

Head 159 — GOVERNMENT SECRETARIAT: ENVIRONMENT, TRANSPORT AND WORKS BUREAU (WORKS BRANCH)

Controlling officer: the Permanent Secretary for the Environment, Transport and Works (Works) will account for expenditure under this Head.

Estimate 2005–06..... **\$198.5m**

Establishment ceiling 2005–06 (notional annual mid-point salary value) representing an estimated 202 non-directorate posts as at 31 March 2005 reducing by 28 posts to 174 posts as at 31 March 2006 **\$74.3m**

In addition, there will be an estimated 20 directorate posts as at 31 March 2005 and as at 31 March 2006.

Commitment balance **\$15.4m**

Controlling Officer's Report

Programmes

Programme (1) Director of Bureau's Office	This programme contributes to Policy Area 27: Intra-Governmental Services (Secretary for the Environment, Transport and Works).
Programme (2) Water Supply	This programme contributes to Policy Area 24: Water Supply (Secretary for the Environment, Transport and Works).
Programme (3) Intra-Governmental Services	This programme contributes to Policy Area 27: Intra-Governmental Services (Secretary for the Environment, Transport and Works).

Detail

Programme (1): Director of Bureau's Office

	2003–04 (Actual)	2004–05 (Original)	2004–05 (Revised)	2005–06 (Estimate)
Financial provision (\$m)	6.4	7.5	7.4 (–1.3%)	8.1 (+9.5%)
				(or +8.0% on 2004–05 Original)

Aim

2 The aim is to ensure the smooth operation of the Office of the Secretary for the Environment, Transport and Works.

Brief Description

3 The Office of the Secretary for the Environment, Transport and Works is responsible for providing administrative support to the Secretary for the Environment, Transport and Works in carrying out her duties. The work includes the planning, co-ordination and implementation of all arrangements for the Secretary's public, media and community functions.

Programme (2): Water Supply

	2003–04 (Actual)	2004–05 (Original)	2004–05 (Revised)	2005–06 (Estimate)
Financial provision (\$m)	13.9	13.8	13.7 (–0.7%)	13.5 (–1.5%)
				(or –2.2% on 2004–05 Original)

Aim

4 The aim is to ensure the provision of a reliable, adequate and quality water supply and an efficient water supply service.

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Brief Description

5 The Works Branch's main responsibility under this programme is to formulate and co-ordinate water supply policies. In 2004, the Branch:

- ensured that water was supplied to the territory round-the-clock throughout the year;
- ensured that the quality of water supplied to customers at connection points fully complied with the Guidelines for Drinking-water Quality of the World Health Organization; and
- initiated pilot studies in the formulation of a long-term strategy on total water management.

Matters Requiring Special Attention in 2005–06

6 During 2005–06, the Branch will:

- continue to ensure a reliable and safe supply of potable water;
- oversee the maintenance and improvement of the water supply infrastructure;
- carry on the formulation of a long-term strategy on total water management; and
- explore alternative approaches to achieve greater efficiency in the delivery of water supply services.

Programme (3): Intra-Governmental Services

	2003–04 (Actual)	2004–05 (Original)	2004–05 (Revised)	2005–06 (Estimate)
Financial provision (\$m)	177.6	194.8	178.0 (–8.6%)	176.9 (–0.6%)
				(or –9.2% on 2004–05 Original)

Aim

7 The aim is to ensure the effective planning, management and implementation of public sector infrastructure development and works programmes in a safe, timely and cost-effective manner as well as to maintain high quality and standards.

Brief Description

8 The Branch's main responsibilities under this programme are to formulate works policies; to co-ordinate and monitor implementation of public sector infrastructure development and works programmes; to forge consensus on strategic issues affecting the construction industry and roll out reform initiatives; and to provide legal services for these matters. In 2004, the Branch:

- monitored the implementation of major public works projects and improved their delivery according to schedule and within budget in a cost-effective manner;
- implemented the new Public Works Programme Information System to provide timely project and contract information to relevant parties;
- sustained momentum on the implementation of reform initiatives advocated by the Construction Industry Review Committee;
- co-organised with the Ministry of Construction of the Mainland a large scale conference in Dalian with the participation of about 150 senior practitioners and executives from the construction-related professional services industry;
- signed a co-operation agreement on construction-related professional services with the Chongqing Municipal Government; and
- achieved mutual recognition of professional qualifications for architects and structural engineers between Hong Kong and the Mainland.

