

**For Discussion on
17 March 2010**

Legislative Council Panel on Home Affairs

**Staffing Proposal Relating to
the West Kowloon Cultural District Project**

PURPOSE

This paper seeks Members' views on the Administration's proposal to create two supernumerary directorate posts relating to the West Kowloon Cultural District (WKCD) project in Home Affairs Bureau (HAB) on a time-limited basis from 1 July 2010 to 31 March 2015.

PROPOSAL

2. We propose to create the following two supernumerary directorate posts relating to the WKCD project in HAB from 1 July 2010 to 31 March 2015:

- (a) one Principal Government Engineer (PGE) (D3) post; and
- (b) one Administrative Officer Staff Grade C (AOSGC) (D2) post.

JUSTIFICATIONS

3. The WKCD project is the Government's major strategic investment in the long-term development of culture and the arts for the future of Hong Kong and is one of the Ten Major Infrastructure Projects¹.

¹ Ten major infrastructure projects include: (1) South Island Line (East); (2) Shatin to Central Link; (3) Tuen Mun-Chek Lap Kok Link and Tuen Mun Western Bypass; (4) Hong Kong Section of the Guangzhou-Shenzhen- Hong Kong Express Rail Link; (5) Hong Kong-Zhuhai -Macao Bridge; (6) Hong Kong-Shenzhen Airport Co-operation; (7) Hong Kong-Shenzhen Joint Development of the Lok Ma Chau Loop; (8) West Kowloon Cultural District; (9) Kai Tak Development; and (10) New Development Areas.

The objective is to develop an integrated arts and cultural district with world-class arts and cultural facilities, distinguished talents, iconic architectures, and quality programmes with a must-visit appeal, which is capable of making Hong Kong an international cultural metropolis. The WKCD also seeks to be a strong driving force to foster the growth and development of cultural and creative industries in Hong Kong. The West Kowloon Cultural District Authority Ordinance was enacted in July 2008 to establish the WKCD Authority (WKCDA) to spearhead the development of the project. The Finance Committee (FC) of the LegCo approved in July 2008 the granting of an upfront endowment of \$21.6 billion to the WKCD Authority to cover the capital costs of the project. A list of the facilities to be built in the WKCD is at **Annex 1**.

4. The Administration obtained the LegCo Establishment Subcommittee's and FC's approval in May and June 2008 respectively to create three supernumerary directorate posts for the WKCD Office in HAB, namely, one Administrative Officer Staff Grade B (D3), one AOSGC (D2) and one Chief Treasury Accountant (D1) for a period of two years from 1 July 2008 to support the operation of the WKCDA in its initial years of establishment. As mentioned in the concerned Establishment Subcommittee paper, the WKCD Office has taken up the responsibility of establishing the WKCDA and providing administrative and secretariat support during its initial years of establishment; taking charge of the financial management for the WKCD project; conducting recruitment exercises for the WKCDA; laying the ground work for the preparation of Conceptual Plans and Development Plan (DP) for the WKCD through conducting the Stage 1 Public Engagement (PE) exercise; and handling all issues relating to the collaborations between the Government and the WKCDA.

5. We anticipate that the senior management of WKCDA will be in place before mid-2010 to take charge of the project delivery, financial management, human resources, marketing and communications, legal services, performing arts and museum policy for the WKCD. There should be no further need for HAB to provide administrative and secretariat support to the WKCDA and thus the existing WKCD Office in HAB could be disbanded by end June 2010. On the other hand, starting from July this year, the WKCD project will enter into an intensive planning, design and

construction stage during which the detailed planning and design of WKCD, construction of core arts and cultural facilities (CACF), infrastructural works within and in the vicinity of WKCD will take place. The WKCDA will also be in full swing in developing its programmes, formulate policies for operation of CACF, intensify recruitment drives and implement mode of governance for CACF.

6. While the WKCDA will discharge its duties under the WKCDA Ordinance (Cap. 601) to plan, construct and operate the facilities in the WKCD, SHA has the ultimate responsibility to ensure the timely implementation of all the capital works projects and proper expenditure of the \$21.6 billion upfront endowment. The two proposed directorate posts will play a key role in helping SHA to oversee the progress of the WKCD project, monitor its implementation and provide essential inputs at a senior level to ensure effective liaison and coordination among the WKCDA, Government bureaux/departments and other parties to facilitate smooth commissioning of the WKCD starting from 2015.

