

ITEM FOR ESTABLISHMENT SUBCOMMITTEE OF FINANCE COMMITTEE

HEAD 186 – TRANSPORT DEPARTMENT Subhead 000 Operational expenses

Members are invited to recommend to Finance Committee the creation of the following permanent post in the Bus and Railway Branch of the Transport Department –

1 Principal Transport Officer
(D1) (\$97,840 - \$106,925)

PROBLEM

The existing establishment at the directorate level of the Railway Monitoring Division (RD) of the Bus and Railway Branch (BRB) in the Transport Department (TD) needs to be strengthened to enhance its planning function and monitoring capability in respect of existing and new railway services, and to enhance its capability in public transport planning to cope with the increasing complexity of inter-modal coordination.

PROPOSAL

2. We propose to create one permanent post of Principal Transport Officer (PTO) (D1) in BRB of TD.

/JUSTIFICATION

JUSTIFICATION

3. BRB is responsible for the policy, planning, development, regulation and monitoring of franchised bus, tram and non-franchised bus (NFB) services; planning of public transport interchanges and public transport for new developments; planning of service aspects of new railways as well as regulation and monitoring of railway services. Headed by the Assistant Commissioner/Bus and Railway (AC/BR), BRB comprises two teams, namely the Bus Development Division (BD) and RD. The two divisions are each headed by a PTO (D1), designated as PTO/BR1 and PTO/BR2 respectively. The current setup of the BRB is shown in the organisation chart of TD at Enclosure 1.

Encl. 1

Increased Workload of PTO/BR2 of RD

4. RD was set up in 2001 in response to the privatisation of MTR Corporation Limited (MTRCL) and charged with the responsibilities of handling public transport planning and coordination work associated with the commissioning of new railways and monitoring railway services. PTO/BR2, who leads the RD, has to handle a range of complex duties. These include the planning of new railways (both committed and uncommitted); looking after the service readiness of committed railway projects, setting service performance targets for new railways before their commissioning, regulating and monitoring the service performance and other service-related operational aspects of railways in accordance with the requirements of the amended Mass Transit Railway Ordinance and the Operating Agreement, including incident management, contingency transport planning, fare promotional arrangements, and corporate governance and management issues of the MTRCL. Apart from railway services, he also monitors the operations and fare adjustment arrangements of the three minor franchised bus networks, oversees the regulation and development of the tram services, coordination of transport-related environmental measures within TD, and provision of new and upgrading of the environment of public transport interchanges.

5. Over the years, the railway duties under PTO/BR2's portfolio have increased in quantity and complexity. The implementation of projects recommended in the Railway Development Strategy 2000 (RDS-2) has resulted in the completion of a large number of new railways^{Note}, and hence the increased relative importance of railway services, both in terms of patronage and its role in the public transport market. The number of railway lines has more than doubled

/since

^{Note} New railways completed in recent years include the Tseung Kwan O Line (2002), West Rail Line (2003), East Rail Line Extension to East Tsim Sha Tsui (2004), Ma On Shan Line (2004), Disneyland Resort Line (2005), Lok Ma Chau Spur Line (2007), Tseung Kwan O Extension (2009) and Kowloon Southern Link (2009).

since 2001 and the market share of railway has increased from 29% in end 2001 to 35% in end 2009. The merging of MTRCL and Kowloon Canton Railway Corporation (KCRC) systems since December 2007 has also made the monitoring work of RD more complicated and demanding. The anticipated commissioning of new railway projects in the next decade such as the Guangzhou-Shenzhen-Hong Kong Express Rail Link, Shatin to Central Link, West Island Line, Kwun Tong Line Extension, the South Island Line (East), etc., which entails substantial planning work, has posed increased demand on PTO/BR2. Other than the above committed projects, there are other railway projects under planning as stated in RDS-2, such as the Northern Link, the North Hong Kong Island Line, the South Island Line (West), etc., which will be studied further in future in the light of the economic and population development. As PTO/BR2 is also responsible for regulating and monitoring new railway services upon their commissioning, including complex regulatory work associated with the cross-boundary railway links, his workload would become heavier on a long-term basis.

