

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

### **Supernumerary Post of Chief Engineer/West Rail (D1) in the Highways Department**

#### **INTRODUCTION**

This paper informs Members of the planned deletion of the supernumerary post of Chief Engineer/West Rail (CE/WR) (D1) in the Highways Department on 1 May 2004. As set out in Finance Committee (FC) Paper FCR(2001-02)49 discussed on 21 December 2001, the continued need of the post will be under constant review and the post will be deleted once it is no longer required.

#### **BACKGROUND**

2. At the FC meeting on 21 December 2001, Members discussed the proposal for retention of the supernumerary post of CE/WR up to 31 December 2004 to head the West Rail Division in the Railway Development Office (RDO) of the Highways Department and to continue to oversee the West Rail (WR) project. At the meeting, we assured Members that we would closely review the progress of the WR work so that the CE/WR post would be retained only for the period during which there was an essential need for the post. We also assured Members that in any event we would not seek any further extension of the post beyond 31 December 2004 and the post would be deleted if it was no longer needed. We undertook to report to the Establishment Subcommittee our assessment on the continued need or otherwise of the CE/WR post around end 2003 when the WR was scheduled for commissioning. On this basis, the proposal of retaining the supernumerary post of CE/WR up to 31 December 2004 was approved by FC at the abovementioned meeting.

#### **SUPERNUMERARY POST TO BE DELETED**

3. The WR, under the construction and operation of the Kowloon-Canton Railway Corporation (KCRC), was opened on 20 December 2003. After the commissioning of the WR, we still have to continue to oversee and monitor the

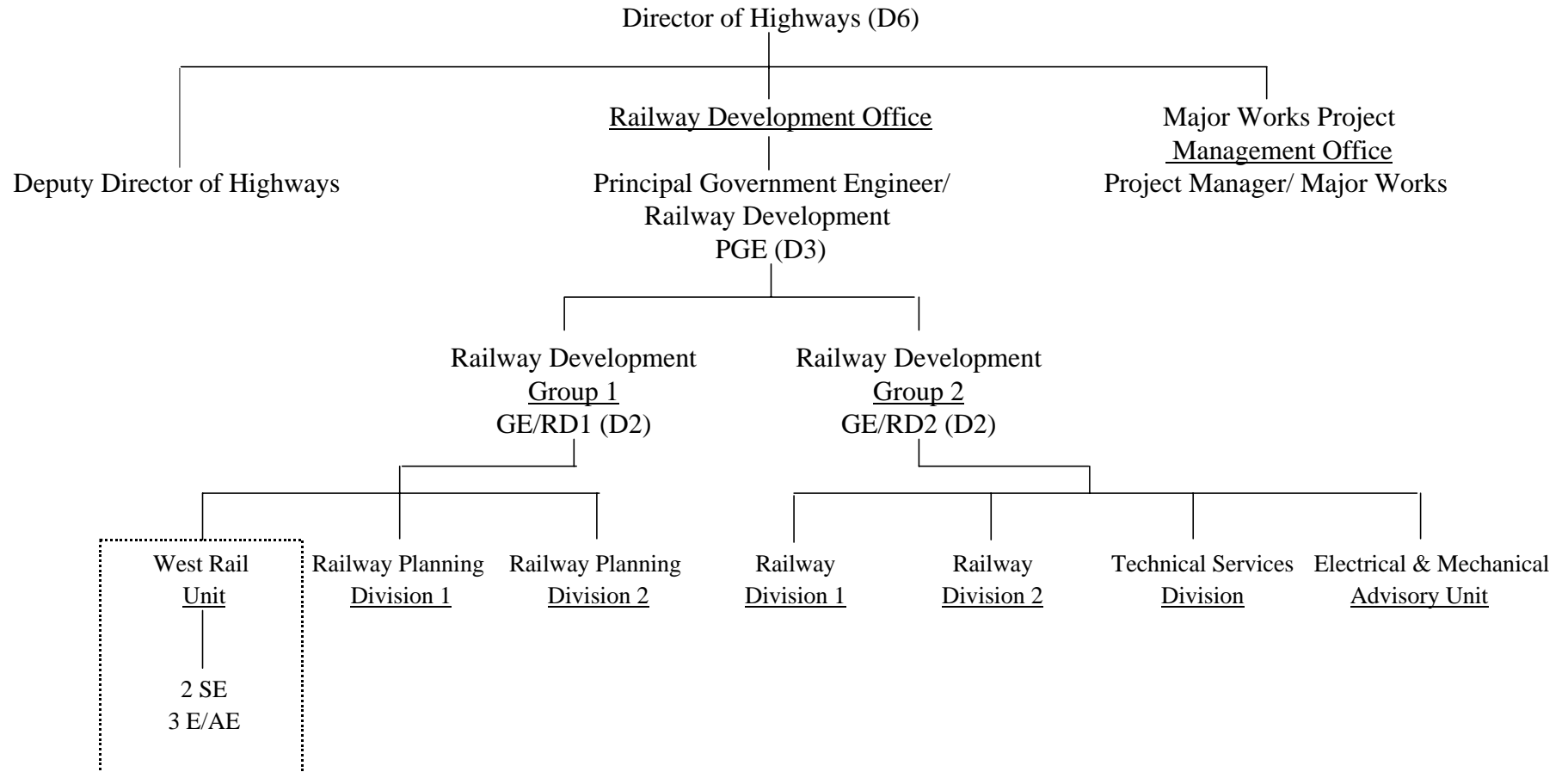
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programme and progress of the outstanding works of the WR project and the associated Essential Public Infrastructure Works (EPIW) within the one-year maintenance period. The RDO of the Highways Department will need to work with the KCRC and other government departments in resolving the outstanding issues on the terms, conditions and arrangements in respect of land vesting to the KCRC for operation purposes, maintenance and operation issues of works handed over by the KCRC to the Government, and finalising with the KCRC the project accounts for the EPIW, the latter of which has a total approved project estimates of \$3,332.6 million in money-of-the-day prices. This involves the settlement of cost apportioning issues, finalisation of measurements of necessary changes to the design as well as agreement on claims submitted by the contractors for the EPIW. During the construction of the EPIW, changes to the original design were necessitated due to changes in circumstances and requirements not envisaged at the detailed design stage. Costs required to cover works for the changes have to be agreed with the KCRC. As at mid December 2003, the outstanding costs of changes to the design submitted by the KCRC, which have yet to be settled, amounted to \$45.4 million.

