

## **ITEM FOR ESTABLISHMENT SUBCOMMITTEE OF FINANCE COMMITTEE**

### **HEAD 62 – HOUSING DEPARTMENT**

#### **Subhead 003 Recoverable salaries and allowances (General)**

Members are invited to recommend to Finance Committee the creation of the following permanent post in the Housing Department with effect from the date of approval by the Finance Committee –

1 Chief Architect  
(D1) (\$121,900 - \$133,300)

### **PROBLEM**

There is a need for additional directorate support in the Development and Construction Division (DCD) of Housing Department (HD)<sup>1</sup> to cope with the additional workload arising from the further increase in public housing production target as pledged in the 2014 Policy Address and promulgated in the Long Term Housing Strategy 2014 (LTHS 2014).

### **PROPOSAL**

2. We propose to create one permanent Chief Architect (CA) (D1) post in DCD with effect from the date of approval by the Finance Committee (FC) to strengthen the directorate support for delivering the further increase in public housing production target in the coming ten years.

**/JUSTIFICATION .....**

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

## JUSTIFICATION

### The New Public Housing Production Target

3. The Chief Executive announced in the 2014 Policy Address in January last year that the Government's housing supply target was to provide a total of 470 000 units in the next ten years, with public housing accounting for 60%, i.e. about 280 000 units. Subsequently, the Government promulgated the LTHS 2014 in December 2014. Under the LTHS Implementation Milestones as at December 2014, the public housing supply target for the ten-year period from 2015-16 to 2024-25 will be 290 000 units, comprising 200 000 public rental housing (PRH) units and 90 000 subsidised sale flats.

4. In view of increasing public aspirations and demands, the public housing production target has been raised in recent years, from a yearly average of 15 000 units to 20 000 units in 2011, to 25 000 units in 2013 and 28 000 units in 2014 and further increased to about 29 000 units annually during the period from 2015-16 to 2024-25. All divisions in HD, including DCD, need additional manpower to cope with the increased production target. With the approval of FC, the following 11 directorate posts have been created in DCD since July 2012 –

- (a) six directorate posts, namely one Assistant Director of Housing (AD of H) (D2), one CA (D1), one Chief Building Services Engineer (CBSE) (D1), one Chief Planning Officer (CPO) (D1), one Chief Quantity Surveyor (CQS) (D1) and one Chief Structural Engineer (CSE) (D1), approved by FC on 13 July 2012 (vide EC(2012-13)6) to kick-start the planning and design work arising from the resumption of the Home Ownership Scheme (HOS) as announced in the 2011-12 Policy Address;
- (b) two chief professional posts, namely one Chief Engineer (CE) (D1) and one Chief Geotechnical Engineer (CGE) (D1), approved by FC on 15 March 2013 (vide EC(2012-13)21). As the construction and development programme of HOS has moved into the detailed design and construction stages, it has become apparent that most of the sites identified for the new HOS have very complicated engineering constraints or are located in Designated/Scheduled Area<sup>2</sup> or are exposed to natural terrain hazards, which call for strengthened support for engineering input; and

/(c) .....

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<sup>2</sup> As defined by the Buildings Ordinance (Cap. 123), these are areas with complex geological conditions e.g. cavities or in proximity to railway lines and sewage tunnels, which have significant impacts on the proposed foundation design, geological works and construction programme.

- (c) three chief professional posts, namely one CA (D1), one CSE (D1) and one CE (D1), approved by FC on 6 June 2014 (vide EC(2013-14)25) to cope with the increase in workload arising from the increase in public housing production target by 5 000 PRH units per year on average from 2018-19 onwards as announced in the 2013 Policy Address, and to administer and implement housing-related infrastructural projects under the Capital Works Reserve Fund Head 711<sup>3</sup>.

In addition, the directorate support of DCD has been strengthened by the return of temporarily redeployed chief professional posts from the Independent Checking Unit (ICU), including one CA post and one part-time CSE post as mentioned in EC(2012-13)21.

5. In view of the latest developments in production target and production programme, we need to strengthen the directorate support in DCD by creating one additional CA post.