6. In addition to medium capacity regional lines, the new railway projects to be developed in the next ten years include also strategic railway lines running through multiple districts from the New Territories to the Hong Kong Island and cross-boundary services connecting Hong Kong with the High Speed Railway network in the Mainland. Other than planning and regulating the rail systems, PTO/BR2 also needs to ensure that the travelling public are well served by different public transport modes and that the different modes of transport are viable and sustainable. The increased complexity of the railway network, its enhanced role in the overall transport service, its delicate relationship with other transport modes and political sensitivity associated with different needs and interests at both the district and community levels have created a workload so large that it becomes impossible for PTO/BR2 to cope with the work demands. An additional PTO is therefore needed to share out the heavy workload of the existing PTO post of the RD in strategic planning, problem solving, balancing needs and interests of different districts and modes of transport and conducting consultation with district leaders and senior management of various transport operators. Detailed justifications are set out in the following paragraphs.

Public transport inputs to planning of new railways

7. To facilitate informed decision on the railway planning process, PTO/BR2 is required to provide detailed assessment on the impact of the new railway projects on other non-rail public transport modes during different stages of planning and to study the ways of inter-modal coordination to better serve the travelling public and optimise the use of the new railways as follows –

/(a)

- (a) At the very early stage of planning of a new railway, he is responsible for providing professional input to facilitate assessment on the cost-effectiveness and viability of the proposed new railway, evaluation of options for alignments of the new railway, forecast of ridership, the need for associated transport infrastructure improvements, and the scope for better coordination of the different public transport modes.
- (b) When a new railway project is committed, he is required to conduct preliminary assessment to ascertain the impact of the new railway on the existing non-rail transport services, and the extent of re-organisation of the non-rail public transport modes required to tie in with the opening of the new railway. The assessment findings will provide information to the public during consultation on the design of the new rail line and the scale of service change on the non-rail transport services to enable them to offer comments in a more informed manner. The patronage forecasts and the transport plans have to be regularly updated and validated taking account of the latest socio-economic, traffic and transport data, for the Government to review the rail project from time to time. Further, PTO/BR2 is also responsible for drawing up the public transport interchange requirements as well as railway station design from passenger/customer perspective to ensure that the future system/facilities will be user friendly.
- (c) During the railway construction stage, PTO/BR2 conducts studies with the assistance of transport modeling to develop detailed service re-organisation proposals of the non-rail public transport modes. After the initial proposals have been formulated, he would consult the relevant public transport operators and reach initial agreement with them on the re-organisation framework for detailed consultation with the public.

8. PTO/BR2 is heavily involved in steering the studies carried out at the three different stages, monitoring the progress and tackling issues in a timely manner to ensure the study results are appropriate and available in time to assist in the decision making process and provide necessary output for consultation and agreement with relevant parties. He has to negotiate with the relevant public transport operators to reach agreement on the re-organisation proposals and to consider measures that would facilitate the smooth implementation of the proposals. With the upcoming new railway projects, the number of the studies to be carried out will inevitably increase. We need to have sufficient manpower at PTO level to cope with the increasing demand for public transport inputs for their planning.

/Consultation

Consultation on Inter-modal Coordination and Public Transport Service Re-organisation Plan

9. Other than featuring significantly throughout different stages of railway planning, inter-modal coordination and non-rail public transport re-organisation pose on-going challenges to TD even upon operation of a new railway. Following completion of the new railway lines in recent years, the public transport market has become highly competitive. The task of maintaining a balance between different transport modes to achieve healthy competition and coordination is becoming increasingly complex. PTO/BR2 needs to handle this delicate task with extra effort to address the concerns of various road-based transport trades, and to work out measures with them to maintain service viability. This includes service rationalisation, introduction of feeder services, redeployment of surplus resources to areas of new demand, provision of new interchange concessions, etc.

