ten years, it is expected that there will be on average about 20 000 private first-hand residential properties to be offered for sale per annum in

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³ The Government will however keep open the option of replacing the SRPA with an independent statutory body for performing similar functions at an appropriate time.

the coming years. Under the Ordinance, vendors of first-hand residential properties are required to update the sales brochure(s) of a development or a phase of development once every three months, make revisions to a price list whenever there are changes in the prices of residential properties on that price list, make public the sales arrangements, and disclose transaction information on any PASP and ASP which has been entered into or cancelled. Also, they are required to comply with various requirements if they set up show flats and place advertisements. There will be a large volume of sales brochures, price lists, sales arrangement announcements, transaction data, advertisements and show flats which the SRPA will have to inspect to ensure compliance with the provisions under the Ordinance.

9. We anticipate an annual complaint rate of about 2% out of the 20 000 first-hand residential properties being offered for sale in a year (i.e. 400 complaint cases in a year). Of these, we expect that about 280 cases (i.e. 70%) will require further action, with some 200 cases requiring intensive investigations.

10. Apart from enforcement functions, the SRPA is also responsible for educating the public on any matter relating to the provisions of the Ordinance. The SRPA will carry out public education programmes and publicity activities including organising seminars, briefings, exhibitions, and issuing publicity and promotional materials on a regular and ad-hoc basis. The SRPA also has to maintain the electronic database containing the sales brochures, price lists, and registers of transactions of individual first-hand residential developments.

Need for creation of directorate posts

11. We propose that the SRPA be headed by an AOSGB, who will be underpinned by a PEO as the Deputy Head.

Proposed AOSGB (D3) post

12. The Head of the SRPA will have to oversee all aspects of the work of the SRPA and provide steer on its operational and strategic development. He will monitor the effectiveness of the Ordinance in enhancing the transparency and fairness of the sales of first-hand residential properties, and the effectiveness of the SRPA in implementing the Ordinance. Malpractices in the sales of first-hand residential properties are of great concern to the public, as they undermine the fairness of the market and put the protection of the purchasers at stake. Given the volatility of the residential property market, the Head of the SRPA must be able to come up with clear positions on issues relating to malpractices in the sales of

/first-hand

first-hand residential properties as and when they arise. Moreover, the Head of the SRPA will be required to make prompt and considered decisions on cases which should be referred to the Department of Justice (DoJ) for consideration for prosecution and explain the SRPA's positions in public. Having regard to the job requirements, level of responsibility and complexity of the tasks involved and the need to make prompt decisions on complaint cases, we consider it appropriate for the head of the SRPA be filled by an AOSGB.

Proposed PEO (D1) post

13. The deputy head of the SRPA will be required to provide full support to the AOSGB. He will be the head of the Inspection & Investigation Division which comprises the Inspection & Monitoring Unit (IMU) and the Investigation & Compliance Assurance Unit (ICAU), and the External Affairs & Administration Division which comprises the Complaints Unit (CU) and the Administration & Public Education Unit (APEU). He will give directions on the handling of complaints, plan and steer the execution of public education programmes, oversee the administration of the SRPA, make recommendations to the Head of the SRPA as to whether individual cases on contravention of requirements under the Ordinance should be referred to DoJ for consideration for prosecution, and monitor the effectiveness of enforcement actions taken by the SRPA. The Ordinance is a complicated piece of legislation with many detailed provisions. The proper handling of the complaints, inspections and investigations, in particular on complicated cases, will require clear steer and guidance from an experienced officer with a wide range of executive and management experience at a senior level. Given the complexity and versatility of the tasks, we consider it appropriate for the deputy head to be filled by a PEO.

Encls. 14. The job descriptions for the proposed AOSGB and PEO posts are at
1&2 Enclosures 1 and 2 respectively.

Non-directorate support and staffing implications

15. Apart from the AOSGB and the PEO, the SRPA will also have a multi-disciplinary team of 30 non-directorate civil service posts including Building Surveyor, Estate Surveyor, Executive Officer, Housing Manager, Information Officer grades staff as well as technical and administrative supporting staff to discharge the duties as set out in paragraphs 8 to 10 above. The multi-disciplinary team with a mix of knowledge and experience is essential for the effective implementation of the diverse functions of the SRPA comprising four Units.

