

For discussion  
on 3 February 2020

## **Legislative Council Panel on Financial Affairs**

### **Creation of One Permanent Directorate Post in the Government Property Agency**

#### **PURPOSE**

This paper seeks Members' views on the proposed creation of one permanent post of Principal Valuation Surveyor ("PVS") (D1) in the Government Property Agency ("GPA") to strengthen the support for taking forward the new responsibilities in the property and facilities management of boundary control points ("BCPs") in phases.

#### **JUSTIFICATIONS**

##### *Importance of BCP Facilities*

2. Control points are one of the crucial components of cross-boundary facilities connecting Hong Kong to the Mainland and the rest of the world. At present, there are a total of 14 control points<sup>1</sup> in Hong Kong, covering air, land (vehicular and railway) and sea travel. A new control point, namely the Heung Yuen Wai Boundary Control Point ("HYW BCP"), has just been substantially completed and the installation and testing of facilities are at the final stage. Proper management of the control point facilities is crucial for supporting the smooth flow of people and goods.

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<sup>1</sup> The 14 control points currently in operation are the Hong Kong International Airport, Hung Hom Station, Lo Wu Control Point, Lok Ma Chau Spur Line Control Point, West Kowloon Station of the Guangzhou-Shenzhen-Hong Kong Express Rail Link, Hong Kong-Zhuhai-Macao Bridge Hong Kong Port, Shenzhen Bay Port Hong Kong Port Area, Lok Ma Chau BCP, Sha Tau Kok BCP, Man Kam To BCP, China Ferry Terminal, Hong Kong-Macau Ferry Terminal, Tuen Mun Ferry Terminal and Kai Tak Cruise Terminal.

*Need for a coordinated approach in facilities management in BCP*

3. Except for the Hong Kong International Airport and Hung Hom Station control points<sup>2</sup>, there is no single designated party responsible for the management of share-used government facilities in the other 12 BCPs. The day-to-day property management of the common areas of these government facilities is handled through Building Management Committees (“BMCs”) which comprise members of the user government departments accommodated in the control points, with Chairmen elected by the user departments on a permanent or rotation basis.

4. As BMCs of control points are chaired by and comprise mainly the user departments providing customs, immigration and quarantine (“CIQ”) services, staff of the CIQ departments often have to venture beyond their areas of expertise to handle property management issues as well as engage and liaise with management, operation and maintenance (“MOM”) contractors. For control points of a sizeable scale, the property management issues may be complicated and need to be addressed in a more professional and coordinated approach.

5. To enhance the effectiveness of managing the facilities of control points, the Government has reviewed and rationalised the facility management arrangements in BCPs. The review confirms that the current BMC mechanism is not the most efficient set-up to respond to property and facilities management issues in the control points. The absence of a single management authority with sufficient property and facilities management expertise and experience would also constrain the operations of control points, as well as the continuous improvement of their management efficiency to meet the increasing demand for and expectation on quality cross-boundary services at BCPs. A new approach is therefore required, in particular in view of the new BCPs (i.e. Hong Kong-Zhuhai-Macao Bridge Hong Kong Port (“HZMB HKP”) and HYW BCP) recently commissioned or to be commissioned.

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<sup>2</sup> The Hong Kong Airport Authority and the Mass Transit Railway Corporation manage the common areas of government facilities in the two control points respectively. The government departments in the control points manage the offices under their own use.

### *GPA as a designated management authority*

6. After review, the Government considers that it will be more effective to manage BCP property and facilities through a coordinated approach by designating a dedicated department to handle related matters. It will enable better use of staffing resources as the departments providing CIQ services will be offloaded from facility management duties, thus releasing manpower for performing their mainstream services in control points. Under the coordinated approach, the designated management authority may apply the experience and best practices across BCPs, so that an effective and consistent BCP facility management approach can be developed over time.