10. When a new railway is ready for operation, PTO/BR2 would consult the Legislative Council, the Transport Advisory Committee, relevant District Councils and local organisations on the proposed public transport service re-organisation plan. With the feedback received, the proposals have to be adjusted and refined as appropriate for further consultation before finalising the re-organisation plans. For new development areas, road transport services provided pending the completion of a new railway have to be rationalised after the new railway is commissioned. Inter-modal coordination after the new railway has been commissioned is a complex task involving changes to existing service operation and viability, and travelling pattern. Extensive consultation with the affected transport trades and the travelling public is required throughout the process.

11. With more major railways under planning and construction, detailed planning and monitoring of the non-rail services are needed to ensure that adequate public transport services will be provided to the public while maintaining viable and sustainable transport development. The volume of work thus created has increased and is expected to further increase. In the course of planning the non-rail services, the interests of rail and non-rail passengers as well as those of transport operators and their employees have to be carefully balanced. The responsible officer is required to develop an appropriate consultation strategy, resolve possible conflicts, and work out reasonable solutions to balance the needs of all affected parties. Stakeholders whom he has to communicate with include district leaders, political groups and senior management of bus and railway companies as well as other public transport operators.

/Facilitating

Facilitating Implementation of Committed Rail Projects

12. During the railway construction stage, PTO/BR2 needs to plan and manage traffic and transport diversions to facilitate construction works in close liaison with relevant works departments and public transport operators. Prior to the commissioning of a new rail line, he assists AC/BR to convene a Service Readiness Task Group to ensure that the railway services are ready for operation. He has to monitor the satisfactory completion of all works, including station facilities, fare collection system, etc. and non-works matters such as staff recruitment and training. He also has to monitor and evaluate train performance during trial operations before recommending its service commissioning, provide guidance and steer on contingency transport planning, and agree with the rail operator on performance targets which will form the basis for future monitoring and evaluation.

Regulation and Monitoring of Rail Services

13. Following the implementation of the rail merger of MTRCL and KCRC in December 2007, PTO/BR2's workload in regulating and monitoring railway service performance has increased due to tightened notification and reporting requirements on incident handling, more stringent requirements on corporate governance, additional requirements in customer service, passenger environment, ticketing systems, etc. Specific examples of additional duties arising from enhanced regulation and monitoring include –

- (a) increased inspections to facilitate discussion with MTRCL for service improvements including the provision of more fare savers and suggestions on potential bus-rail interchange schemes;
- (b) regular review and fine-tuning of contingency plans to improve the incident handling capability of MTRCL;
- (c) monitoring of whether MTRCL achieves performance requirements, in particular those relating to changes in the Light Rail Transit and feeder bus network; and
- (d) monitoring of management and internal control system issues of MTRCL for enhanced corporate governance.

14. PTO/BR2's workload on monitoring of rail service has also increased tremendously with the recent completion of a large number of new rail lines and the significant increase of rail service in market share as the largest public transport carrier in Hong Kong. In particular, he has to closely monitor the performance of the newly completed lines to ensure that they run smoothly as planned and meet the requirements. He also needs to closely monitor the services provided by other

modes of transport to ensure that they are well coordinated to serve the travelling public in the areas served by the new rail lines as well as the impact of the new rail lines on such modes of services. Appropriate adjustments to road-based public transport service rationalisation and re-organisation plans have to be made in the light of actual developments and needs of the travelling public.

15. To meet the increasing public aspirations for enhanced monitoring of the performance of railway services, PTO/BR2 has to strengthen his monitoring and regulatory functions which necessitate closer liaison with the senior management of transport operators and district leaders. In addition, there is a need to engage the public on ways to enhance the role of railway monitoring and explore ways to improve the service. This will be an on-going process. When there is a plan to introduce new services, or there is a change in the services, RD has to start early dialogue with the public so that their views can be carefully considered and taken into account when formulating the various initiatives. The increasing volume of rail duties on both planning and monitoring fronts as set out above has rendered it necessary to have an additional PTO post to provide more manpower resources at a sufficiently senior level in these areas such that TD can effectively fulfil its role as a regulator of the railway operation.