### **Functions and Directorate set-up of DCD**

6. DCD is responsible for the production of PRH and subsidised sale flats. The work includes all facets of project management and production from the initial site search and feasibility studies, community engagement, planning, design, contract management, commissioning for occupation, up to the expiry of the initial 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.

7. DCD is headed by a Senior Assistant Director of Housing (D3) designated as the Deputy Director (Development and Construction) (DD(DC)), who is now underpinned by four ADs of H (D2) and 24 chief professionals<sup>4</sup> (at D1 level). DCD works as a fully integrated multi-disciplinary matrix organisation as each and every housing development requires input from all professional disciplines. The existing organisation chart of DCD is at Enclosure 1.

Encl. 1

**/Need .....**

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<sup>3</sup> Provisions under this Head are expenditures on housing-related infrastructural projects.

<sup>4</sup> The 24 chief professionals include eight CAs, two CBSEs, three CEs, two CGEs, two CPOs, two CQSs and five CSEs.

### Need for a Permanent CA Post

8. DCD is working against a compressed timetable. The additional directorate posts and redeployment of directorate posts mentioned in paragraph 4 above are not adequate for DCD to cope with the additional workload given the increase in production target and the increasing complications in the production programme in recent years. As such, we need an additional CA post in DCD to enable us to work towards timely delivery of the increased public housing production target.

9. There are currently eight CA posts in HD, all under DCD, namely CA/1, CA/2, CA/3, CA/4, CA/5, CA/6, CA/Development and Standards (CA/D&S) and CA/Procurement (CA/P). CA/1, CA/2, CA/3, CA/4, CA/5 and CA/6 are responsible for new public housing developments. CA/D&S is responsible for handling central functions including development and standards matters, while CA/P is responsible for handling corporate functions including management of the list of contractors, procurement/tendering and other support functions for HA. Both CA/D&S and CA/P are fully stretched due to substantial increase in workload in recent years arising from the increase in production quantum, housing stock, product type, client requirements plus enhancement of standards (such as Carbon Labelling Scheme, Barrier Free Access provision, Sustainable Design), environmental initiatives such as Building Environmental Assessment Method Plus (BEAM Plus)<sup>5</sup>, and an enhanced system to interview and quarantine contractors involved in site safety incidents.

10. The other six CAs act as Project Managers and are responsible for co-ordinating the public consultation and community engagement exercises from the planning stage. The CAs are also responsible for acting as the equivalent to Authorised Persons under the Buildings Ordinance (Cap. 123), functioning as the co-ordinator and Contract Manager for supervision and delivery of the completed buildings. Notwithstanding the creation of two CAs in July 2012 and June 2014 respectively and the return of one CA from ICU in 2013, the six CA Teams are already fully stretched as a result of the increased volume and complexity of projects. Apart from the increase in public housing production target as mentioned in paragraph 4 above, the CA teams are facing increasing difficulties in the public engagement exercises and during the planning stage. We therefore propose to create an additional CA post to strengthen the directorate support for steering the programme in order to meet the production target.

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<sup>5</sup> BEAM Plus is a locally devised mechanism developed by the Hong Kong Green Building Council for comprehensive green building assessment, certification and performance labeling.

11. With the creation of the proposed CA post (to be designated as CA/7), a total of seven CAs (i.e. CA/1 to CA/7) will serve as Project Managers for public housing projects, including all associated housing-related infrastructures and supporting community facilities, providing steer and leadership for the projects from inception to post-construction stages, leading community engagement and implementation of associated improvement works (such as footbridges, lift towers, community halls, welfare and community facilities, etc.), and overseeing the provision of architectural services for the potential site studies, planning, design and construction of the public housing development. The division of work among these seven CAs will be on project basis, taking into consideration the different stages of works, and location of the projects. This arrangement will allow flexibility in staff deployment to best suit the operational requirements which may change from time to time. The proposed job description of CA/1-7 is at Enclosure 2. There will not be any major changes to the responsibilities of the other two existing CAs (CA/D&S and CA/P).

Encl. 2

12. With the proposed creation of the CA post, each of the four ADs of H will oversee five to seven Sections. Together with one Section under direct supervision of DD(DC), there will be a total of 25 Sections in DCD, as shown in the proposed organisation chart at Enclosure 3.