7. Currently, GPA undertakes the day-to-day property management of joint-user general office buildings (“JUBs”) and quarters developments in providing cleansing and security services to the common parts thereof in conjunction with respective BMCs through outsourced property management agents (“PMAs”). GPA also helps liaise with the government works agents including the Architectural Services Department (“ArchSD”) and the Electrical and Mechanical Services Department (“EMSD”) to maintain and repair relevant building structures, equipment and facilities to ensure effective and smooth operation of the user bureaux/departments and/or occupants therein. While there are differences in facility management of BCPs and JUBs or quarters, the Government considers that given its experience in managing JUBs and quarters developments, GPA is better placed to take up the single management authority role under the new approach, and to coordinate property and facilities management of BCPs in consultation with user departments through the respective BMCs.

### **PROPOSAL**

8. To enable GPA to take up the new responsibilities effectively, there is a strong operational need to strengthen GPA’s professional staffing complement at the directorate level. To this end, it is proposed to create one permanent post of PVS (D1) in GPA, designated as the Chief Property Manager (Boundary Control Point) (“C(BCP)”), to lead and steer the work

as set out in paragraphs 9 to 20 below.

*Map out plans for taking over property and facilities management responsibilities in respect of BCPs*

9. Managing BCPs is much more complicated than managing JUBs and quarters developments currently under GPA's purview. Taking HZMB HKP as an example, it is an artificial island of about 130 hectares which provides clearance facilities for passengers and vehicles for entering or leaving Hong Kong. There will be around 60 port buildings at HZMB HKP to be managed by GPA, among which the Passenger Clearance Building is the largest landmark with construction floor area of over 90 000 m<sup>2</sup>. All facilities at this BCP are built and maintained at high reputable standard, and the passengers have a high expectation on the level of services which are provided on a 24-hour basis throughout the year. There are also a number of commercial facilities such as convenience stores and restaurants inside the government area of control points that require careful management so as to maintain commercial services to the passengers.

10. Management of BCPs is a new responsibility for GPA. GPA was not a standing member of any BMC in the past, and had not been involved in the daily property management of BCPs. In view of the uniqueness of each of the 13 BCPs<sup>3</sup> to be taken up by GPA, the large scale of some BCPs, the round-the-clock operation and the wide varieties of complicated tasks involved, it is of paramount importance for GPA to map out carefully a plan for taking over the property and facilities management responsibilities in respect of BCPs so as to ensure their smooth transition with uninterrupted operation in the long run. Under the current plan, GPA has taken over from the Highways Department the property management responsibilities in respect of HZMB HKP since January 2020, and will take over those in respect of HYW BCP one year after its commissioning. In light of the experience gained in assuming the management role over these two BCPs, GPA will map out the overall plan for taking up the management responsibilities in respect of the remaining 11 BCPs in phases, with a view to strategically enhancing their property and facilities management services in a holistic manner.

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<sup>3</sup> Covering 12 of the existing control points (i.e. excluding the Hong Kong International Airport and the Hung Hum Station), plus the new HYW BCP.

11. The proposed PVS, who is equipped with the professional knowledge and skills required for property and facilities management, will be responsible for mapping out the overall plan for GPA to take over the management duties of these BCPs. To undertake this work, the PVS will lead a new division in GPA, namely the Boundary Control Point (“BCP”) Division. The BCP Division will study the operation of individual BCPs; sort out the interfacing issues with relevant stakeholders, including user departments and property management services contractors; gear up and prepare GPA for the critical tasks such as formulating crowd control and traffic control measures, stepping up security measures and drawing up incident management procedures, etc. for enhancing services to the public.

12. The proposed PVS will also work closely with departments concerned to take over smoothly the property and facilities management responsibilities in respect of joint-user government facilities in BCPs. These include the transfer of relevant buildings/facilities to GPA, transfer of management and maintenance responsibilities in respect of buildings and facilities from the BMCs, formulation of maintenance arrangements in conjunction with ArchSD and EMSD on the maintenance of buildings and electrical and mechanical facilities therein, etc. Given the complexities involved, it would be essential to have a professional directorate officer to take up such duties on a dedicated basis so that each BCP to be transferred to GPA could maintain its smooth public service without any disruption.

