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來函檔號 Your Ref.: CB4/PAC/R70
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26 June 2018

Clerk to Public Accounts Committee
Legislative Council,
Legislative Council Complex
1 Legislative Council Road
Central, Hong Kong

(Attn: Mr Anthony CHU)

Dear Sirs,

Public Accounts Committee**Consideration of Chapter 8 of Audit's Report No. 70****Sha Tin Section of Route 8**

Thank you for your letter of 12 June 2018. The requested response and information set out in your letter are attached at the **Annex**.

Yours faithfully,

(Albert LIU)
for Director of Highways

c.c.

STH	(Attn: Ms CHUNG Sui-kei, Judy)
SDEV	(Attn: Mr CHAN Fuk-yiu, Victor)
DCED	(Attn: Mr LAM Tat-ming, Terence)
SFST	(Attn: Ms HSIA Mai-chi, Margaret)
Director of Audit	(Attn.: Mr TEO Wing-on)
C for T	(Attn.: Mr SO Chun-chuen)
Director of ArchSD	(Attn.: Mr CHIU Ka-yin)
Director of EMSD	(Attn.: Mr LEE Hok-yin, Arthur)



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ISO 14001:2004
Certificate No. CC 2634

Public Accounts Committee

Consideration of Chapter 8 of the Director of Audit's Report No. 70

Sha Tin Section of Route 8

(a) according to paragraph 4.11(c) of the Audit Report, a Government Monitoring Team, comprising officers from four departments, namely, TD, HyD, EMSD and ArchSD, is responsible for monitoring the TSCA operator's performance. In this connection, please advise:

- (i) the responsibilities and purview of each department. Is there any written document delineating such responsibilities or purview. If yes, please provide a copy of such document;*
- (ii) whether each department had, since the TSCA MOM contract was awarded to the current operator, held meetings with the current operator and/or other relevant departments, so as to monitor and review the performance of the operator. If yes, please provide dates and records of the meetings; if not, why not;*
- (iii) is there a laid-down mechanism for each department to monitor the performance of the contractor on areas under the purview of each department. If yes, please provide a copy of such mechanism; if not, how will the department carry out its monitoring responsibilities;*

(i) HyD is responsible for overseeing the maintenance of highway facilities in TSCA. As far as the MOM contract is concerned, the division of responsibilities and purview among members of the Government Monitoring Team (GMT) was not specified in the original contract. HyD notes that TD, in collaboration with other GMT members including HyD, has consolidated a list of "GMT Members Monitoring Responsibility for TSCA" specifying each GMT member's responsibilities in monitoring the operator. TD has also issued the detailed list to the TSCA operator on 13 March 2018 and 26 March 2018 to supplement the current TSCA MOM contract. Correspondence issued by TD copied to HyD is attached in **Appendix A**.

(ii) HyD has held regular progress meetings with the TSCA operator to monitor and review the operator's performance since the commencement of the TSCA MOM contract. The items discussed in the regular progress

meetings include provision of personnel, safety and hygiene, repairs to damage on highway facilities in traffic accident, enquiries and complaints from public about highway facilities, third parties working in TSCA, highway facilities inspection and report submissions, scheduled highway maintenance works and non-scheduled highway maintenance works. Dates of the regular progress meetings are shown in **Appendix B**. In addition to the regular progress meetings, HyD has also held separate discussions with the TSCA operator to monitor the progress and details of the maintenance works of highway facilities.

- (iii) The requirements on TSCA highway maintenance have been specified in the TSCA MOM contract, and HyD has monitored the performance of the TSCA operator on areas under HyD's purview according to the requirements given in the TSCA MOM contract. HyD has held regular progress meetings with the TSCA operator to discuss their performance in respect of their highway maintenance works. The TSCA operator is also required to submit monthly highway maintenance reports for checking by HyD, which includes highway inspection records, proposed maintenance works and progress. HyD has also carried out on-site spot checks on TSCA operator's inspection, scheduled maintenance works and non-scheduled maintenance works.