Encl. 3

### **ALTERNATIVES CONSIDERED**

13. We have critically examined whether the additional workload can be absorbed through internal redistribution of work, redeployment of resources or re-engineering of work processes. Having regard to the reasons set out in paragraphs 8 to 11 above, we consider it not feasible for the existing CAs to take up the additional duties without affecting the discharging of their own duties.

14. There are also other D1 posts in HD, including two CBSE, three CE, two CGE, two CPO, five CSE and two CQS posts in DCD; one Chief Housing Manager (CHM) post in the Strategy Division; two CBSE, two Chief Estate Surveyor, three CHM, three Chief Maintenance Surveyor (CMS) and one CSE posts in Estate Management Division; one CMS and one CSE posts in ICU; one Assistant Principal Training Officer, one CHM, one Chief Systems Manager, one Chief Treasury Accountant and one HA Contract Chief Finance Manager posts in the Corporate Services Division; and one Principal Executive Officer in the Sales of First-hand Residential Properties Authority. Apart from the fact that they are from different professional disciplines, all of them have their respective full schedules and are unable to take up the duties of the proposed CA post.

Encl. 4 15. The proposed organisation chart of HD after including the proposed new post is at Enclosure 4.

### **FINANCIAL IMPLICATIONS**

16. The proposed creation of the permanent CA post will bring about an additional notional annual salary cost at mid-point of \$1,552,800. The additional full annual average staff cost, including salaries and staff on-cost, is \$2,173,000.

17. Apart from the proposed directorate post, about 150 non-directorate civil service posts will be created in various divisions of HD in 2015-16 to meet the further increase in public housing production target. The additional notional annual salary cost at mid-point and the full annual average staff cost, including salaries and staff on-cost, are about \$68,225,000 and \$104,672,000 respectively. The full cost for both directorate and non-directorate posts will be recovered from HA under the established arrangement for secondment of HD staff to HA.

### **PUBLIC CONSULTATION**

18. On 2 March 2015, we consulted the Legislative Council Panel on Housing on the creation of the proposed permanent CA post. Members supported the proposal.

### **BACKGROUND**

19. Arising from the amalgamation of the former Housing Bureau (HB) and HD, FC approved vide EC(2002-03)7 a net deletion of five directorate posts in the former HB and HD, i.e. the total number of directorate posts was reduced from 78 to 73, with effect from 1 January 2003. On 25 June 2004, FC further approved vide EC(2004-05)9 the reorganisation of HD for a net deletion of 24 directorate posts from 1 January 2003 to 31 March 2007, i.e. the number of directorate posts was further reduced from 73 to 49. Since then, there has been a net increase of 17 directorate posts in HD and the current directorate establishment is 66.

20. As far as DCD is concerned, as a result of reorganisation of HD and the reduction in public housing production between 2002-03 and 2006-07, the number of directorate posts in DCD was reduced from 25 to 17, i.e. reduced by eight. Since July 2012, a total of 11 directorate posts have been created in DCD. Together with the CA post returned from ICU, the current number of directorate posts in DCD is 29.

**/ESTABLISHMENT .....**

**ESTABLISHMENT CHANGES**

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

Establishment (Note)	Number of Posts			
	Existing (as at 1 May 2015)	As at 1 April 2015	As at 1 April 2014	As at 1 April 2013
A	65+(1) <sup>#</sup>	65+(1)	62+(1)	62+(1)
B	1 427	1 427	1 365	1 329
C	7 905	7 905	7 820	7 802
<b>Total</b>	<b>9 397+(1)</b>	<b>9 397+(1)</b>	<b>9 247+(1)</b>	<b>9 193+(1)</b>

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/FC
- # - As at 1 May 2015, there was no unfilled directorate post in HA and HD