Public Transport Studies

16. PTO/BR2 has been tasked to provide planning input from public transport perspectives to major transport studies as well as major district/area planning projects which require advance planning to facilitate their commissioning. Work in these respects has been increasing in terms of both volume and complexity.

17. Public transport inputs are required at various stages of major district/area planning projects, including operational and management planning, legislative amendments as well as the provision of public transport interchanges, bus servicing sites and depots, and other related facilities. For example, in response to the increasing environmental concerns, a number of new planning projects, such as the Kai Tak Development, the West Kowloon Cultural District, and the North-east New Territories New Development Areas, have called for input on the feasibility study of introducing environmental friendly transport modes, assessing its impact on existing public transport services, the future regulatory regime, etc. As the findings of these feasibility studies would have significant and long-term implications for Hong Kong's public transport system, it is imperative that more focused attention is devoted to these important public transport planning tasks. With the present workload on other fronts, PTO/BR2 simply cannot afford this level of attention for these tasks. Reinforcement is therefore required to provide necessary steer for these new planning projects.

/Need

Need for an Additional Permanent PTO Post

18. The increase in volume and complexity of rail-related work as well as public transport studies as mentioned above is beyond the capacity of PTO/BR2. We consider it necessary to create an additional PTO post within BRB to share out the rail monitoring and planning duties and to give proper attention to public transport studies, which have serious impact on the community. Specifically, the incumbent will take up duties relating to the committed new railway projects, looking after the planning, design, construction and service readiness stages; inter-modal coordination planning, consultation and implementation duties; planning of other non-committed rail projects; public transport planning for New Development Areas; public transport studies; as well as study and assessment of new transport modes. With the anticipated commissioning of the new railway lines in stages as mentioned in paragraph 5 above, the monitoring work will increase substantially and there will be a need for the new PTO post to share out the heavy workload in order to maintain adequate attention and vigilance on monitoring rail services, in particular those relating to the new railway projects commissioned after 2014. The job description of the proposed PTO post is at Enclosure 2.

Encl. 2

19. We have critically considered the possibility of creating a time-limited, rather than permanent, PTO post instead. In view of railway's indispensable role in the sustainable development of Hong Kong's economy and its increasingly important role in public transport, there is a need to keep the planning of new railway projects as well as the sustainable development in the public transport system under periodic review in order to cope with the change in travel pattern arising from economic, social and land developments as well as the increase in population. Such a continual review of railway as well as public transport system is an essential component in fulfilling the long-term need of the general public. On the other hand, the proposed PTO post has to provide input and assessment on proposed environmental friendly transport modes, in particular in areas such as the future regulatory regime, proposed legislative amendments, and impact of the new modes on other public transport modes and services, etc. in respect of new development areas. Apart from the above-mentioned tasks on long-term planning and periodic review, the daily operation of the newly commissioned railway projects will also be looked after. The proposed PTO post has to undertake the important permanent duties of regulating and monitoring the service of expanded rail network upon completion of the projects in the pipeline, to take up new regulatory and monitoring work of the environmental friendly transport modes serving the general travelling public in whatever form they would be and to observe the continued need to balance the interests of different public transport modes which are expected to be operating in a more competitive environment. In view of the sustained directorate input required, the creation of a supernumerary post on a time-limited basis would not be able to meet the operational needs.

Encls.
3 & 4

20. Upon creation of the proposed PTO post, the PTO/BR2 will remain responsible for the regulation and monitoring of the services of the existing and the new railway projects commissioned by 2014, non-rail duties such as the regulation and development of Hong Kong Tramways and the three minor franchised bus companies, and district transport planning matters for Lantau Island. Following the completion of the new railways in the long run, the regulatory and monitoring duties would be shared between the two PTOs to ensure adequate attention to rail services at the directorate level. The revised job descriptions of PTO/BR2 are set out at Enclosure 3. The proposed organisation chart of BRB is at Enclosure 4.