16. The four Units of the SRPA will be responsible for carrying out various functions. The IMU, headed by a Senior Estate Surveyor, have to make regular inspections and checks on sales brochures, price lists, show flats, sales offices, registers of transactions, sales arrangement announcements, vendors' websites and advertisements. The ICAU, headed by a Senior Building Surveyor, will have to conduct investigations on cases of non-compliance and contravention against the provisions of the Ordinance. The CU will have to handle complaints and deal with public enquiries. The APEU will be tasked to carry out a wide range of tasks including planning and executing public education programmes, maintaining smooth and uninterrupted operation of the Sales of First-hand Residential Properties Electronic Platform, and handling general administrative work. The CU and the APEU will be headed by a Chief Executive Officer. The proposed organisation chart of the SRPA is at Enclosure 3.

Encl. 3

17. The day-to-day operation of the SRPA will require intensive legal input from the DoJ. Also, decisions on whether or not to take prosecution actions under the Ordinance and the prosecution process will be taken up by DoJ. To cope with the projected increase in the workload arising from the setting up of the SRPA to implement the Ordinance, DoJ will create two time-limited Senior Government Counsel posts for three years, one in the Planning, Environment, Lands & Housing (Advisory) Unit of the Civil Division and the other in Prosecutions Division.

ALTERNATIVES CONSIDERED

Proposed AOSGB post

18. There are two permanent Administrative Officer grade posts at the Deputy Director level in HD, viz. Deputy Secretary for Transport and Housing (Housing)/Deputy Director (Strategy) (DS(H)/DD(S)) at AOSGB1 (D4) level and Deputy Director (Corporate Services) (DD(CS)) at AOSGB (D3) level. DS(H)/DD(S) is responsible for formulation of and overseeing private and public housing policies and strategies, including preparation of Housing Authority (HA)'s corporate plan and carrying out certain operational functions in HD. DD(CS) has a huge portfolio and oversees various areas in HA/HD covering human resources policies, financial control and resources management, public relations programmes and long-term information technology strategies and development. We have critically examined but concluded that it is impossible for them to absorb or share out the additional workload of the proposed AOSGB post through internal reshuffling of duties, as they are fully occupied by their heavy responsibilities. Details of the work schedule of DS(H)/DD(S) and DD(CS) are at Enclosure 4.

Encl. 4

19. There is currently a supernumerary Administrative Officer grade post at the Deputy Director level in HD, viz. Deputy Secretary (Special Duties) (DS(SD)) at AOSGB (D3) level, for the period from 16 December 2011 to 30 June 2013 to lead a dedicated unit known as the Special Duties Unit (SDU) to take forward the regulation of the sale of first-hand residential properties by legislation, including setting up the SRPA. The post will lapse on 1 July 2013 or upon creation of the AOSGB post in the SRPA, whichever is the earlier (please see paragraph 23 below).

Proposed PEO post

20. Currently, there is no PEO post. There is however one Senior Principal Executive Officer (SPEO) (D2) post designated as Assistant Director (Administration) (AD(Adm)) in HD, responsible for the overall administration in HD. We have critically examined the possibility for the existing SPEO to absorb or share the additional workload of the proposed PEO post but concluded that the additional duties cannot be absorbed by the SPEO without affecting the effective discharge of her current duties. Details of the work schedule of AD(Adm) are at Enclosure 4.

21. There are other D1 posts of different professional disciplines in various Divisions of HD, namely six Chief Architect (CA), two Chief Building Services Engineer (CBSE), one Chief Engineer, one Chief Geotechnical Engineer, two Chief Planning Officer, two Chief Quantity Surveyor, four Chief Structural Engineer (CSE) posts in the Development and Construction Division (18 posts); two CBSE, two Chief Estate Surveyor, three Chief Housing Manager (CHM), three Chief Maintenance Surveyor and one CSE posts in the Estate Management Division (11 posts); one CHM post in Strategy Division (one post); one Assistant Principal Training Officer, one CHM, one Chief Treasury Accountant, one Chief Systems Manager and one HA Contract Chief Finance Manager posts in the Corporate Services Division (five posts); and one redeployed CA post in the Independent Checking Unit (one post). Owing to the growing number of housing properties, expansion of related maintenance and improvement programmes, resumption of the Home Ownership Scheme, the implementation of other housing initiatives, and performance of building control functions, it is not feasible to redeploy the existing D1 posts in HD to take up the extra workload of the proposed PEO post.