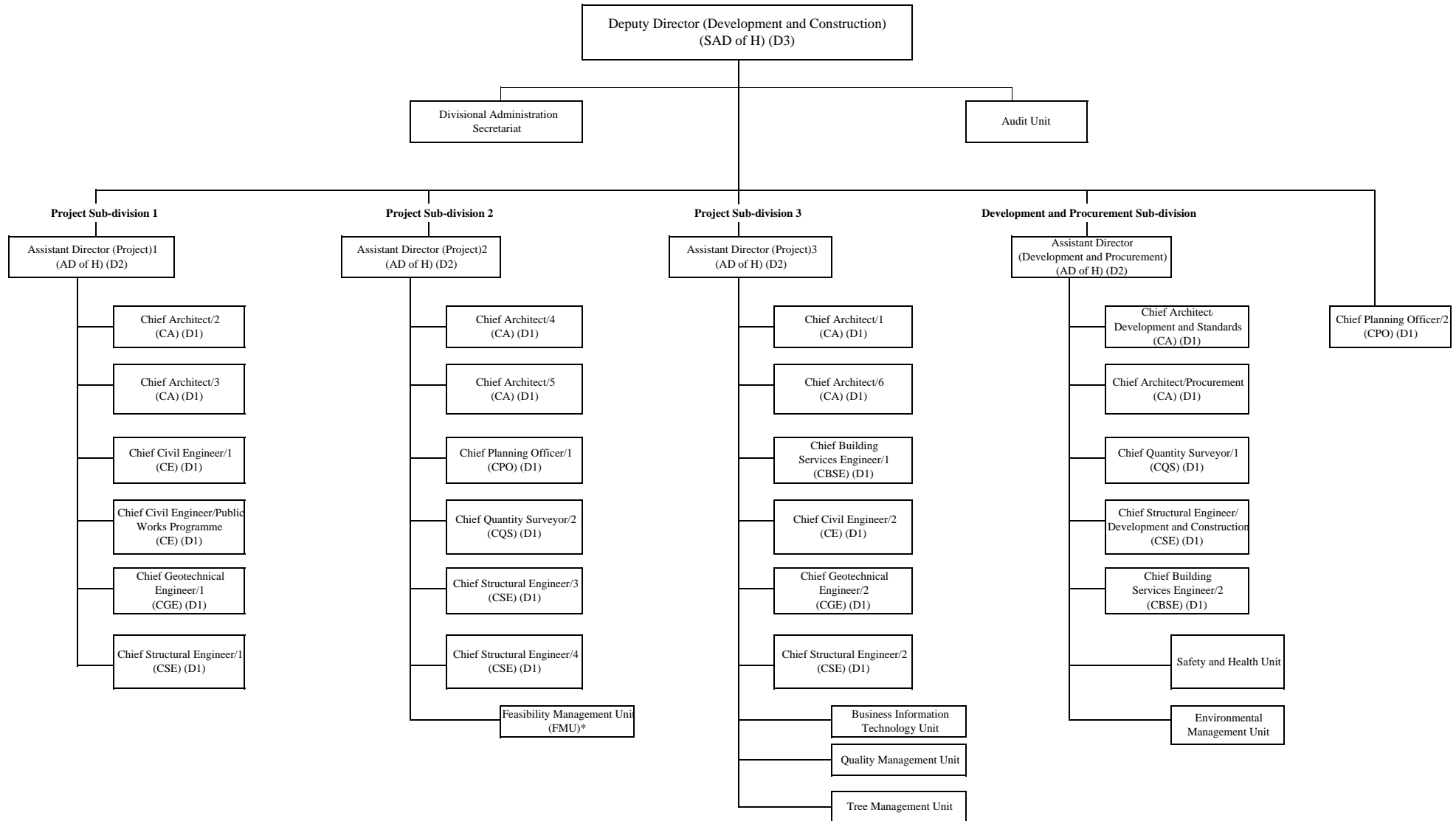
**CIVIL SERVICE BUREAU COMMENTS**

22. The Civil Service Bureau supports the proposed creation of one permanent CA post in HD to cope with the additional workload arising from the further increase in public housing production target as pledged in the 2014 Policy Address and promulgated in the LTHS 2014. The grading and ranking of the post 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**

23. The Standing Committee on Directorate Salaries and Conditions of Service has advised that the grading proposed for the post would be appropriate if the proposal was to be implemented.