Alternatives Considered

21. We have critically examined the possibility of assigning the other four PTOs in TD to share out the work of the overloaded PTO/BR2 in RD but concluded that it is not feasible for the following reasons –

(a) Bus Development Division (BD)

The PTO in BD is fully committed to duties on policy matters of franchised and NFB, the planning, development and regulation of the services, financial performance and fare adjustments of the three major franchised bus companies, bus safety issues, as well as the management of the NFB trade.

(b) Management Services Division

The PTO in the Management Services Division is fully committed to duties in relation to the tendering of management contracts of transport infrastructure and facilities, looking after the changeover of contractors, the monitoring and operation of transport infrastructure and facilities, and overseeing emergency transport coordination and contingency transport planning.

(c) Regional Offices

The two PTOs in the regional offices, looking after Urban Region and New Territories Region respectively, are fully committed to their normal duties of monitoring public transport services, traffic administration, tackling illegal transport services, as well as planning and implementation of new transport facilities and services at boundary control points.

22. We have also explored the possibility of assigning the responsibilities to AC/BR and concluded that it is not feasible to do so. AC/BR is already fully committed to policy, strategic planning and regulation matters on franchised and NFB services, monitoring of railway services, studies on the impact of new railways on other public transport trades, as well as coordinating the various transport-related environmental initiatives.

23. In conclusion, there is neither spare capacity nor scope of reprioritisation/delegation available for the above four PTOs and AC/BR to absorb the additional workload arising from the increased planning and monitoring duties detailed above. As the work of RD will continue to expand, many of the issues are of concern to the community and would have serious impact on a significant portion of the population in Hong Kong, they require high-level attention and steering and cannot possibly be dealt with by non-directorate officers below the PTO level. An additional post at PTO level is therefore required to deal with the range of complex planning and monitoring duties of new railway projects and other public transport planning work.

FINANCIAL IMPLICATIONS

24. The additional notional annual salary cost at mid-point of the proposal is \$1,245,600. The full annual average staff cost of the proposal, including salaries and staff on-costs, is \$1,772,000. The proposal will not give rise to any increase in supporting staff in the BRB. We have included sufficient provision in the 2010-11 draft Estimates under Head 186 – TD to meet the cost of the proposal.

PUBLIC CONSULTATION

25. We consulted the Legislative Council Panel on Transport on 26 February 2010. Members generally recognised the growing complexities of workload of RD. Some Members have enquired whether the creation of a supernumerary post would be sufficient and suggested that the Transport and Housing Bureau should further strengthen the justifications for proposing the creation of a permanent post and enrich the job descriptions of the two PTO posts in RD with a view to clearly delineating the respective responsibilities of the PTO/BR2 post and the proposed post when submitting the staffing proposal to the Establishment Subcommittee. The Administration's response, with additional justifications, has been incorporated into this paper.

/ESTABLISHMENT

ESTABLISHMENT CHANGES

26. The establishment changes in the TD for the last two years are as follows –

Establishment (Note)	Number of posts		
	Existing (as at 1 April 2010)	As at 1 April 2009	As at 1 April 2008
A	26 #	26	26 + (1)
B	285	290	276
C	956	947	928
Total	1 267	1 263	1 230+ (1)

Note:

- A – ranks in the directorate pay scale or equivalent
- B – non-directorate ranks the maximum pay point of which is above MPS Point 33 or equivalent
- C – non-directorate ranks the maximum pay point of which is at or below MPS Point 33 or equivalent and Model Scale I
- () – number of supernumerary directorate posts
- # – as at 1 April 2010, there is no unfilled directorate post in TD.