22. The proposed organisation chart of HD having taken into account the proposed SRPA is at Enclosure 5.

Encl. 5

/Bridging

Bridging arrangements

23. Two supernumerary directorate posts (i.e. one AOSGB (D3) designated as DS(SD) and one AOSGC (D2) designated as Principal Assistant Secretary (Special Duties)⁴ and four time-limited non-directorate posts (i.e. one Senior Administrative Officer (SAO), one Senior Executive Officer (SEO) and two Personal Secretary I (PSI) posts) in the SDU were created in late 2011 for the period up to 30 June 2013 to take forward the regulation of the sale of first-hand residential properties by legislation, including setting up the SRPA. The posts of the AOSGB, SEO and one PSI will lapse on 1 July 2013 or upon creation of the corresponding posts in the SRPA, whichever is the earlier.

24. As regards the remaining posts in the SDU, i.e. the three posts of the AOSGC, SAO and PSI, they will lapse one month after the commencement of the operation of the SRPA or on 1 July 2013, whichever is the earlier. The hands-on experience of the AOSGC and SAO in setting up the SRPA, including their involvement in the design of the modus operandi of the SRPA and the compilation of the guidelines on the Ordinance, will be of great significance to the SRPA during the very initial stage of operation in helping to resolve unpredictable operational issues, fine-tune the workflow as necessary and liaise closely with the stakeholders to ensure the smooth implementation of the Ordinance. This will enable the SRPA to focus on the day-to-day operation of the SRPA at a time when workload is expected to be enormous.

FINANCIAL IMPLICATIONS

25. The proposed creation of the AOSGB and PEO posts will bring about an additional notional annual salary cost at mid-point of \$3,397,200, as follows –

Directorate posts	Notional annual salary cost at mid-point \$	No. of posts
AOSGB (D3)	1,968,600	1
PEO (D1)	1,428,600	1
Total	3,397,200	2

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⁴ On 16 December 2011, the Finance Committee approved the creation of the two supernumerary directorate posts from 16 December 2011 to 30 June 2013 vide EC(2011-12)9.

The additional full annual average staff cost, including salaries and staff on-cost, for these two posts is \$4,680,000.

26. As for the 30 additional non-directorate civil service posts in HD mentioned in paragraph 15 above, the additional notional annual salary cost at mid-point and the full annual average staff cost, including salaries and staff on-cost, are \$16,334,640 and \$23,839,000 respectively.

27. As regards the two additional time-limited non-directorate civil service posts in DoJ mentioned in paragraph 17 above, the additional notional annual salary cost at mid-point and the full annual average staff cost, including salaries and staff on-cost, are \$2,250,240 and \$3,327,000 respectively.

28. We will include the necessary provision in the annual Estimates of the relevant financial years to meet the cost of the proposals.

PUBLIC CONSULTATION

29. On 3 December 2012, we consulted the LegCo Panel on Housing on the above staffing proposal. Members supported the creation of one AOSGB post and one PEO post in HD to cope with the workload arising from the implementation of the Ordinance.

ESTABLISHMENT CHANGES

30. The establishment changes in HD for the past two years are as follows –

Establishment (Note)	Number of posts			
	Existing (As at 1 December 2012)	As at 1 April 2012	As at 1 April 2011	As at 1 April 2010
A	56+(2)#	50+(2)	50	48+(1)
B	1 275	1 183	1 175	1 169
C	7 705	7 608	7 603	7 606
Total	9 036+(2)	8 841+(2)	8 828	8 823+(1)

/Note

Note:

- A - ranks in the directorate pay scale or equivalent (including equivalent HA contract posts)
- B - non-directorate ranks, the maximum pay point of which is above MPS point 33 or equivalent (including equivalent HA contract posts)
- C - non-directorate ranks, the maximum pay point of which is at or below MPS point 33 or equivalent (including equivalent HA contract posts)
- () - number of supernumerary directorate posts created with the approval of the Establishment Subcommittee/Finance Committee
- # - as at 1 December 2012, there was no unfilled directorate post in HD

CIVIL SERVICE BUREAU COMMENTS

31. The Civil Service Bureau supports the proposed creation of the two permanent directorate posts, namely one AOSGB and one PEO posts, in HD to implement the Ordinance. The grading and ranking of the posts are considered appropriate having regard to the level and scope of responsibilities required.

ADVICE OF THE STANDING COMMITTEE ON DIRECTORATE SALARIES AND CONDITIONS OF SERVICE

32. The Standing Committee on Directorate Salaries and Conditions of Service has advised that the grading proposed for the posts would be appropriate if the posts were to be created.