**Existing Organisation Chart of Development and Construction Division, Housing Department**



**Legends:**

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

**Note:**

\* FMU has been put under AD(P)2 wef 1.9.2014



**Proposed Job Description  
Chief Architect/1-7**

**Rank** : Chief Architect (D1)

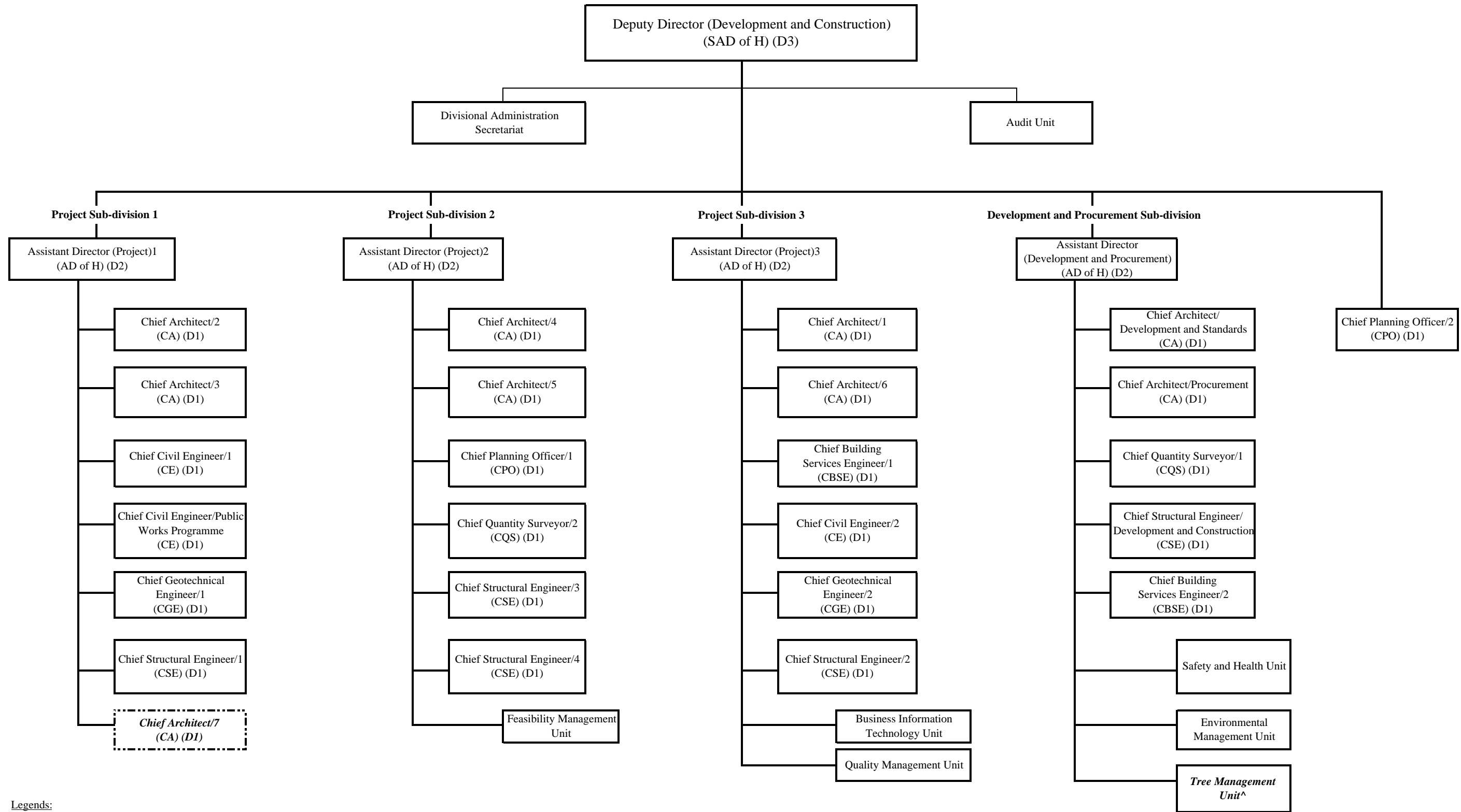
**Responsible to** : Assistant Director (Project)1/2/3

**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, to carry out feasibility studies and to prepare master layout plan, scheme design and detailed design on sites included in the Public Housing Construction Programme and Public Housing Development Forecast for all types of public housing developments including those for rental, sales and redevelopment;
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 specified requirements;
5. to assist in the formulation of departmental 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 government departments and bureaux on the implementation of public housing development and ancillary facilities, and to monitor the progress of works.