4. The resolution of the outstanding land vesting, maintenance and operation issues is expected to be mostly completed during the initial stage of operation of the WR and the associated EPIW. It is in the interests of the KCRC and the Government to finalise the measurements, changes to the design and the contractors' claims for the EPIW as early as possible after completion of the construction works. It is estimated that within six months after the commissioning of the WR, most of the project accounts for the EPIW will have been agreed in principle with the KCRC. Given that most of the major outstanding issues would have been settled within about four months after the commissioning of the WR in end December 2003, the CE/WR post could be deleted on 1 May 2004. The current WR Division of the RDO could also be scaled down to form the WR Unit with an establishment of two Senior Engineers and three Engineers/Assistant Engineers (as compared with the existing establishment of four Senior Engineers and seven Engineers/Assistant Engineers) to continue to handle the outstanding maintenance and operation issues of the works during the maintenance period and to settle the final accounts of the EPIW with the KCRC. The Unit will report directly to the Government Engineer/Railway Development (1) (D2) in the RDO, who deals with the planning and implementation of railway projects, including inter alia, the West Rail, Penny's Bay Rail Link, Shatin to Central Link, Island Line Extensions and South Hong Kong Island Line. The proposed organisation chart of the RDO as at 1 May 2004 is at Enclosure.

Encl.

**Proposed Organisation Chart of Railway Development Office, Highways Department  
(as at 1 May 2004)**



**Legend**

PGE - Principal Government Engineer  
 GE - Government Engineer  
 SE - Senior Engineer  
 E/AE - Engineer/Assistant Engineer

  Unit to handle the outstanding works  
of the West Rail project