(b) with reference to paragraphs 4.16 to 4.18 and Table 17 of the Audit Report, please advise:

- (i) whether EMSD and HyD had conducted any surprise check or record checking so as to monitor the manning level of E&M staff and highway maintenance staff under their respective purview;*
- (ii) between September 2013 and January 2017, whether there was staff shortfall of TSCA operator not subject to LD. If yes, the details;*

(i) To monitor the manning level of the TSCA operator's highway maintenance staff, HyD has requested the TSCA operator to report the manning level in the immediate preceeding month, which is submitted for HyD's checking on a monthly basis.

(ii) It is noted that between September 2013 and January 2017, the TSCA operator's shortfall in highway maintenance staff not subject to LD was as below:

Shortfall of highway maintenance staff not subject to LD	Shortfall Period
Deputy Highway Maintenance Engineer (Roadwork)	19.9.2013 – 6.11.2013
2nd Deputy Highway Maintenance Engineer (Structures)	19.9.2013 – 11.8.2014 25.4.2016 – 16.10.2016

- (c) *according to paragraph. 4.23 of the Audit Report, out of the total manning level of 483 staff under the TSCA MOM contract, 80 staff are "leave relief" staff, and provided that the TSCA operator could deploy sufficient and competent manpower to each of the required duty shifts, the manning level requirement for "leave relief" staff is included in the contract for reference purpose only. In substance, the operator is required to deploy a total of 403 staff, of which 60 staff are not subject to LD for any shortfall. In this connection, what are the follow-up actions/sanctions that could be taken by the relevant departments if there is a shortfall in the staff that are not subject to LD for any shortfall;*

As summarized in Table 16 of the Audit Report, there is no “leave relief” staff under HyD’s purview. When there was a shortfall of highway maintenance staff (regardless of being subject to LD or not), HyD would urge the TSCA operator in writing to provide replacement as soon as possible and closely monitor the TSCA operator’s performance to see whether it has been affected by the staff shortfall. HyD will reflect any shortfall in highway maintenance staff in the TSCA operator’s quarterly performance report on the aspect of highway maintenance.

(d) *at the public hearing, members were informed that HyD and TD had stationed staff at the Sha Tin Section. Please provide the number, ranking and job duties of these staff;*

The technical members of TSCA GMT HyD are summarized below:

No.	Ranking	Job Duties
1	Senior Engineer/Structures	<ul style="list-style-type: none"> • Monitoring the performance of the TSCA operator in respect of the maintenance of TSCA highway structures; • Provide technical comments on the maintenance of TSCA highway structures; • Oversee the repair and improvement works relating to TSCA highway structures; • Provide input on general matters (e.g. district matters) relating to TSCA highway structures; • Conduct joint inspections with the TSCA operator relating to TSCA highway structures; • Carry out safety audit and quality assurance checks relating to TSCA highway structures; • Prepare inspection and audit reports relating to TSCA highway structures; • Handle public complaints relating to TSCA highway structures; and • Handle filming applications in the TSCA.
2	Engineer/Structures	
1	Inspector of Works/Structures	
1	Assistance Inspector of Works/Structures	

No.	Ranking	Job Duties
0.5 1.5 1 0.5	Senior Engineer/Highways Engineer/Highways Inspector of Works/Highways Assistance Inspector of Works/ Highways	<ul style="list-style-type: none"> • Monitoring the performance of the TSCA operator in respect of the maintenance of TSCA roads and slopes; • Provide technical comments on the maintenance of TSCA roads and slopes; • Oversee the repair and improvement works relating to TSCA roads and slopes; • Provide input on general matters (e.g. district matters) relating to TSCA road and slopes • Conduct joint inspections with the TSCA operator relating to TSCA road and slopes • Carry out safety audit and quality assurance checks relating to TSCA road and slopes; • Prepare inspection and audit reports relating to TSCA road and slopes; • Handle public complaints relating to TSCA roads and slopes; • Handle TSCA road works permit applications; and • Handle contract administration matters relating to TSCA GMT HyD.