Matters Requiring Special Attention in 2005–06

9 During 2005–06, the Branch will:

- continue to monitor the overall delivery of the Public Works Programme to secure early completion of projects and keep its underspending, if any, to below 5%;
- promote the wider use of alternative procurement approaches in public works projects with a view to improving efficiency and cost-effectiveness;

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- examine ways to enhance the cost-effectiveness of slope upgrading works and oversee the implementation of improvement, maintenance and landscaping works to government slopes;
- continue to monitor the drainage upgrading works in West Kowloon, Northern and North-Western New Territories, with a view to reducing flooding risk in these areas;
- introduce measures and initiatives, organise promotional activities, step up provisions of training, and regulate contractors for improving the environmental and safety performance at construction sites;
- undertake an overall review of the industry reform exercise and steer through a new legislation for setting up of the Construction Industry Council;
- co-ordinate inter-departmental efforts on greening, explore new opportunities to improve the cityscape, enhance greening standards, and enlist community support in greening the environment; and
- continue to promote construction-related professional services to the Mainland to secure better market opportunities and wider mutual recognition of professional qualifications.

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ANALYSIS OF FINANCIAL PROVISION

Programme	2003-04 (Actual) (\$m)	2004-05 (Original) (\$m)	2004-05 (Revised) (\$m)	2005-06 (Estimate) (\$m)
(1) Director of Bureau's Office.....	6.4	7.5	7.4	8.1
(2) Water Supply.....	13.9	13.8	13.7	13.5
(3) Intra-Governmental Services.....	177.6	194.8	178.0	176.9
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	197.9	216.1	199.1 (-7.9%)	198.5 (-0.3%)
				(or -8.1% on 2004-05 Original)

Analysis of Financial and Staffing Provision

Programme (1)

Provision for 2005-06 is \$0.7 million (9.5%) higher than the revised estimate for 2004-05. This is mainly due to increased requirement for contract gratuities of the non-civil service contract staff.

Programme (2)

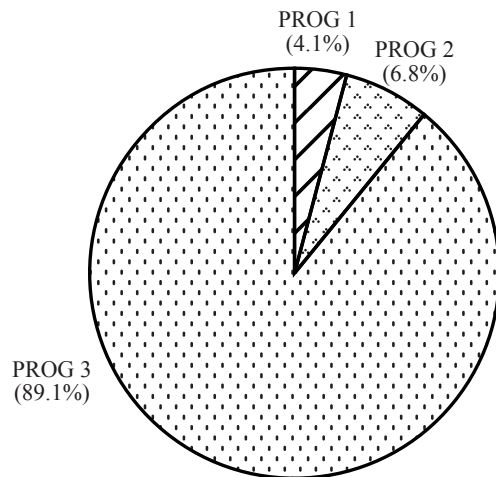
Provision for 2005-06 is \$0.2 million (1.5%) lower than the revised estimate for 2004-05. This is mainly due to the full-year effect of the 2005 civil service pay cut.

Programme (3)

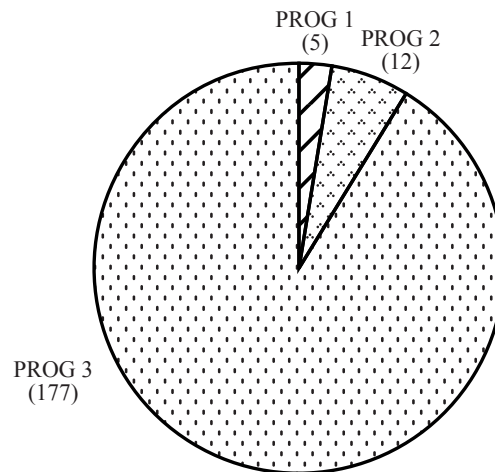
Provision for 2005-06 is \$1.1 million (0.6%) lower than the revised estimate for 2004-05. This is mainly due to the transfer of 26 posts to the Transport Branch and the Environmental Protection Department as a result of restructuring of the administration services of the Bureau, the deletion of two other posts and the full-year effect of the 2005 civil service pay cut, partly offset by increased cash flow requirements for non-recurrent projects.