Transport and Housing Bureau
January 2013

Proposed Job Description
Head, Sales of First-hand Residential Properties Authority

Rank : Administrative Officer Staff Grade B (D3)

Responsible to : Permanent Secretary for Transport and Housing (Housing)/
Director of Housing

Main Duties and Responsibilities –

1. To oversee and steer the operation of the Sales of First-hand Residential Properties Authority (SRPA).
2. To monitor the effectiveness of the Residential Properties (First-hand Sales) Ordinance (the Ordinance) in enhancing the transparency, fairness and consumer protection in the sale of first-hand residential properties, provide steer on the issue of additional operational guidelines as and when necessary, assess the need for reviewing the Ordinance, and provide advice to Secretary for Transport and Housing (STH) on the long-term development of the SRPA.
3. To give directives and make decisions on controversial and/or complicated cases being handled by the SRPA.
4. To explain at the Legislative Council and in public SRPA's decisions and work on important issues or cases of major public concern relating to the work of the SRPA.
5. To steer public education programmes and publicity strategies of the SRPA.
6. To perform any other duties pertinent to the implementation of the Ordinance as assigned by STH.

Proposed Job Description
Deputy Head, Sales of First-hand Residential Properties Authority

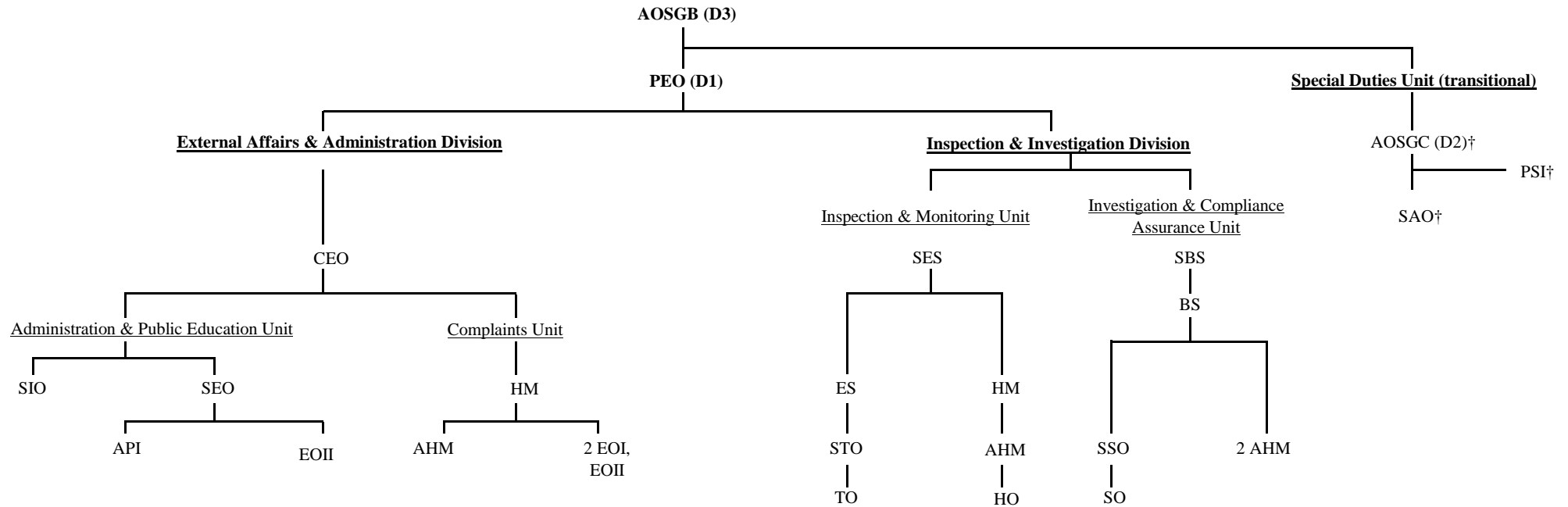
Rank : Principal Executive Officer (D1)

Responsible to : Head, Sales of First-hand Residential Properties Authority

Main Duties and Responsibilities –

1. To lead and co-ordinate the work of the Inspection & Investigation Division and the External Affairs & Administration Division as well as to oversee the handling of office administration matters.
2. To monitor the implementation of measures for inspection and monitoring functions with regard to the requirements under the Residential Properties (First-hand Sales) Ordinance and handling of complaints.
3. To supervise and review the investigation process and to monitor the handling of controversial/complicated cases under investigation.
4. To formulate and review the prosecution referral policies and strategies.
5. To plan and oversee the execution of public education programmes and the formulation of publicity strategies of the Sales of First-hand Residential Properties Authority (SRPA) and to monitor the operation of the Sales of First-hand Residential Properties Electronic Platform.
6. To assist in monitoring the effectiveness of enforcement actions taken by the SRPA and make recommendations on necessary improvements to the Head of SRPA.