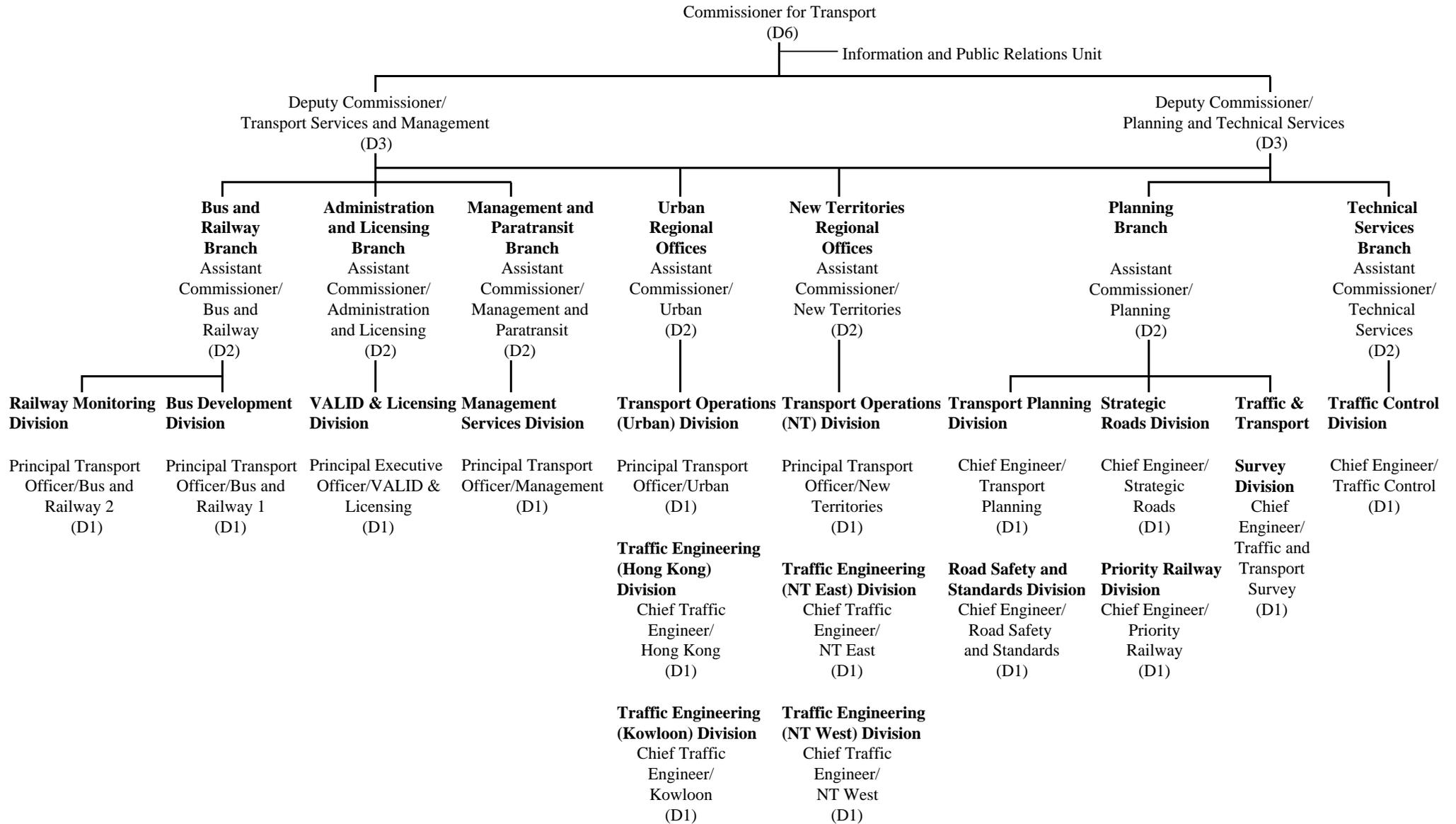
CIVIL SERVICE BUREAU COMMENTS

27. The Civil Service Bureau supports the proposed creation of a permanent PTO post in BRB of TD to enhance its directorate input in the planning and monitoring of railway services and public transport planning. The grading and ranking of the proposed post are appropriate having regard to the level and scope of the responsibilities and professional input required.

