

**For discussion
on 9 January 2018**

Legislative Council Panel on Housing

Proposed Creation of Two Permanent Directorate Posts in the Civil Engineering and Development Department to Cope with Additional Workload Arising from Public Housing Development

PURPOSE

This paper seeks Members' views on the proposed creation of the following permanent directorate posts in the Civil Engineering Office (CEO) of the Civil Engineering and Development Department (CEDD) to take forward and manage the work associated with public housing developments –

- (a) one Government Engineer (GE) (D2) post; and
- (b) one Chief Engineer (CE) (D1) post.

2. We also take the opportunity to rationalise the distribution of duties and responsibilities for some of the directorate posts in CEO.

JUSTIFICATION

Background

3. The Government announced the Long Term Housing Strategy (LTHS) in 2014, which adopts the “supply-led” principle, with a view to addressing the problem of housing demand-supply imbalance and rebuilding the housing ladder. According to the framework established under LTHS, the Government will continue to update the long term housing demand projections annually and present a rolling ten-year housing supply target, which will serve as a planning guide for the Government to identify land for housing development. The Chief Executive's 2017 Policy Address states that the Government will focus on supply, and based on LTHS, step up the effort in increasing supply of housing units. The Government will spare no efforts to address the demand for public housing in the community, and has to overcome the challenges and workload implications on different fronts of the Government.

4. The Government has adopted a multi-pronged approach to increase housing land supply. One of the measures is to conduct land use reviews on “Government, Institution or Community”, “Green Belt”, “Industrial” and other non-residential zones or brownfield areas, for identifying potential sites suitable for residential use. With the dedicated efforts in land use reviews in the past years, the Government has identified a considerable number of potential sites suitable for public housing use.

5. For those sites identified for public housing developments, the Government spares no effort to press ahead their site formation to meet the community’s demand for public housing. As most of these potential sites require amendment of land uses in the Outline Zoning Plans concerned under the Town Planning Ordinance (Cap. 131), relevant bureaux and departments are required to establish the viability of the public housing developments through comprehensive traffic, environmental, geotechnical and other engineering studies to support zoning amendments. It is also of paramount importance that site formation and major infrastructure including roads, water supply, sewers, drains, etc. are properly planned and completed in time, to support the public housing developments.

6. For these potential housing sites, CEDD has been conducting technical studies and carrying out site formation and infrastructure works to apply for rezoning of these sites in a timely manner, and deliver the formed sites to the Hong Kong Housing Authority (HA) for construction of public housing. At present, CEDD is undertaking 59 public housing development projects. In order to meet the long-term public housing supply, CEDD is further tasked by the Transport and Housing Bureau to undertake technical studies, site formation and infrastructure works for 11 new potential sites (the New Sites) in 2018-19. It is expected that the formed sites can be delivered to HA in phases starting as early as in 2028. It is also anticipated that there are still other potential sites that need to be examined and developed upon the gradual completion of the projects in hand.

Need for One Permanent GE (D2) Post in CEDD

7. Currently, public housing development projects are mainly undertaken by Housing Projects 1 Unit (HP1U) and Housing Projects 2 Division (HP2D) under CEO which are headed by a Non-Civil Service Contract (NCSC) staff (with experience no less than a Senior Engineer) and Chief Engineer/Housing Projects 2 (ranked at D1 level) respectively. HP1U and HP2D are under the supervision of Deputy Head (Port & Land) (DH(P&L)) and Deputy Head (Project & Environmental Management) (DH(P&EM)), both ranked at D2 level, respectively (the existing organisation chart of CEDD is shown in **Annex A**).

8. At present, the two deputy heads are required to oversee four Divisions/Units each. In addition to the housing development projects, the two deputy heads' duties cover areas including port works, fill management, universal accessibility programme, pier improvement projects, columbarium and crematorium projects, and other site formation and infrastructure works. As HP1U is headed by a NCSC staff, DH(P&L) is also responsible for high level administration and direct steer of the Unit. The arrangement is undesirable from the management point of view, given that the deputy heads each oversee a wide spectrum of duties and staff structure comprising up to 23 professional teams, while managing works of different portfolio and 59 housing development projects, not to mention the additional housing projects to be taken forward in 2018-19. The capacity of DH(P&L) and DH(P&EM) have been over-stretched and they have no spare capacity to provide adequate steer to all the on-going and upcoming public housing projects.