Proposed Organisation Chart of Sales of First-Hand Residential Properties Authority



7 supporting staff (including 1 PS I, 2 PS IIs and 4 Assistant Clerical Officers)

Legend

- | | |
|--|-------------------------------------|
| AHM : Assistant Housing Manager | PEO : Principal Executive Officer |
| API : Analyst/Programmer I | PSI : Personal Secretary I |
| AOSGB : Administrative Officer Staff Grade B | SAO : Senior Administrative Officer |
| AOSGC : Administrative Officer Staff Grade C | SBS : Senior Building Surveyor |
| BS : Building Surveyor | SEO : Senior Executive Officer |
| CEO : Chief Executive Officer | SES : Senior Estate Surveyor |
| EOI : Executive Officer I | SIO : Senior Information Officer |
| EOII : Executive Officer II | SO : Survey Officer |
| ES : Estate Surveyor | SSO : Senior Survey Officer |
| HM : Housing Manager | STO : Senior Technical Officer |
| HO : Housing Officer | TO : Technical Officer |

† Supernumerary/time-limited posts which will lapse on 1 July 2013 or one month after the commencement of the operation of the Sales of First-hand Residential Properties Authority, whichever is earlier.

**Duties and Responsibilities of
Deputy Secretary for Transport and Housing (Housing)/
Deputy Director (Strategy),
Deputy Director (Corporate Services) and
Assistant Director (Administration)**

Deputy Secretary for Transport and Housing (Housing)/Deputy Director (Strategy) (DS(H)/DD(S))

DS(H)/DD(S) leads and heads the Strategy Division which comprises five sub-divisions, namely Strategic Planning Sub-division, Policy Support Sub-division, Private Housing Sub-division, Housing Subsidies Sub-division and Long Term Housing Strategy (LTHS) Sub-division. The Division is responsible for formulating and overseeing private and public housing policies and strategies, including preparation of Housing Authority's (HA) corporate plan and carrying out certain operational functions of the Housing Department (HD).

2. DS(H)/DD(S) is involved in both policy making at bureau level and operational responsibilities at departmental level. The duties span from providing policy input on housing related initiatives for the Policy Address and the Budget, conducting and reviewing strategic planning issues on public rental housing (PRH) and subsidised sale flats, overseeing allocations and waiting list (WL) matters for PRH, monitoring developments in the private housing market and the existing measures to ensure the healthy and stable development of the market, formulating housing policies and new measures in relation to the private housing market, overseeing the work of the Estate Agents Authority, providing policy input in relation to Government's housing policies towards the Hong Kong Housing Society and other non-Government housing organisations.

3. More specifically, on overall housing policies, DS(H)/DD(S) is tasked with bringing forward the policy initiative of formulating the LTHS as mentioned in the Chief Executive's manifesto. The work for the LTHS has already commenced and the exercise will have to be completed by end of 2013. This is a very challenging timetable, given that its scope of work is wide-ranging which includes compilation and collation of all relevant housing-related information, projection of housing demand for both public and private sectors and recommendation on effective measures and strategies to increase housing supply to meet the changing housing needs and priorities of different target groups in the community. The LTHS will be reviewed once every five years. In view of the importance of the LTHS, we need to fully engage the relevant bureaux,

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departments, stakeholders and the community during the course of the review. DS(H)/DD(S) will be heavily involved in the exercise. Also, DS(H)/DD(S) will have to provide policy input to new initiatives on housing in the context of the Policy Address and Budget and to help bring forward those initiatives. Given that housing is one of the most important agenda of the Administration in the coming few years, we expect that a lot of new housing initiatives will be rolled out.