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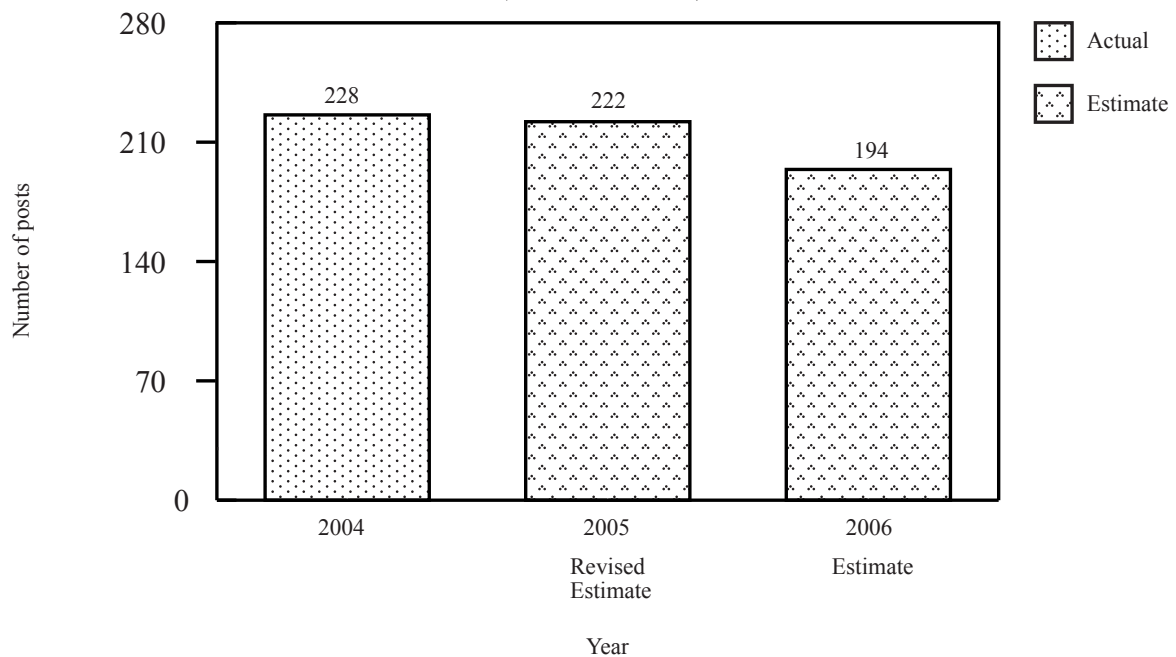
*Allocation of provision
to programmes
(2005-06)*



*Staff by programme
(as at 31 March 2006)*



*Changes in the size of the establishment
(as at 31 March)*



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Sub-head (Code)		Actual expenditure 2003-04	Approved estimate 2004-05	Revised estimate 2004-05	Estimate 2005-06
		\$'000	\$'000	\$'000	\$'000
Operating Account					
Recurrent					
000	Operational expenses	195,081	214,135	198,508	190,172
	Total, Recurrent	195,081	214,135	198,508	190,172
Non-Recurrent					
700	General non-recurrent	2,860	1,920	619	8,302
	Total, Non-Recurrent	2,860	1,920	619	8,302
	Total, Operating Account	197,941	216,055	199,127	198,474
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	Total Expenditure	197,941	216,055	199,127	198,474

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Details of Expenditure by Subhead

The estimate of the amount required in 2005–06 for the salaries and expenses of the Works Branch is \$198,474,000. This represents a decrease of \$653,000 against the revised estimate for 2004–05 and an increase of \$533,000 over actual expenditure for 2003–04.

Operating Account

Recurrent

2 Provision of \$190,172,000 under *Subhead 000 Operational expenses* is for the salaries, allowances and other operating expenses of the Works Branch.

3 The establishment as at 31 March 2005 will be 222 permanent posts. It is expected that there will be a deletion of 28 permanent posts in 2005–06. Subject to certain conditions, the controlling officer may under delegated power create or delete non-directorate posts during 2005–06, but the notional annual mid-point salary value of all such posts must not exceed \$74,344,000.

4 An analysis of the financial provision under *Subhead 000 Operational expenses* is as follows:

	2003–04 (Actual) (\$'000)	2004–05 (Original) (\$'000)	2004–05 (Revised) (\$'000)	2005–06 (Estimate) (\$'000)
Personal Emoluments				
- Salaries	127,156	124,733	119,620	109,596
- Allowances	2,189	2,056	2,209	2,167
- Job-related allowances	4	4	3	4
Personnel Related Expenses				
- Mandatory Provident Fund contribution	86	90	65	90
Departmental Expenses				
- Temporary staff	45,146	47,726	44,476	45,834
- General departmental expenses	19,165	36,526	30,800	30,481
Other Charges				
- Maintenance of government slopes by Housing Department	1,335	3,000	1,335	2,000
	<u>195,081</u>	<u>214,135</u>	<u>198,508</u>	<u>190,172</u>

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Commitments

Sub-head (Code)	Item (Code)	Ambit	Approved commitment	Accumulated expenditure to 31.3.2004	Revised estimated expenditure for 2004-05	Balance
			\$'000	\$'000	\$'000	\$'000
<i>Operating Account</i>						
700		<i>General non-recurrent</i>				
	450	Start-up grant for the Construction Workers Registration Authority to acquire a computerised registration management system.....	9,750	—	—	9,750
	472	Start-up grant for the Construction Workers Registration Authority to engage services of the trade unions and associations for processing applications under the Construction Workers Registration Ordinance during the initial registration period ..	4,200	—	—	4,200
	473	Start-up grant for the Construction Workers Registration Authority to carry out publicity and community education activities for construction workers registration under the Construction Workers Registration Ordinance	1,400	—	—	1,400
	545	Consultancy study on benchmark comparison on construction cost and establishment of performance indicators	1,300	918	330	52
		Total	16,650	918	330	15,402