Project Manager(HAB)

7. The WKCD project involves the master planning of a 40-hectare waterfront site, with arts and cultural facilities, open space, residential, office, hotel, retail, dining, entertainment and infrastructure facilities, which is comparable to the planning of a small new town. In most cases, the master planning of such a large and prominent site would be undertaken by the Government. However, in the case of the WKCD project, the master planning of such a significant and complex project is undertaken by a statutory body – the WKCDA - whose senior management is newly recruited. It is important for the Government to work in close partnership with the WKCDA so as to provide timely advice and initiate actions when necessary for ensuring the WKCDA will achieve the objective of creating a world-class integrated arts and cultural district.

8. In accordance with the WKCDA Ordinance, the WKCDA shall consult the public and the Secretary for Home Affairs (SHA) in preparing the DP for the WKCD. The proposed PGE, designated as Project Manager(HAB), will provide advice and technical support to HAB to

monitor the progress of preparation of the DP and the planning, design and construction of CACF to ensure that the WKCDA will complete the project with world-class standard, on schedule and within budget.

Preparation of Conceptual Plan Options

9. The WKCDA will conduct the Stage 2 PE exercise in summer 2010 to engage members of the public and stakeholders on the three Conceptual Plan Options prepared by the Conceptual Plan Consultants appointed by the WKCDA, including which option is the one most acceptable to the public and can serve as the foundation of the DP, and the preliminary Schedules of Accommodation (SoA) for CACF. Project Manager(HAB), who will be assisted by one senior architect and one senior engineer, will represent HAB in overseeing the public engagement process to ensure that the Stage 2 PE will be conducted in a transparent and open manner. Project Manager(HAB) will also oversee whether public views have been taken into account in the selection of the preferred Conceptual Plan Option by the WKCDA and will monitor its subsequent modifications so as to ensure that features of the other two Conceptual Plan Options preferred by the public and the stakeholders including the arts and cultural and other relevant sectors are incorporated.

Preparation of Development Plan

10. After the Stage 2 PE exercise, Project Manager(HAB) will monitor the project's progress from a conceptual scheme to reality. Starting from 2011, the WKCDA will develop a detailed DP for the WKCD and detailed SoA for the CACF. The DP is underpinned by various detailed technical and engineering assessments, including studies on sustainability, traffic and transport, highway infrastructure, environment, air ventilation, marine, drainage and sewerage, water supply and utilities. The Project Consultant of the WKCDA will conduct the abovementioned technical and engineering assessments as well as detailed financial and marketing assessments for the DP. The public and stakeholders's views will be sought on the detailed DP and the detailed SoA in the Stage 3 PE which is tentatively scheduled for 2011 before the DP is submitted to the Town Planning Board (TPB) for consideration.

11. Project Manager(HAB) will act as a focal point of interaction between the WKCDA and the relevant Government bureaux/ departments, which will provide technical advice to the TPB in considering the detailed DP, and for effective communication so as to ensure the technical aspects of the DP are in order and comply with all the statutory requirements for timely submission to the TPB by end 2011.

12. Once the DP is considered by the TPB to be suitable for publication under the Town Planning Ordinance, the WKCDA will organize design competitions for the iconic buildings in WKCD, which will be followed by several years of construction works. Project Manager(HAB) will monitor the progress of the design competitions, the procurement process, and the construction works to ensure WKCDA will comply with all the planning, building and design parameters in a timely and cost-effective manner.

13. Under the WKCDA Ordinance, WKCDA shall manage its finances (including resources) with due care and diligence and ensure the financial sustainability of the operation and management of arts and cultural facilities, related facilities and ancillary facilities. The Project Manager(HAB) will be responsible for overseeing WKCDA's spending according to the scope of FC's approved upfront endowment. In this regard, the Administration will seek the LegCo's approval in due course to create a Chief Treasury Accountant post (D1) in HAB to support the Project Manager(HAB).

Infrastructure Works and Communal Facilities within WKCD

14. As foreshadowed in the Public Works Subcommittee (PWSC) paper submitted to the PWSC in June 2008 regarding the upfront endowment to the WKCDA for the WKCD project, the Government will undertake communal and government facilities and related engineering works, such as road works, drainage and sewerage works, waterworks, fire station, public pier, etc., which are designed to support the whole WKCD (including residential, office and hotel developments) through separate funding under the Public Works Programme. While the actual planning, detailed design and construction of these communal and government facilities and their related engineering works are the responsibilities of existing Government departments, such as Civil Engineering and