9. In view of the above, we propose setting up a new Housing Branch under CEO and creating a permanent GE (D2) post, designated as Deputy Head (Housing) (DH(H)), to oversee public housing development projects and lead the new Branch composing of HP1U, HP2D and a new Housing Projects 3 Division (HP3D) (as described in paragraph 11 below), so that better, timely and more coordinated steers could be provided to all the housing Divisions/Units. The additional GE permanent post is required to ensure the quality and oversee the programme of work in CEO.

10. The proposed organisation chart of CEDD is shown in **Annex B**.
The job description of the proposed DH(H) post is at **Annex C**.

Need for One Permanent CE (D1) Post in CEDD

11. At present, the HP1U and HP2D, comprising five and six professional teams respectively, are responsible for carrying out technical studies, site formation and infrastructure works required by relevant public housing developments. HP1U and HP2D are already being overloaded by all the existing on-going public housing development projects, although most of these projects are still at the feasibility or technical study stage. As these on-going projects proceed, we anticipate that more staff resources are required to oversee work at the subsequent design and construction stages. Therefore, we propose to establish a new HP3D comprising at least five professional teams to share the workload of the HP1U and HP2D and take forward the delivery of the New Sites in a timely manner.

12. We propose to create a new permanent CE (D1) post, designated as CE/Housing Projects 3 (CE/HP3) in CEO to head the proposed HP3D. The job description of the proposed CE/HP3 post is at **Annex D**.

Non-directorate Manpower Support

13. Apart from the proposed creation of the permanent GE and CE posts, CEDD will also enhance the non-directorate staffing in the proposed Housing Branch of CEO for implementation of the technical studies, site formation and infrastructure works supporting public housing developments at existing sites and the New Sites, by creating 28 permanent non-directorate posts in 2018-19. Apart from the five professional teams to be placed under HP3D, these non-directorate posts would also provide resources on other fronts such as geotechnical, landscape, technical and clerical support, and help implement the public housing development projects according to the schedule.

14. After the creation of the two permanent directorate posts and the redistribution of workload, we expected that each of the GEs and CEs under CEO will be heading three Divisions/Units and at least five professional teams respectively, which is on par with the general arrangement for other offices of CEDD.

Alternatives Considered

15. CEDD has critically reviewed the existing staff resources situation with due regard to the resources required for those on-going projects, new initiatives and the meeting of on-going housing supply target. The review shows that there are no spare staff resources at directorate level in CEDD to cope with the additional workload arising from the New Sites as the department has already been fully engaged with a large number of on-going and new development projects, including Liantang/Heung Yuen Wai Boundary Crossing Point; Development at Anderson Road; West Kowloon Cultural District Government Infrastructure Project; Kai Tak Development; Wan Chai Development II and the associated works for Central-Wan Chai Bypass; Tseung Kwan O - Lam Tin Tunnel; Cross Bay Link in Tseung Kwan O; Trunk Road T2; new development areas at Kwu Tung North, Fanling North, Kam Tin South, Yuen Long South and Hung Shui Kiu; development of Lok Ma Chau Loop; Tung Chung New Town Extension; topside development at the Hong Kong boundary crossing facilities island of the Hong Kong-Zhuhai-Macao Bridge; reclamations outside Victoria Harbour; and Lantau development and conservation, etc.

16. Having regard to the level and scope of responsibilities, we consider that a permanent GE post and a permanent CE post are required to cope with the existing and additional workload arising from the need to steer and manage strategically the public housing development projects.

FINANCIAL IMPLICATIONS

17. The proposed creation of a permanent GE post and a permanent CE post in CEDD will bring about an additional notional annual salary cost at mid-point of \$2,094,600 and \$1,765,200 respectively. The additional full annual average staff cost, including salaries and staff on-cost, will be about \$5,397,000 as shown below –

Rank	No. of post	Notional annual salary cost at mid-point (\$)	Full annual average staff cost (\$)
GE	1	2,094,600	2,936,376
CE	1	1,765,200	2,460,288
Total	2	3,859,800	5,396,664