No.	Ranking	Job Duties
1 1 1 1	Engineer/Emergency Project Coordinator/Emergency Inspector of Works/Emergency Assistance Inspector of Works/Emergency	<ul style="list-style-type: none"> • Handle emergency incidents in TSCA relating to TSCA highway structures, roads and slopes; • Implement emergency inspections and emergency works relating to TSCA highway structures, roads and slopes; • Assist in dealing matters relating to highway maintenance works in TSCA; and • Handle administration works relating to highway maintenance works in TSCA.
0.5 1	Senior Engineer/Bridge Technical Advisory Engineer/Bridge Technical Advisory	<ul style="list-style-type: none"> • Monitoring the performance of the TSCA operator in respect of the Wind and Structural Health Monitoring System (WASHMS) and other bridge health monitoring related matters for the Stonecutters Bridge (SCB) in TSCA; • Provide technical advice in respect of structural design and analysis, aerodynamic and seismic assessments, and structural health monitoring of long-span bridges and other major highway structures; • Collaboration with universities on research studies regarding bridge engineering; and • Handle visits to the TSCA and provide technical briefing to visitors.

(e) with reference to paragraph 4.21 (c) of the Audit Report, whether HyD had provided TD with records of the monthly highway maintenance meetings;

The regular meeting between HyD and TSCA operator were solely related to the maintenance of highway facilities. TD did not request HyD to provide the records for reference.

(f) with reference to paragraph 4.22 of the Audit Report, have HyD and ArchSD evaluated the performance of the operator in the area of work under their respective purview and inform TD of the assessment results. If yes, please provide the frequency of the evaluations and assessments; if not, why not and whether HyD and ArchSD would consider conducting such evaluations and assessments;

HyD has in collaboration with TD evaluated the performance of the TSCA operator on the aspect of highway maintenance on a quarterly basis and informed TD of the assessment result of the period from 19 December 2017 to 18 March 2018 for TD (i.e. the contractor managing party of TSCA MOM contract) to compile the overall performance report of the TSCA operator, and will continue to do so on a quarterly basis.

(g) with reference to paragraphs 4.33 and 4.34 of the Audit Report, please advise/provide:

- (i) records of imposing and collecting LD from the operator;;***
- (ii) whether TD, HyD, EMSD and ArchSD have cross-checked the accuracy of the information/records submitted by the operator in relation to the calculation of LD;***

- (i) The amounts of LD payable by the TSCA operator for the shortfall of highway maintenance staff since commencement of the current TSCA MOM contract are summarized below:

Period	LD Amount	Deduction
19.9.2013 – 30.9.2014	\$0.98M	Deducted from the Monthly Management Fee of Highway Maintenance for Jun 2017
1.10.2014 – 31.10.2015	\$0.17M	Deducted from the Monthly Management Fee of Highway Maintenance for Sep 2017
1.11.2015 – 31.12.2016	\$0.13M	Deducted from the Monthly Management Fee of Highway Maintenance for Dec 2017
1.1.2017 – 30.6.2017	\$0.05M	Deducted from the Monthly Management Fee of Highway Maintenance for Sep 2017
1.7.2017 – 30.11.2017	\$0.04M	Deducted from the Monthly Management Fee of Highway Maintenance for Jan 2018
1.12.2017 – 31.5.2018	No shortfall subject to LD	N/A

- (ii) To ensure that the records provided are correct and the staff are qualified personnel, HyD has verified all relevant records provided by the TSCA operator for calculating the LD in respect of the shortage of highway maintenance staff (including staff reports, staff qualifications and relevant supporting documents, etc.), and has required the operator to provide supplementary documents when needed. HyD has also copied all correspondence regarding the shortfall of highway maintenance staff and the calculation of LD to TD for their reference.