*Provide professional property and facilities management services in BCPs*

13. The proposed PVS will steer and oversee the management of BCPs in exercising GPA's professional assistance in property and facilities management, and coordinating with GPA's leasing surveyors in the leasing arrangements of the commercial facilities therein. The proposed PVS will also formulate key performance indicators in property management service contracts, with a view to enhancing efficiency and quality of management services provided by the MOM agents.

14. For the effective management of BCPs, the proposed PVS will also take the lead to coordinate with user departments, works departments and contractors to plan and cope with the upsurge in passenger or traffic flow during peak or festive seasons. Corresponding manpower deployment

would be kept under review to facilitate the better use of resources while addressing operational requirements. Besides, the proposed PVS will coordinate departments' expertise and experience in planning for different emergency/crisis situations and work out incident management plans and contingency plans, such as outbreak of communicable diseases/medical emergency, major security incidents/threats, etc. to ensure the smooth and orderly provision of public services at BCPs in those situations.

#### *Oversee MOM contracts*

15. In view of the large scale of service and high standard required for running BCPs through outsourced PMAs, steer from a professional directorate officer would be essential for monitoring the performance of the contractors effectively. Taking the HZMB HKP as an example, the existing MOM contractor provides various services for HZMB HKP at an annual fee of over \$100 million. With over 400 staff members, the MOM contractor provides service for five categories of work covering property management, general security, traffic operation and monitoring, cleansing and waste disposal and landscaping. The contract has imposed detailed and specific requirements at the operational level (e.g. the level of manpower to be deployed to provide property and facilities management services in particular venues at designated times). The proposed PVS will lead the BCP Division to oversee and assess if the contractor has duly discharged its obligation on various aspects such as property management services at specific venues, cleaning/waste disposal/pest control services, compliance with HZMB HKP work permit requirements, traffic incident detection, document and record management of the Traffic Operation and Monitoring System, landscaping, satisfaction of customers' needs, training of staff, and accuracy checks for processing bills submitted by the contractor, etc.

16. The proposed PVS will also suggest ways to seek continuous improvement of MOM services. In particular, for the future MOM contracts of BCPs, the proposed PVS will critically review and modify the existing contracts, having regard to the latest operational needs of individual control points, and consider the inclusion of applicable "outcome-based" elements so as to facilitate the provision of quality property and facilities management services at a reasonable cost. For example, GPA will set key performance indicators for different service aspects under the contracts to facilitate effective monitoring of the performance of the contractors.

17. Drawing upon GPA's experience in administering property management service contracts in respect of JUBs and quarters developments, the proposed PVS will lead his/her division to take forward the tendering exercises for MOM contracts of BCPs to ensure fair, objective and consistent handling of service contracts across-the-board.

*Serve as the convenor of BMCs*

18. In order to facilitate prompt decision making and actions in response to the unique circumstances of the 13 BCPs, a single management authority would facilitate the discharge of management duties of control points more efficiently. While the structure of BMCs with user departments as members will be maintained, the proposed PVS in GPA will serve as the convenor of various BMCs in steering and coordinating resolution of property management issues in a coordinated manner. We expect that by taking up the leadership role of BMCs, the PVS will undertake inter-departmental liaison for complicated and intricate interface issues which require sensitive and careful handling; review and discuss the performance of MOM contractors and tenants of retail facilities to enhance delivery of public services at BCPs; resolve differences among user departments on the operation of the control points; as well as oversee the provision of secretariat services to BMCs.

*Need for strengthened directorate support in GPA*

19. In order for GPA to perform effectively the property and facilities management roles in the 13 BCPs concerned, sufficient staffing resources need to be provided for setting up a dedicated team of the new BCP Division to manage the control points. In view of the extensive scope and complexity of the multi-faceted issues involved, the management of large infrastructures at BCPs, and the high level of expertise required, it is essential to create a permanent directorate post with the necessary professional knowledge and experience to lead the new BCP Division to undertake the full range of new tasks. As the job nature involves substantial high level internal liaison and external engagement on large scale property and facilities management duties, the proposed permanent directorate post should be pitched at PVS rank (D1), to be designated as the C(BCP).