4. On the public housing front, the WL income and asset limits for PRH applicants is subject to an annual review which takes place in the first quarter of each year. The review is becoming more and more controversial, attracting widespread media and public attention. There is also the biennial rent review of PRH under HA. The review determines the rate of adjustment of rent of over 700 000 PRH households in Hong Kong. Also, DS(H)/DD(S) has to monitor closely and provide policy steer on issues relating to the PRH application procedures, flat allocation mechanism, and the eligibility for housing. She also has to manage and give steer to related surveys and statistical analysis in order to maintain the average waiting time for general WL applicants at about three years. On subsidised housing, DS(H)/DD(S) is responsible for the policies for resumption of the Home Ownership Scheme (HOS) and implementation of the HOS Secondary Market Scheme, including the new scheme to allow White Form buyers to purchase second-hand HOS flats with premium not yet paid.

5. On the private housing front, DS(H)/DD(S) is responsible for monitoring the residential property and rental market and the existing measures to ensure the healthy and stable development of such market. Also, she will have to supervise the review on the Special Stamp Duty (SSD), which has to be conducted every two years after the enactment of the Stamp Duty (Amendment) Ordinance 2011 or as circumstances require.

Deputy Director (Corporate Services) (DD(CS))

6. DD(CS) leads and oversees the Corporate Services Division (CSD) which comprises seven sub-divisions/units, namely, Administration Sub-division, Finance Sub-division, Legal Service Sub-division, Information Technology Sub-division, Information and Community Relations Sub-division, Management Services Sub-division and Committees' Section.

7. On the staff relation and management functions, DD(CS) oversees and steers the implementation of the Manpower Strategy of HA, which for historical reasons, comprises both civil servants and HA contract staff. There are a

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number of different grades and disciplines and DD(CS) plays a crucial role in the crafting of human resource strategy to meet the challenges brought about by various new housing initiatives, as well as effective engagement with the staff side representatives and the HA members to ensure acceptance of the initiatives. DD(CS) also has to assist the Director of Housing to work out succession management, which requires high level close monitoring and careful planning. HA has its own market-oriented remuneration package for contract staff. DD(CS) has to maintain a close overview on the contract staff remuneration package to ensure that it suits HA's manpower needs.

8. Since HA is financially independent, DD(CS) is responsible both for overseeing the financial control and resources allocation within the department as well as the management and investment of HA's fund. DD(CS) maintains a close oversight all through the budget preparation process of HA from the setting of assumptions, vetting new resource bids, to explaining and ensuring the smooth passage of the annual budget at the HA. The resumption of HOS and other forthcoming new initiatives in public housing have brought about new challenges in prudent financial management. DD(CS) is also closely involved in the regular review of HA's investment strategy and rebalancing among different approved asset classes. She works closely with members of the Finance Committee and the Funds Management Sub-committee of the HA to set HA's investment strategy within HA's acceptable risk tolerance level, taking into account economic situation. Given the increasingly volatile investment environment, the pressure will also increase to keep HA's investment risk down while maintaining a reasonable return. Looking into the future, there will be a strong need for DD(CS) to keep a close watch of HA's finance and investment strategy.

9. As for the general public relation front, while the day-to-day work is normally administered by the Information and Community Relations Sub-division, DD(CS) helps drive strategic PR initiatives, such as the forthcoming celebration for 60th Anniversary of public housing development.

10. DD(CS) oversees the overall management and the general processes in the use of IT in HA/HD, including the formulation of the departmental IT Strategy Plan and the monitoring of its implementation. Also, she chairs the Project Steering Committee on the Enterprise Resources Planning project, which seeks to integrate the finance, procurement and estate maintenance computer applications into a fully integrated system. Phase 1 of the project was rolled out in September 2011, and Phase 2 in October 2012.

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Assistant Director (Administration) (AD(Adm))

11. AD(Adm) oversees the Administration Sub-division of CSD which comprises seven sections, namely, General Administration Section, Grade Management (Housing Class and Related Grades) Section, Grade Management (Works) and Appointments Section, Human Resource Management Sections 1 and 2, Human Resource Development Section and Translation Section.