26/03/2018 17:21

File Ref HyD BSCA/17-7/TD05/12/M15/010 EDMS No 5MWL

**Re: Agreement for Management, Operation and Maintenance ("MOM")
of Tsing Sha Control Area ("TSCA") Addendum to Schedule I and III**

Yee Yeung TSANG to: kelvin.sze@sercolam.com

Cc: &HYD/BSTR/E/H2, &TD/MS/TTM4, ETSCS51, ETSCS52...

From: Yee Yeung TSANG/TD/HKSARG@TD
To: Kelvin Sze <kelvin.sze@sercolam.com>,
Cc: &HYD/BSTR/E/H2@HYD, &TD/MS/TTM4@TD, ETSCS51/HQ/EMSD@EMSD,
ETSCS52/HQ/EMSD@EMSD, Ka Yin CHIU/ARCHSD/HKSARG@ARCHSD, Tansan
WONG/ARCHSD/HKSARG@ARCHSD, "sk.lai@serco-hk.com" <sk.lai@serco-hk.com>,

History: This message has been forwarded.

Dear Kelvin,

Further to the letter sent to you on 13.3.2018 attached, we take this opportunity to extract relevant information in the MOM agreement for you and parties copied easy reference on the major aspects under monitoring of TD:

Management

- (i) ensure a high degree of security within the TSCA; and
- (ii) minimize the requirement for closure of any traffic lanes or Highways for any reason, including routine inspection, maintenance, cleaning and repair so as to minimize traffic delay.

Operation

- (i) regularly patrol, monitor and control all activities within the TSCA;
- (ii) ensure the efficient collection of Tolls;
- (iii) comply with all instructions relating to safety and other applicable standards which may from time to time be issued by Government after consultation with the Operator or which may be imposed by law;
- (iv) conduct vehicle rescue, recovery and fire-fighting operations in accordance with the Operating Standards and Operating Procedures; and
- (v) co-operate with the operator of the Tsing Ma Control Area in a manner as required 1 under Clause 66 and Schedule V to the satisfaction of the C for T and the Director of Highways, and to ensure a smooth flow of traffic to and from or on infrastructures situated within or adjoining or passing through the TSCA.

Thank you for your attention.



20180313 Supplement notification letter_v2.pdf

Regards,
Ian TSANG
TD



運輸署

Transport Department

By Email and fax (3140 1315)

Our Ref. TD TS/151/205/22C
Tel. No. 2829 5536
Fax. No. 2519 8094

13 March 2018

Mr. Kelvin Sze
Contract Director
Serco Lam JV
Suite 1101, Sino Plaza
255-257 Gloucester Road
Causeway Bay
Hong Kong

Dear Sir,

**Agreement for Management, Operation and Maintenance (“MOM”)
of Tsing Sha Control Area (“TSCA”)
Addendum to Schedule I and III**

The Government may from time to time appoint a Government Monitoring Team (“GMT”) comprising officers from various Government departments to be responsible for monitoring and auditing the Operator’s performance in accordance to the major buildings, structures, facilities and equipment to be managed, operated and maintained by the operator and scheduled maintenance works requirements set out in Schedule I and III of Agreement for MOM of TSCA respectively.

To supplement Schedule I and III, we have consolidated a detailed list of “GMT Members Monitoring Responsibility for TSCA” at **Annex**. Please contact the responsible departments for issues related to these items on the list accordingly.

Thank you for your attention.