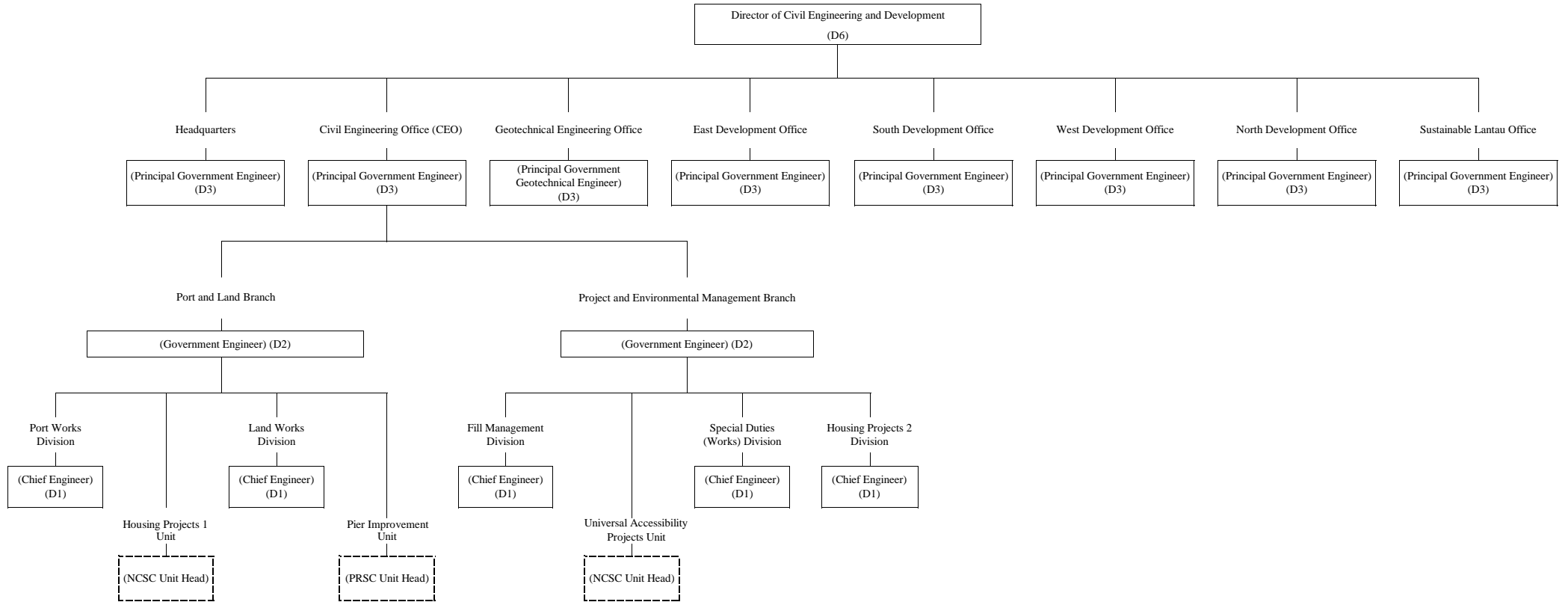
18. 28 non-directorate civil service posts will be created in CEDD to meet the existing and new workload demand. The additional notional annual salary cost at mid-point and the full annual average staff cost including salaries and staff on-cost are about \$20,176,000 and \$31,137,000 respectively.