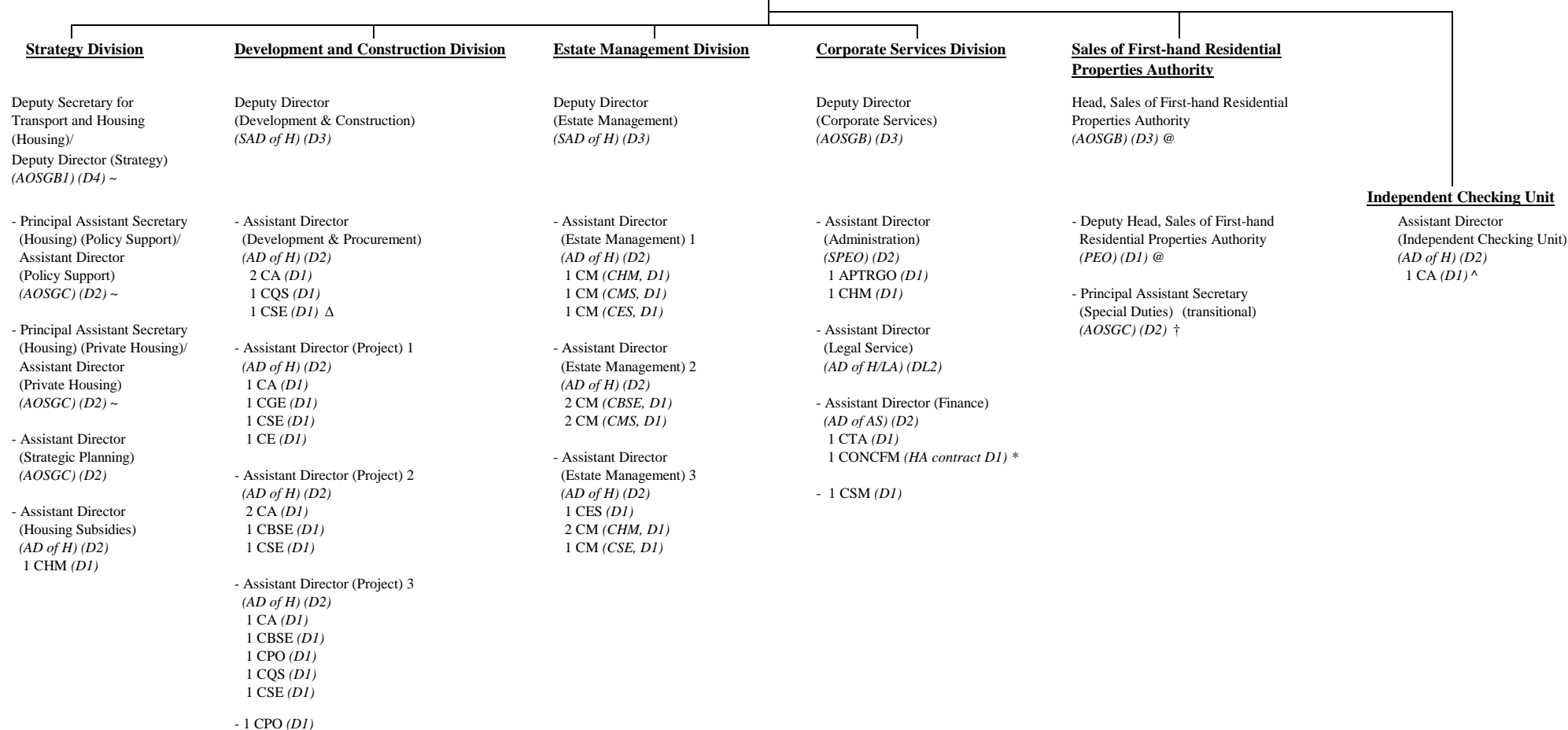
12. On the human resources management support front, AD(Adm) is responsible for formulating policies related to and overseeing the provision of training and development, establishment, recruitment and appointments, personnel, grade management and staff complaints; providing policy input on employment, terms and conditions of HA contract staff; promoting good staff relations and monitoring the arrangements for staff consultation.

13. On the office administration support front, AD(Adm) is responsible for formulating policies related to and controlling the provision of various support services, such as office accommodation, building security and management of the HA Headquarters, transport, green housekeeping, occupational safety and health, translation and other general office matters.

14. The resumption of HOS and other housing initiatives have brought about substantial increase in workload to the Administration Sub-division in terms of bidding of staffing resources, manpower planning and posting arrangements, recruitment and promotion of staff for filling of newly created posts, and provision of office accommodation to the additional staff.

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
PEO - Principal Executive Officer
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 redeployed to Independent Checking Unit on a part-time basis.
^ - Post temporarily redeployed to Independent Checking Unit.
* - HA contract post
@ - Posts proposed for creation with effect from 1 April 2013.
‡ - Supernumerary post which will lapse on 1 July 2013 or one month after the commencement of the operation of the Sales of First-hand Residential Properties Authority, whichever is earlier.