Yours faithfully,

(Ian TSANG Yee-yeung)
for Commissioner for Transport

**Detailed List on Responsibilities of Government Monitoring Team Members in
Monitoring the Performance of the Operator of Tsing Sha Control Area**

Item No.	Buildings, Structures, Facilities and Equipment	Responsible Department
1	Viaduct and Bridges (Structures)	HyD
2	Highways and Road Structures	HyD
3	Tunnel Structures	HyD
4	Footbridge in the Toll Plaza	HyD
5	Toll Booths	ArchSD
6	Administration Building (Nam Wan & Sha Tin)	ArchSD
7	Portal Buildings	ArchSD
8	Ventilation Buildings	ArchSD
9	Control Kiosks	ArchSD
10	Man-made Slopes	HyD / ArchSD*
11	Lighting (including high mast lighting)	EMSD
12	High mast lighting structures	HyD
13	Fire Service Installation and Equipment	EMSD
14	Sewage Treatment Plant (E&M Equipment)	EMSD
15	Landscaping	HyD
16	Software Maintenance for Traffic Control and Surveillance System (TCSS), Toll Collection System and E&M Systems with embedded software	EMSD
17	Wind And Structural Health Monitoring System (WASHMS) and Associated Operations	HyD
18	Waterworks Installations for buildings (after water meter of buildings)	ArchSD

*according to SIMAR's record of maintenance agents

b.c.c.

External

Serco Group (HK) Ltd. (Managing Director: Mr. John Hesketh)] – fax: 2571 7214
Serco Group (HK) Ltd. (Operations Manager)]
Director of HyD (Attn.: SE/H, E/H2)] – by email
Director of EMSD (Attn.: SE/TSCS5, E/TSCS5/1, E/TSCS5/2)]
Arch SD (Attn.: SPSM/WTS&ST, PSM/ST-W)]

Internal

CMC	– by email
CTM1] – by email
TTM1]
TTM4]

Dates of Regular Progress Meetings between HyD and TSCA Operator

Meeting	Date
1st Progress Meeting	25.10.2013
2nd Progress Meeting	22.11.2013
3rd Progress Meeting	18.12.2013
4th Progress Meeting	22.1.2014
5th Progress Meeting	26.2.2014
6th Progress Meeting	19.3.2014
7th Progress Meeting	23.4.2014
8th Progress Meeting	23.5.2014
9th Progress Meeting	18.6.2014
10th Progress Meeting	16.7.2014
11th Progress Meeting	20.8.2014
12th Progress Meeting	23.9.2014
13th Progress Meeting	22.10.2014
14th Progress Meeting	19.11.2014
15th Progress Meeting	15.12.2014
16th Progress Meeting	21.1.2015
17th Progress Meeting	16.2.2015
18th Progress Meeting	18.3.2015
19th Progress Meeting	22.4.2015
20th Progress Meeting	20.5.2015
21st Progress Meeting	17.6.2015
22nd Progress Meeting	23.7.2015
23rd Progress Meeting	20.8.2015
24th Progress Meeting	23.9.2015
25th Progress Meeting	14.10.2015
26th Progress Meeting	17.11.2015
27th Progress Meeting	16.12.2015
28th Progress Meeting	20.1.2016
29th Progress Meeting	17.2.2016
30th Progress Meeting	15.3.2016
31st Progress Meeting	20.4.2016
32nd Progress Meeting	16.5.2016
33rd Progress Meeting	27.6.2016
34th Progress Meeting	20.7.2016

Appendix B

Meeting	Date
35th Progress Meeting	24.8.2016
36th Progress Meeting	21.9.2016
37th Progress Meeting	28.10.2016
38th Progress Meeting	28.11.2016
39th Progress Meeting	23.12.2016
40th Progress Meeting	23.1.2017
41st Progress Meeting	24.2.2017
42nd Progress Meeting	29.3.2017
43rd Progress Meeting	26.4.2017
44th Progress Meeting	29.5.2017
45th Progress Meeting	26.7.2017
46th Progress Meeting	29.9.2017
47th Progress Meeting	10.11.2017
48th Progress Meeting	6.12.2017
49th Progress Meeting	26.1.2017
50th Progress Meeting	14.2.2018
51st Progress Meeting	9.3.2018
52nd Progress Meeting	6.4.2018
53rd Progress Meeting	10.5.2018
54th Progress Meeting	6.6.2018