

Head 50 — GOVERNMENT LAND TRANSPORT AGENCY

Controlling officer: the Government Land Transport Administrator will account for expenditure under this Head.

Estimate 2003–04 **\$153.1m**

Establishment ceiling 2003–04 (notional annual mid-point salary value) representing an estimated 145 non-directorate posts as at 31 March 2003 reducing by six posts to 139 posts as at 31 March 2004..... **\$31.9m**

In addition there will be one directorate post as at 31 March 2003 and as at 31 March 2004.

Capital Account commitment balance **\$8.4m**

Controlling Officer's Report

Programmes

<p>Programme (1) Transport Consultancy and Procurement</p> <p>Programme (2) Transport Operation Services</p>	<p>These programmes contribute to Policy Area 27: Intra-Governmental Services (Secretary for Financial Services and the Treasury).</p>
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Detail

Programme (1): Transport Consultancy and Procurement

	2001–02 (Actual)	2002–03 (Approved)	2002–03 (Revised)	2003–04 (Estimate)
Financial provision (\$m)	189.3	110.7 (–41.5%)	109.7 (–0.9%)	115.1 (+4.9%)

Aim

2 The aim is to provide professional advice to departments on professional transport management and to procure vehicles on behalf of Government at the best value for money.

Brief Description

3 The Agency vets requests for additional and replacement vehicles to ensure that they are justified for procurement. It also reviews the efficiency with which departments operate and manage their vehicle fleets. The Agency procures vehicles, other than certain types of specialised vehicles, for all government departments. It drafts user specifications; plans tendering procedures; tracks, evaluates and monitors tender processes; and manages funding through a block vote.

4 To enhance environmental performance, the Agency implements green measures in the government vehicle fleet, including the replacement of diesel light buses gradually with those driven by liquefied petroleum gas.

5 The key performance measures in respect of transport consultancy and procurement are:

Targets

	Target	2001 (Actual)	2002 (Actual)	2003 (Plan)
savings agreed to be delivered by departments as a percentage of savings recommended by the Agency in departmental transport reviews (%).....	85	78	84	85

Indicators

	2001 (Actual)	2002 (Actual)	2003 (Estimate)
tender exercises conducted.....	35	13	12
vehicles procured			
additional.....	54	45	28
replacement	608	367	556

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Matters Requiring Special Attention in 2003–04

6 During 2003–04, the Agency will:

- install emission reduction devices on Euro I and Euro II government diesel vehicles;
- examine the feasibility of introducing low emission vehicles progressively in the government fleet;
- assist departments to critically review their transport needs; and
- continue to implement measures to streamline and monitor the vehicle procurement process.

Programme (2): Transport Operation Services

	2001–02 (Actual)	2002–03 (Approved)	2002–03 (Revised)	2003–04 (Estimate)
Financial provision (\$m)	39.2	42.0 (+7.1%)	38.4 (–8.6%)	38.0 (–1.0%)

Aim

7 The aim is to provide transport services to government departments and to manage the Transport Services and Driver Grades.

Brief Description

8 The Agency operates a transport pool which supplements departmental fleets and provides transport services to departments without departmental vehicles. It also arranges the contract hiring of commercial vehicles to cope with seasonal peak demand or short-term transportation needs which do not justify provision of additional vehicles.

9 The Agency is responsible for ensuring that government drivers maintain a high standard of driving and road safety through training and testing. As Head of Grade, the Agency also manages the transport management and driver grades on the establishment of other government departments.

10 The key performance measures in respect of transport operation services are:

Targets

	Target	2001 (Actual)	2002 (Actual)	2003 (Plan)
transport pool resources utilisation				
% of the drivers tasked daily.....	88	87	87	88
% of the pool vehicles utilised daily..	86	78	81	86
% of pool vehicles on assignment reporting to users within five minutes of the scheduled time.....	98	99	98	98
first time passing rate of trainees attending government driving courses (%).....	95	96	89	95

Indicators

	2001 (Actual)	2002 (Actual)	2003 (Estimate)
number of blameworthy accidents per 1 000 000 km (cases) ..	0.7	1.3	0.7
use of GLTA pool vehicle only (km)	292 824	297 936	326 341
use of GLTA pool driving staff only (hrs).....	14 553	11 199	7 884
use of GLTA pool vehicle with driver (km)	1 182 061	1 203 001	1 008 923
number of officers attending driving related training courses .	1 666	839	1 000
number of trainees on driving courses.....	255	271	270

Matters Requiring Special Attention in 2003–04

11 During 2003–04, the Agency will continue to:

- improve the cost-effectiveness of pool transport services;
- reduce the pool fleet size and vehicle mix consequent to the taxi hiring scheme with a view to further enhancing cost-effectiveness; and
- implement a total quality management programme to ensure that customers enjoy the best possible pool transport services.