20. The proposed job description of C(BCP) who will lead the new BCP Division is at **Annex A**. C(BCP) will be underpinned by four teams led respectively by two Senior Maintenance Surveyors, one Senior Architect and one Chief Executive Officer, and supported by 49 non-directorate posts for the provision of professional, technical, executive and clerical duties. The proposed organisation chart of GPA with the new BCP Division is at **Annex B**.

## **ALTERNATIVES CONSIDERED**

21. We have critically examined the option for GPA to redeploy internal resources to take up the expanding responsibilities. However, all the five existing CPMs in GPA are already fully occupied by their daily and various new responsibilities, rendering it operationally infeasible for them to take up effectively the whole or part of the additional duties relating to BCPs, without compromising the smooth operation and on-going business of GPA. Separately, we have proposed the creation of two directorate posts, i.e. one supernumerary Administrative Officer Staff Grade C (“AOSGC”)(D2) post and one permanent Chief Estate Surveyor (“CES”)/PVS (D1) post for the implementation of the “single site, multiple use” initiative. The proposal has received support from the Establishment Sub-committee and is pending approval of the Finance Committee of the Legislative Council. We estimate that the AOSGC and CES/PVS will be fully engaged in the new initiative, and will have no spare capacity for the management of BCPs. We have therefore come to the conclusion that redeployment is neither practicable nor desirable as a long term solution. The schedule of responsibilities of the existing five permanent CPMs and that of a proposed CES/PVS are at **Annex C**.

## **FINANCIAL IMPLICATIONS**

22. The proposed creation of one permanent PVS post in GPA will incur an additional notional annual salary cost at mid-point of \$1,836,600. The full annual average staff cost, including salaries and staff on-cost, is \$2,557,000.



23. We will include sufficient provision in the draft Estimates for 2020-21 and subsequent years to meet the cost of the proposal.

### **ADVICE SOUGHT**

24. Members are invited to comment on the proposal. Subject to Members' views, we will submit the proposal to the Establishment Subcommittee for endorsement and the Finance Committee for approval.

**Financial Services and the Treasury Bureau  
Government Property Agency  
January 2020**

**Proposed Job Description –  
Chief Property Manager (Boundary Control Point) (C(BCP))**

**Rank** : Principal Valuation Surveyor (D1)

**Responsible to** : Deputy Government Property Administrator (D2)

**Main Duties and Responsibilities –**

- (1) To map out and take forward the transfer of property and facilities management of boundary control points (BCPs) from other government departments to Government Property Agency; and handle the relevant resources matters;
- (2) To lead and supervise the work of the new BCP Division comprising four teams in overseeing the property and facilities management of BCPs;
- (3) To chair the Inter-departmental Management Committee of Hong Kong-Zhuhai-Macao Bridge Hong Kong Port and building management committees of other BCPs in phases, or serve as committee member as a transitional arrangement;
- (4) To oversee the property management service contracts for BCPs;
- (5) To attend meetings of the Legislative Council and District Councils and address media/public enquiries on BCP-related issues; and
- (6) To take up other duties assigned by the seniors.

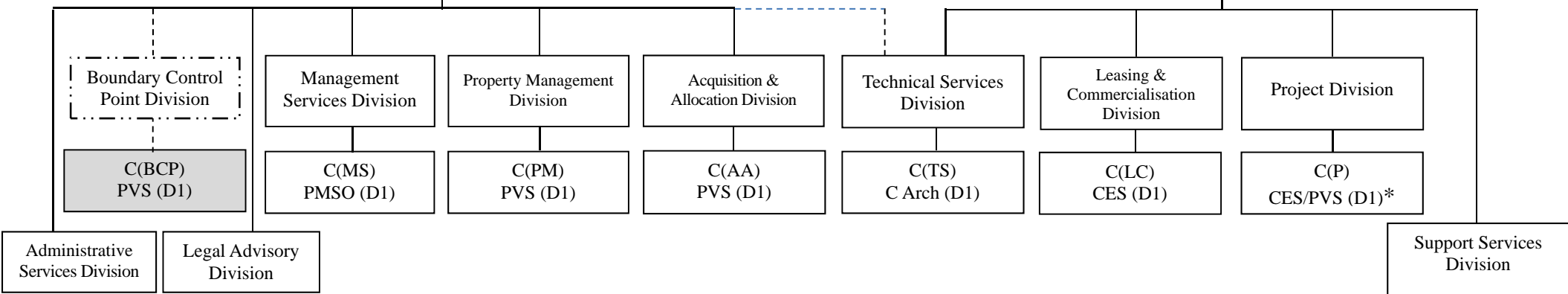
### Proposed Organisation Chart of Government Property Agency