ADVICE SOUGHT

19. Members are invited to note the paper and provide views.

**Transport and Housing Bureau
January 2018**

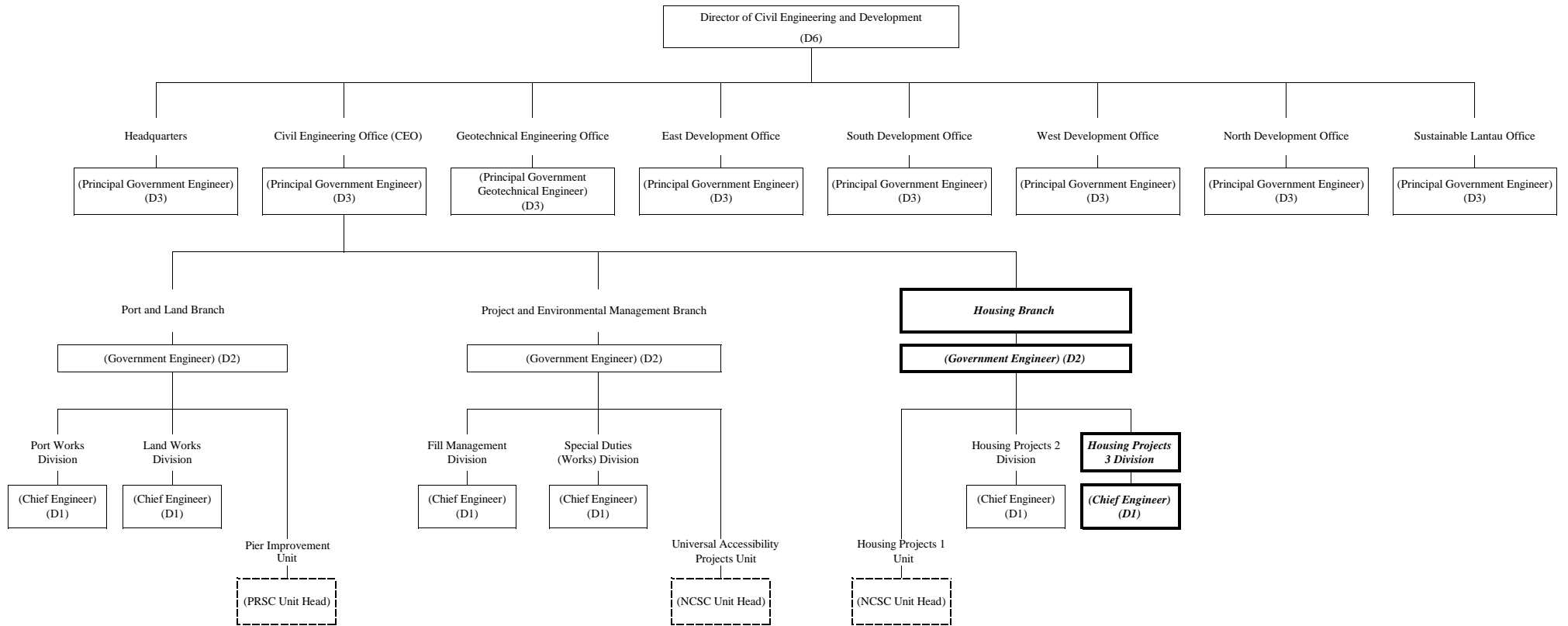
Existing Organisation Chart of Civil Engineering and Development Department



Legend:

 - Units which are headed by non-civil service contract (NCSC) staff or post-retirement service contract (PRSC) staff under the direct supervision of D2 officers.

Proposed Organisation Chart of Civil Engineering and Development Department



Legend:

- Housing Branch and Housing Projects 3 Division to be headed by the proposed permanent Government Engineer and Chief Engineer posts respectively.
- Units which are headed by non-civil service contract (NCSC) staff or post-retirement service contract (PRSC) staff under the direct supervision of D2 officers.

**Proposed Job Description
Deputy Head of Civil Engineering Office (Housing)**

Rank : Government Engineer (D2)
Responsible to : Head (Civil Engineering Office)

Major Duties and Responsibilities –

1. To assist the Head (Civil Engineering Office) in overseeing and directing the work of relevant housing projects with particular emphasis on maintaining project momentum in accordance with baseline programmes.
2. To execute the strategies and policies formulated by the policy bureaux in respect of the public housing development projects.
3. To supervise project cost control, including resources allocation, project estimates and expenditure control.
4. To oversee all housing projects related technical studies, site formation and infrastructure works.
5. To lead and supervise consultation with district councils, local organisations and rural committees, etc.
6. To carry out the statutory and administrative procedures for securing project delivery and funding.
7. To manage all staff matters, including planning, office organisation, allocation of resources, establishment, personnel, training and career development.
8. To supervise the selection, appointment and management of consultants and contractors.

- ENDS -

**Proposed Job Description
Chief Engineer/Housing Projects 3**

Rank : Chief Engineer (D1)
Responsible to : Deputy Head of Civil Engineering Office (Housing)

Major Duties and Responsibilities –

1. To lead and supervise a works division assigned under him/her.
2. To execute the strategies and policies formulated by the policy bureaux in respect of the public housing development projects.
3. To oversee the administration of technical studies, planning, design and construction supervision (including assuming the role of Project Manager under New Engineering Contract form contracts) for the proposed housing development projects.
4. To implement effective control (including quality and budgetary control) for the projects undertaken by the Division.
5. To oversee the implementation of statutory and administrative procedures including Environmental Impact Assessment Ordinance procedures, public consultation, gazettals under the relevant Ordinances, funds seeking, commissioning of consultancies, tendering of works contracts and contract administration.
6. To drive for timely achievement of milestone targets, co-ordinate and oversee timely resolution of interfacing matters with other projects and developments.
7. To plan and conduct consultation with a view to soliciting public support to project implementation, including District Councils, rural committees, etc.
8. To supervise the selection and appointment of consultants and contractors.
9. To manage consultants engaged in the projects including overseeing progress of studies and works, provision of guidance to consultants, assessment and reporting of consultants' recommendations and resolution of important issues.

- ENDS -