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ANALYSIS OF FINANCIAL PROVISION

Programme	2001-02 (Actual) (\$m)	2002-03 (Approved) (\$m)	2002-03 (Revised) (\$m)	2003-04 (Estimate) (\$m)
(1) Transport Consultancy and Procurement	189.3	110.7	109.7	115.1
(2) Transport Operation Services	39.2	42.0	38.4	38.0
	<u>228.5</u>	<u>152.7</u> (-33.2%)	<u>148.1</u> (-3.0%)	<u>153.1</u> (+3.4%)

Analysis of Financial and Staffing Provision

Programme (1)

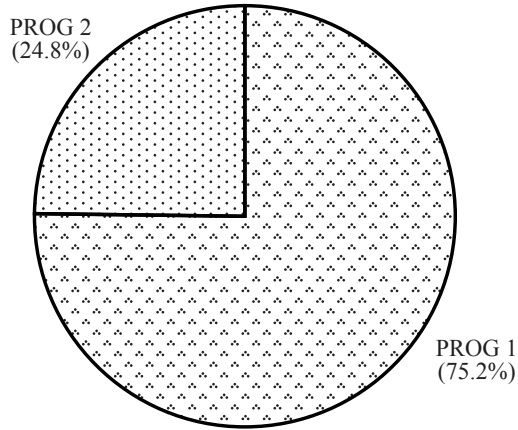
Provision for 2003-04 is \$5.4 million (4.9%) higher than the revised estimate for 2002-03. This is mainly due to additional requirement for installing emission reduction devices on diesel-powered vehicles.

Programme (2)

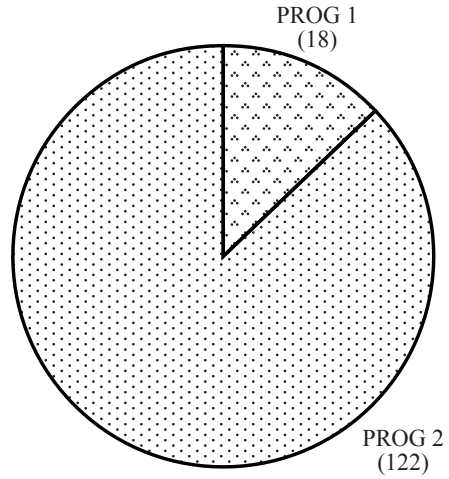
Provision for 2003-04 is \$0.4 million (1.0%) lower than the revised estimate for 2002-03. This is mainly due to the full-year effect of the civil service pay cut in 2002, and anticipated deletion of six posts and reduction in pool fleet size consequent to the taxi hiring scheme, partly offset by salary increments for staff.

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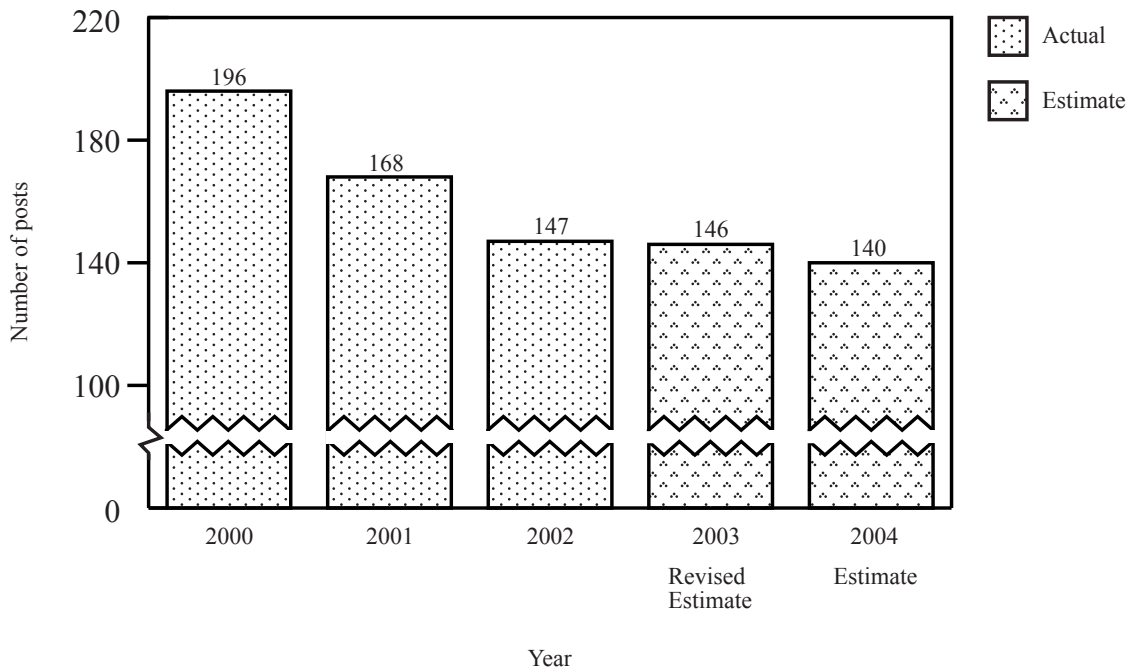
*Allocation of provision
to programmes
(2003-04)*