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

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

Existing Organisation Chart of Transport Department



**Proposed Job Description for
Principal Transport Officer/ Railway Planning
and Service Monitoring**

Rank : Principal Transport Officer (D1)

Responsible to : Assistant Commissioner for Transport/Bus and
Railway (D2)

Main Duties and Responsibilities –

Railway Planning Duties

1. To revalidate and update public transport planning input and public transport re-organisation plans in relation to existing railways on a regular basis to facilitate the evaluation of new railway projects, including uncommitted railway projects with long-term development possibilities investigated in the Railway Development Strategy 2000.
2. In respect of committed railway projects under planning, to provide steer to the studies at different stages of the railway planning process, including provision of public transport planning inputs; setting up and maintaining public transport planning models to facilitate assessment of the impact of committed new projects on other public transport modes; to formulate re-organisation plans for relevant public transport modes for public consultation.
3. To deal with inter-modal co-ordination issues in relation to the commissioning of new railways, including the formulation of consultation strategy, liaison and negotiation with relevant District Councils and public transport operators to reach agreement on the re-organisation proposals, leading the consultations and formulating measures to facilitate the smooth implementation of the proposals.
4. To plan public transport interchange facilities in station development, and railway station design from passenger/customer perspective to ensure the future system/ facilities will be user friendly.
5. To vet, manage and implement traffic and public transport arrangements during the construction of new railways.
6. To evaluate and confirm the service readiness of new railways before their commissioning for passenger operation.

/Railway

Railway Monitoring and Regulation Duties

7. To undertake regulation and monitoring works of new railways projects upon their completion, including –
 - (i) to regulate and monitor the railway services commissioned after 2014, according to the requirements of the amended Mass Transit Railway Ordinance and the Operating Agreement;
 - (ii) to monitor the incident handling by the MTR Corporation Limited (MTRCL), to review and update the rail incident handling procedures and rail service contingency transport plans; and
 - (iii) to examine promotional arrangements proposed for MTRCL service and interchange concessions with other public transport modes, etc.

Public Transport Planning Duties

8. To provide public transport planning input to major development projects, district planning studies, and transport studies.
9. To provide input and assessment on proposed environmental friendly transport modes, in particular in areas such as the future regulatory regime, proposed legislative amendments, impact of the proposed new modes on other public transport modes and services, etc. in respect of new development areas.

**Revised Job Description for
Principal Transport Officer/ Bus and Railway 2**

Rank : Principal Transport Officer (D1)

Responsible to : Assistant Commissioner for Transport/Bus and
Railway (D2)

Main Duties and Responsibilities –

Railway Operations

1. To undertake regulation and monitoring works of existing and newly completed railways, including –
 - (i) to regulate and monitor existing railway services and the new railway projects commissioned by 2014, according to the requirements of the amended Mass Transit Railway Ordinance and the Operating Agreement;
 - (ii) to monitor the incident handling by MTR Corporation Limited (MTRCL), to review and update the rail incident handling procedures and rail service contingency transport plans; and
 - (iii) to examine the proposals of MTRCL under its Fare Adjustment Mechanism, and to assess its impact on existing passengers as well as on other public transport modes.
2. To conduct annual review on the service performance of MTRCL, negotiate and agree the performance requirements and standards for subsequent years.