Development Department, Drainage Services Department, etc., Project Manager(HAB) will spearhead the formulation of the overall development strategy and coordinate the work of the concerned Government departments in the planning, design and construction of these facilities to ensure that these infrastructure and communal facilities would be adequate to support the arts and cultural and other facilities, as well as residential, hotel and office facilities in the WKCD. As the majority of communal and government facilities to be provided in WKDC are inter-related, any delay in their completion would have major implications for the timely completion of WKCD facilities and should be avoided. Project Manager(HAB) will identify works departments and maintenance agents, prepare overall financial estimates and forecasts, vet the concerned technical studies and reports, provide policy support to obtain funding, monitor the expenditure and progress of public works within the WKCD site undertaken by Government departments to ensure they dovetail with the completion of Phase 1 WKCD facilities. To this end, Project Manager(HAB) will need to liaise closely with various Government departments, utilities companies and the WKCDA for timely execution of the strategies and procedures as formulated.

Interface with Infrastructure Projects in the Vicinity

15. Project Manager(HAB) will play a leading role in coordinating inputs from senior directorate officers in Government bureaux/ departments, the WKCDA and other concerned parties on all matters affecting the development of the WKCD, keeping them apprised of related problems, resolving differences and formulating workable action plans acceptable to all to tackle interface issues between the WKCD development and all infrastructural projects in the vicinity of the WKCD. The interface issues include traffic improvement works in the West Kowloon district to meet the traffic demand arising from the future development in the entire West Kowloon New Development Area including the WKCD; timely handover of Express Rail Link (XRL) temporary works area to the WKCDA to meet the very tight development schedule of the WKCD; and the possible impacts of the topside developments of XRL on WKCD as well as the mitigating measures needed to minimize such impacts.

16. The residential, office and hotel sites within the WKCD will be

disposed of by the Government for private development. Project Manager(HAB) will also liaise with the Lands Department and the WKCD to provide inputs in working out a land disposal and implementation arrangement for such sites so that the timing of private developments dovetails with the overall development schedule of WKCD and the building design of these private developments would be in harmony with the overall look of the WKCD development.

17. To effectively discharge the abovementioned important duties, it is essential that a sufficiently high ranking professional directorate staff ranked at PGE level is in place in HAB to oversee the overall progress of the WKCD project and to liaise with concerned Government bureaux/departments, the WKCD and relevant parties. Creation of the Project Manager(HAB) post will ensure dedicated support and steer at the appropriate directorate level in HAB to lead and oversee the coordination of implementation of construction projects within WKCD and its vicinity and implementation of government and communal facilities within the intended timeframe. Equipped with the necessary professional knowledge and practical experience accumulated from working on various development projects, Project Manager(HAB) should be able to exercise leadership, secure effective and direct access to his counterparts and effectively deal with all interface issues as required.

18. As mentioned in paragraph 9, the Project Manager(HAB) will be supported by one senior architect and one senior engineer. Starting from 2011, the WKCD project will enter into another stage when the WKCD's Project Consultant will conduct various detailed engineering and technical studies and detailed planning and design for the WKCD. The staffing support for Project Manager(HAB) will by then need to be strengthened for monitoring effectively the works carried out by the WKCD and undertaking the required coordination work. We aim to bid for additional manpower resources to support the work of Project Manager(HAB) from 2011 onwards.

Principal Assistant Secretary (WKCD)

19. The management of WKCD will be fully responsible and has the

autonomy to set its performing arts programmes and exhibitions programmes in the WKCD. In the light of the public interest in the WKCD project, there is a role for HAB, as the policy bureau overseeing arts and cultural policy, to monitor the work of the WKCDA to ensure that it could meet the community expectations in various aspects. These include, amongst others, its programme development, venue hiring policies, the venues' accessibility to the public, collaboration with the arts and cultural sector and other aspects of community engagement. A dedicated AOSGC post in HAB, designated as Principal Assistant Secretary (WKCD) (PAS(WKCD)) reporting to an existing Deputy Secretary in HAB (DSHA(3)) who oversees arts and cultural policy, is required to take up the abovementioned monitoring work.

20. Under the WKCDA Ordinance, the WKCDA is required to perform its functions in ways which aim to achieve a number of objectives, including, amongst others, to facilitate the long-term development of Hong Kong as an international arts and cultural metropolis; to enhance and promote excellence, creativity and diversity in arts and culture; to cultivate and nurture local talents in the arts; to promote and provide arts education to the local community; to facilitate and enhance cultural exchange and cooperation between the Mainland of China, Hong Kong and any other places; and to encourage community, commercial and corporate support and sponsorship of arts and culture. PAS(WKCD) will monitor WKCDA's performance so as to ensure that it is performing its roles to achieve the objectives as stated in the WKCDA Ordinance, in a transparent and accountable manner.