*Staff by programme
(as at 31 March 2004)*



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



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Sub-head (Code)	Actual expenditure 2001-02	Approved estimate 2002-03	Revised estimate 2002-03	Estimate 2003-04	
	\$'000	\$'000	\$'000	\$'000	
Recurrent Account					
000	Operational expenses.....	—	51,099	46,684	46,145
224	Motor Insurers' Bureau - government contribution.....	—	84	—	84*
225	Traffic accident victims assistance scheme - levies.....	840	845	837	845*
	Salaries	36,911	—	—	—
	Allowances	4,562	—	—	—
	Job-related allowances	41	—	—	—
	General departmental expenses	6,259	—	—	—
	Total, Recurrent Account	48,613	52,028	47,521	47,074
Capital Account					
I — Plant, Equipment and Works					
691	General purpose vehicles (block vote)	179,065	100,000	99,965	100,000
	Total, Plant, Equipment and Works	179,065	100,000	99,965	100,000
II — Other Non-Recurrent					
700	General other non-recurrent	781	638	638	6,000
	Total, Other Non-Recurrent	781	638	638	6,000
	Total, Capital Account	179,846	100,638	100,603	106,000
	Total Expenditure.....	228,459	152,666	148,124	153,074

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Details of Expenditure by Subhead

The estimate of the amount required in 2003–04 for the salaries and expenses of the Government Land Transport Agency is \$153,074,000. This represents an increase of \$4,950,000 over the revised estimate for 2002–03 and a decrease of \$75,385,000 against actual expenditure in 2001–02.

Recurrent Account

2 Provision of \$46,145,000 under *Subhead 000 Operational expenses* is for the salaries and allowances of staff of the Government Land Transport Agency and its other operating expenses.

3 The establishment as at 31 March 2003 will be 146 permanent posts. It is expected that six permanent posts will be deleted in 2003–04. Subject to certain conditions, the controlling officer may under delegated powers create or delete non-directorate posts during 2003–04, but the notional annual mid-point salary value of all such posts must not exceed \$31,886,000.

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

	2001–02 (Actual) (\$'000)	2002–03 (Original Estimate) (\$'000)	2002–03 (Revised Estimate) (\$'000)	2003–04 (Estimate) (\$'000)
Personal Emoluments				
- Salaries.....	36,911	38,125	35,120	34,809
- Allowances.....	4,562	4,833	3,889	3,639
- Job-related allowances	41	41	43	43
Personnel Related Expenses				
- Mandatory Provident Fund contribution.....	—	—	—	22
Departmental Expenses				
- General departmental expenses.....	6,259	8,100	7,632	7,632
	47,773	51,099	46,684	46,145

5 Provision of \$84,000 under *Subhead 224 Motor Insurers' Bureau—government contribution* is for the Government's contribution towards the scheme to assist victims of road accidents who are unable to claim compensation under third-party insurance.

6 Provision of \$845,000 under *Subhead 225 Traffic accident victims assistance scheme—levies* is for statutory payments under Traffic Accident Victims (Assistance Fund) Ordinance.

Capital Account

Plant, Equipment and Works

7 Provision of \$100,000,000 under *Subhead 691 General purpose vehicles (block vote)* is for the procurement of government vehicles which are designed and used primarily for the carriage of passengers and/or goods with a unit cost not exceeding \$10,000,000.

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Capital Account

Commitments

Sub-head (Code)	Item (Code)	Ambit	Approved commitment	Accumulated expenditure to 31.3.2002	Revised estimated expenditure for 2002-03	Balance
			\$'000	\$'000	\$'000	\$'000
700		<i>General other non-recurrent</i>				
	238	Supply and installation of diesel oxidation catalyts for government Euro I and Euro II diesel vehicles.....	8,410	—	—	8,410
		Total.....	8,410	—	—	8,410
			8,410	—	—	8,410