Non-railway Planning

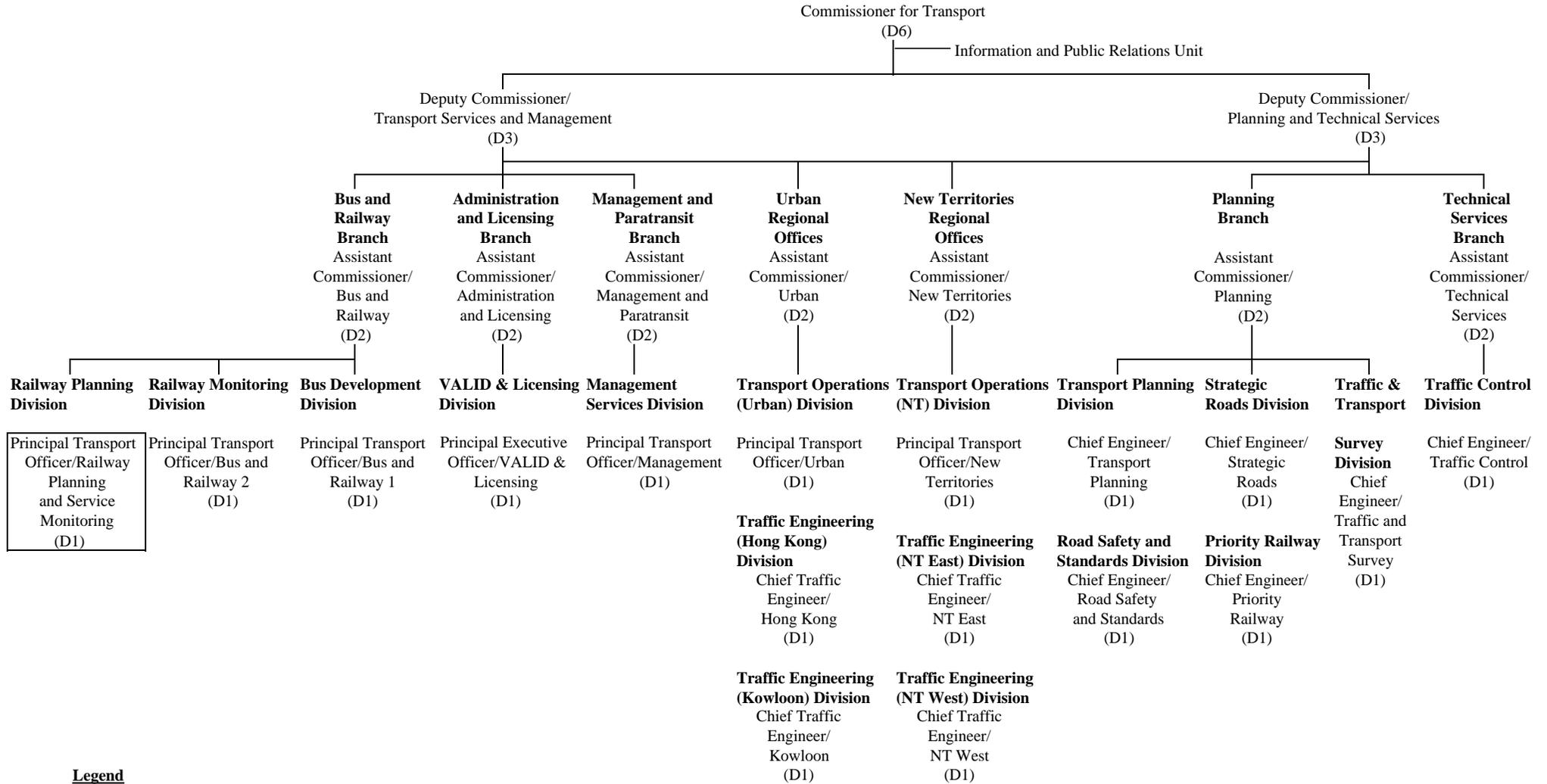
3. To regulate and develop the services provided by the Hong Kong Tramways including financial management issues.
4. To oversee all public transport planning issues on Lantau Island, including the Airport and Tung Chung New Town.

5. To regulate, develop, and monitor the operation of franchised bus services provided by Long Win, Citybus (Airport Network), and New Lantao bus companies.
6. To implement the Fare Adjustment Arrangements endorsed by ExCo in early 2006 for the franchised bus networks serving Lantau and the Airport.

Environment

7. To review and develop planning and management guidelines for public transport interchanges with a view to achieving overall cost efficiency in the provision of such infrastructure.
 8. To improve the physical environment of existing and planned public transport interchanges to enhance their attractiveness to passengers.
 9. To coordinate transport-related environmental measures within the Transport Department.
-

Proposed Organisation Chart of Transport Department



Legend



Proposed Principal Transport Officer post to be created