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## Proposed Organisation Chart of Development and Construction Division, Housing Department



**Legends:**

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

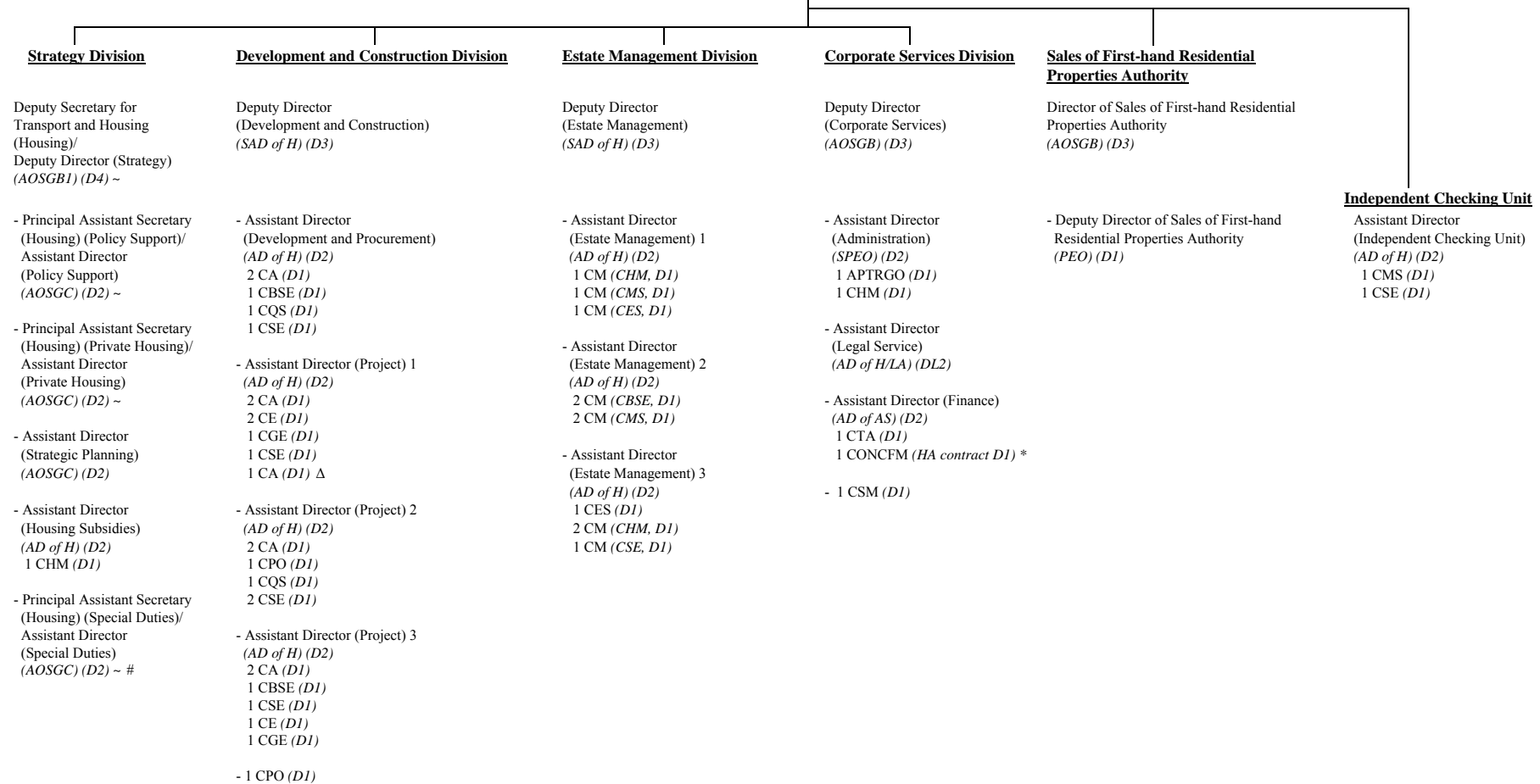
**Note:**

- Post proposed to be created
- ^ - From Project Sub-division 3 to Development and Procurement 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  
 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.  
 \* - HA contract post  
 # - Supernumerary post  
 Δ - Post proposed for creation