Government Property Administrator

(AOSGB1) (D4)

Deputy Government Property Administrator (1)  
(ACRV) (D2)

Deputy Government Property Administrator (2)  
(AOSGC) (D2)\*



Proposed new division

Permanent post proposed to be created

\* Proposed creation of one supernumerary AOSGC and one permanent PVS/CES posts to be considered by the Finance Committee of the Legislative Council.

**Legend**

AOSGB1	Administrative Officer Staff Grade B1	C(MS)	Chief Property Manager (Management Services)
AOSGC	Administrative Officer Staff Grade C	C(PM)	Chief Property Manager (Property Management)
ACRV	Assistant Commissioner of Rating and Valuation	C(AA)	Chief Property Manager (Acquisition & Allocation)
PMSO	Principal Management Services Officer	C(TS)	Chief Property Manager (Technical Services)
PVS	Principal Valuation Surveyor	C(LC)	Chief Property Manager (Leasing & Commercialisation)
C Arch	Chief Architect	C(P)	Chief Property Manager (Project)
CES	Chief Estate Surveyor	C(BCP)	Chief Property Manager (Boundary Control Point)

Note : The Technical Services Division will support Deputy Government Property Administrator (2) in providing technical advice on projects under the “single site, multiple use” initiative, while continuing to provide technical support to matters under the purview of Deputy Government Property Administrator (1).

## **Major duties of existing divisions in Government Property Agency**

### **Acquisition and Allocation Division**

The Acquisition and Allocation Division (“AAD”) coordinates the Government’s accommodation needs and allocates office of joint-user general office buildings (“JUBs”) to bureaux/departments (“b/ds”). It leases, purchases or makes a case for construction of office accommodation, oversees tenancy management and advises on acquisition of government accommodation outside Hong Kong. AAD is also responsible for arranging for the disposal of surplus government quarters by sale or letting as well as monitoring the utilisation position. The Division is heavily engaged in the reprovisioning of Wan Chai Government Offices Compound (“WCGOC”) in respect of the corresponding project management of the vacation/deleasing of the affected accommodation at owned and leased premises. AAD has also taken up the initiative to assist the Social Welfare Department in taking forward the proposal to address the shortage of welfare premises through purchase of premises for the operation and provision of social welfare services. Other crucial commitments include new leasing assignments arising from the initiatives of the Policy Addresses, provision of District Health Centres as well as periodic requirements of Registration and Electoral Office and Census and Statistics Department under a tight timeframe. Given the above, AAD will be fully stretched to complete these new assignments in the coming years.

### **Management Services Division**

2. The Management Services Division (“MSD”) is responsible for establishing and reviewing space standards to meet changing needs of b/ds; assessing and advising on accommodation needs and furniture and equipment requirements of b/ds. It develops, implements, maintains and enhances information technology (“IT”) services for GPA. MSD has already been fully occupied in promoting modern office layout in government accommodation and introducing a new series of standard office furniture; coordinating and vetting Schedule of Accommodation (“SoA”) proposals generated from new building projects to ensure that space and other requirements are reasonable and in line with the prevailing standards; coordinating with user b/ds on the

furniture and equipment requirements in accordance with Financial Circular No. 3/2016 and reviewing the existing SoA vetting with a view to streamlining the process. Extra efforts have also been spent on managing the additional IT needs of GPA given its expanded areas of responsibilities such as supporting the development and implementation of car park systems upon our takeover of the management, operation and maintenance (“MOM”) responsibilities for public car parks.