21. This AOSGC, supported by an Administrative Officer and a Senior Executive Officer, will also oversee the interface issues between the facilities in the WKCD with the 13 performing arts venues and 14 museums, the Hong Kong Film Archive and Hong Kong Visual Arts Centre currently managed by the Leisure and Cultural Services Department (LCSD). These include possible collaboration with LCSD in areas such as programme partnership, venue partnership/ resident company scheme, exchange of museum exhibits programmes, interflow and sharing of performing arts and museums expertise/ personnel, strategies to optimize usage of facilities and avoid unhealthy competition.

22. The WKCDA, as a newly established statutory body, will also develop new modes of governance for its CACF. PAS(WKCD) will maintain close liaison with the management of WKCDA to oversee the institutional set up and ensure that its modes of governance, while providing management flexibility, freedom in artistic direction and curatorial independence, are also transparent and accountable in its operations. On the other hand, performing arts and exhibition programmes for the venues in the WKCD require a long lead time (three to four years) of advance planning. PAS(WKCD) will monitor WKCDA's planning of performing arts programmes and exhibitions, acquisition of collection, recruitment and training of manpower and governance issues to ensure that they are done in a proper and responsible manner for the smooth commissioning of the WKCD starting from 2015.

23. As announced in the Budget 2010-11, the Government will allocate additional funding over the next five financial years for measures such as art programme development, audience building and enhancement of art education and manpower training. WKCDA will also organize different performing arts and museum related activities leading up to the commissioning of facilities starting from 2015 to promote the WKCD, to promote arts education and build up audience. There is a need for PAS(WKCD), reporting to DSHA(3), to coordinate efforts of the WKCDA and the Government for an overall coordinated approach in these areas of work.

24. The job descriptions of the PGE and AOSGC posts are at **Annexes 2 and 3** respectively.

ADDITIONAL NON-DIRECTORATE POSTS

25. A total of seven non-directorate posts will be created in HAB in accordance with the established mechanism, from 1 July 2010 to 31 March 2015, to provide support to the two proposed directorate posts. The Project Manager(HAB) will be supported by one Senior Architect, one Senior Engineer and one Personal Secretary I, while PAS(WKCD) will be supported by one Administrative Officer, one Senior Executive Officer, one Personal Secretary I and one Assistant Clerical Officer. The organizational

chart after the proposed creation of two supernumerary directorate posts in HAB is at **Annex 4**.

FINANCIAL IMPLICATIONS

26. The proposed creation of two supernumerary directorate posts will bring about an additional notional annual salary cost at mid-point of \$3,196,320 as follows:

	Notional annual salary cost at mid-point \$	No. of posts
Supernumerary posts		
PGE (D3)	1,716,840	1
AOSGC (D2)	1,479,480	1
Total	3,196,320	2

The additional full annual average staff cost, including salaries and staff on-cost is \$4,682,724.

27. The additional notional annual salary cost at mid-point for the seven non-directorate posts is \$4,135,440 and the full annual average staff cost, including salaries and staff on-cost, is \$5,788,848.

28. We have included sufficient provision in the 2010-11 draft Estimates to meet the cost of the proposed creation of the two supernumerary directorate posts and the seven non-directorate posts.

ALTERNATIVES CONSIDERED

29. We have critically examined the possible redeployment of existing directorate officer within the works departments to take up the tasks of the proposed Project Manager(HAB). The works departments are undertaking a large number of infrastructure projects, including nine of the Ten Major Infrastructure Projects. This is evidenced by the increasing forecast capital expenditures in the coming financial years as depicted in the 2010-11 Budget. It will not be possible for the existing PGEs in works departments to take on the abovementioned extra duties of the proposed Project Manager(HAB) without compromising the delivery and quality of other

infrastructure projects.

30. As mentioned in paragraph 19, PAS(WKCD) will report to DSHA(3) who oversees the arts and cultural policy in HAB. At the Deputy Secretary level, the work arising from the cultural interface and housekeeping matters of the WKCD project will be absorbed by DSHA(3). DSHA(3) is currently supported by two AOSGCs who are responsible for a wide range of subject areas, including policies on museums and visual arts; library policies; planning of LCSD's cultural and performance facilities; the funding and development of the performing arts groups; overseeing the Hong Kong Arts Development Council and the Hong Kong Academy for Performing Arts; the development of Cantonese Opera; the protection of intangible cultural heritage; promotion of cultural exchange and arts in the community; managing the Arts Development Fund and housekeeping LCSD. The Culture Branch is also taking forward a number of initiatives on different fronts to strengthen the cultural software as announced in the Budget 2010-11. The Cultural Branch is fully occupied with their existing workload and it is operationally not viable for any of the two AOSGCs in the Culture Branch to take up the duties of the proposed PAS(WKCD) without compromising the effective delivery of their current duties. A dedicated AOSGC under DSHA(3) is needed to provide focused policy steer and strong collaboration between different parties to prepare for the smooth opening of WKCD starting from 2015.