### **Property Management Division**

3. The Property Management Division (“PMD”) is mainly responsible for managing JUBs, quarters developments and other accommodation under GPA’s purview through property management agents by means of outcome-based contracts. PMD represents Financial Secretary Incorporated (“FSI”) in discharging owner’s responsibilities in respect of FSI-owned properties in private developments, e.g. scrutinising relevant government lease conditions, commenting on Deed of Mutual Covenants and Assignments in respect of government accommodation therein, vetting management budgets and renovation proposals, handling claims and complaints, attending management meetings of Owners’ Committees and Owners’ Corporation, etc. PMD also processes applications for installation of mobile radio base stations and location filming at Government properties and provides domestic appliances to eligible staff. The existing professional and technical resources in PMD have already been over-stretched by the upsurge in workload in the delivery of property management services in respect of newly built JUBs, departmental quarters in the pipeline and other new initiatives e.g. municipal solid waste charging scheme, enhanced asbestos control and management, green building and renewal energy, energy saving targets, electric vehicle charging facilities, 5G mobile services development, etc.

### **Leasing and Commercialisation Division**

4. The Leasing and Commercialisation Division (“LCD”) is mainly responsible for identifying commercial opportunities in government properties, arranging let out and carrying out their daily tenancy management. It also lets out government accommodation to non-governmental organisations (“NGOs”) with policy support from relevant b/ds and approval from the Financial Services and the Treasury Bureau. It undertakes an annual review exercise on the utilisation of government sites with a view to releasing under-utilised sites for redevelopment or disposal. The existing staffing capacity of

LCD has been stretched to the limits to cope with various new initiatives including the commercial leasing of premises in the Passenger Clearance Building of the Hong Kong-Zhuhai-Macao Bridge Hong Kong Port and the Heung Yuen Wai Boundary Control Point; review of the leasing arrangements for government properties to facilitate NGOs and social enterprises to lease and use suitable government properties; and identification of more commercial opportunities including fee-paying car parks after office hours, and prepare for taking up the MOM responsibilities for public car parks.

### **Technical Services Division**

5. The Technical Services Division (“TSD”) is mainly responsible for providing technical advice and assistance in the implementation of new JUBs, redevelopment/major fitting-out projects for the properties under the portfolio of GPA. It advises on GPA’s new initiatives on building related matters such as new government environmental initiatives on building-related aspects. The workload of TSD is immensely heavy in acting as GPA’s project manager in two JUB projects, i.e. Treasury Building and the planned Tseung Kwan O JUB. Its existing resources have already been over-stretched given the substantial increase in workload brought about by providing technical advisory services and support to other divisions and b/ds relating to the WCGOC reprovisioning exercise, and technical support to other new initiatives including public car park operation and management of electric vehicle charging application, enhanced asbestos control and management, planning and adoption of renewal energy application on existing properties, etc., as well as vetting and making recommendations on funding applications for minor building projects submitted by project proponents to the Minor Building Works Committee/Accommodation Strategy Group.

### **Project Division (pending approval from the Finance Committee to create a proposed permanent Chief Estate Surveyor/Principal Valuation Surveyor post to lead this division)**

6. The Project Division (“PD”) is mainly responsible for pursuing the “single site, multiple use” initiative as announced in the 2017 and 2018 Policy Agendas. PD will formulate an appropriate mix of Government, institution or community (“G/IC”) uses which optimises the development potential of the G/IC sites concerned based on the site characteristics, development parameters and constraints, nature of the proposed G/IC facilities and local community needs. In addition, PD is responsible for finalising user requirements at the

subsequent stages; resolving disputes in case of incompatible uses or competition for floor space on lower floors (especially for facilities with special operational or access requirements such as elderly care facilities or facilities intended to receive a large number of visitors); aligning different funding/programme priorities between users; taking the lead in securing funding through internal mechanism; conducting local consultation; and putting the projects to Legislative Council for approval, etc.