WAY FORWARD

31. We plan to submit the proposal of the creation of two supernumerary directorate posts relating to the WKCD project to the Establishment Subcommittee of the Finance Committee for consideration on 28 April 2010.

Home Affairs Bureau
March 2010

**List of Arts and Cultural Facilities to be built
in the West Kowloon Cultural District**

1. Museum and Exhibition Centre

- 1.1 M+
- 1.2 Exhibition Centre

2. Performing Arts Facilities

- 2.1 Mega Performance Venue
- 2.2 Two Great Theatres
- 2.3 Concert Hall
- 2.4 Chamber Music Hall
- 2.5 Xiqu Centre (performance venue and small theatre)
- 2.6 Four Medium-sized Theatres
- 2.7 Four Black Box Theatres
- 2.8 Piazzas

3. Other Arts and Cultural Uses

- 3.1 Accommodation space for conferences/events etc., offices and ancillary facilities for arts and cultural organizations/groups, arts and cultural information centre, as well as WKCD Authority office

4. Transport Facilities

- 4.1 Automated People Mover
- 4.2 Car parks

5. Communal Facilities

- 5.1 Public Open Space

6. Retail / Dining / Entertainment Facilities

Note:

- The government will undertake other transport facilities (road works, pedestrian connections and public pier), communal facilities (fire station, police post, refuse collection point and public toilets) and engineering works in the WKCD site through Public Works Programme
- In addition to the above facilities, there will be residential, office and hotel developments in the WKCD.

Job Description
Project Manager
(Home Affairs Bureau)

Rank: Principal Government Engineer (D3)

Responsible to: Permanent Secretary for Home Affairs

Main Duties and Responsibilities -

- (i) To assist the Secretary for Home Affairs in overseeing the progress of the West Kowloon Cultural District (WKCD) project; initiate actions and provide guidance when necessary to ensure the project would meet the target completion date and be completed within budget.
- (ii) To oversee WKCDA's preparation of the Development Plan, including taking into account public views.
- (iii) To spearhead the coordination among Government bureaux/ departments to provide feedbacks and scrutinize associated impact assessments to facilitate WKCDA's submission of the Development Plan to the Town Planning Board.
- (iv) To monitor the progress of the design competitions, the procurement process, and the construction works conducted by the WKCDA so that they are in compliance with the planning, building and design parameters and that WKCDA's spending is in line with the scope of the Finance Committee's approval of the upfront endowment.
- (v) To formulate overall development strategy for the infrastructure public works to be undertaken by the Government within the WKCD site; monitor the expenditures of these works and oversee their timely completion.
- (vi) To maintain close liaison with Government departments, WKCDA, public utilities companies and other external parties concerned on all interface matters affecting the development of WKCD such as Express Rail Link and traffic improvement works and provide inputs to resolving these issues.

- (vii) To liaise with the Lands Department and the WKCDA in working out a land disposal mechanism for the development of the residential, office and hotel sites in harmony with arts and cultural facilities.
- (viii) To provide technical support to the Bureau and to assist the Secretary for Home Affairs in considering the Development Plan submitted by WKCDA.

Job Description

**Principal Assistant Secretary
(West Kowloon Cultural District)**

Rank: Administrative Officer Staff Grade C (D2)

Responsible to: Deputy Secretary for Home Affairs (3)

Main Duties and Responsibilities -

- (i) To monitor the performance of WKCDA in fulfillment of its objectives and roles as stated in the WKCDA Ordinance.
- (ii) To oversee interface issues between the arts and cultural facilities operated by the WKCDA and those operated by the Government.
- (iii) To liaise closely with senior management of WKCDA to oversee the institutional set up and the establishment of an appropriate governance mechanism for museum and performing arts venues.
- (iv) To monitor the progress in planning of programmes and services by WKCDA for opening of Phase 1 WKCD facilities starting from 2015.
- (v) To oversee WKCDA's policy and work in nurturing local arts talents, engaging stakeholders and building up audience.
- (vi) To housekeep WKCDA and oversee its submission of reports to the Government in accordance with the WKCDA Ordinance.

