

**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 2004–05 **\$216.1m**

Establishment ceiling 2004–05 (notional annual mid-point salary value) representing an estimated 205 non-directorate posts as at 31 March 2004 reducing by two posts to 203 posts as at 31 March 2005..... **\$87.1m**

In addition there will be an estimated 23 directorate posts as at 31 March 2004 reducing by three posts to 20 posts as at 31 March 2005.

Commitment balance..... **\$2.9m**

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

	2002–03 (Actual)	2003–04 (Original)	2003–04 (Revised)	2004–05 (Estimate)
Financial provision (\$m)	—	6.2	6.4 (+3.2%)	7.5 (+17.2%)
				(or +21.0% on 2003–04 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

	2002–03 (Actual)	2003–04 (Original)	2003–04 (Revised)	2004–05 (Estimate)
Financial provision (\$m)	15.8	15.5	14.0 (–9.7%)	13.8 (–1.4%)
				(or –11.0% on 2003–04 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 2003, the branch:

- maintained a 24-hour water supply to the territory 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 Organisation; and
- started the formulation of the long-term strategy on total water management.

Matters Requiring Special Attention in 2004–05

6 During 2004–05, the branch will:

- continue to ensure a reliable and safe supply of potable water;
- oversee the maintenance and improvement of the water supply infrastructure;
- continue the formulation of the long-term strategy on total water management; and
- monitor and assess efficiency improvement in the delivery of water supply services.

Programme (3): Intra-Governmental Services

	2002–03 (Actual)	2003–04 (Original)	2003–04 (Revised)	2004–05 (Estimate)
Financial provision (\$m)	184.3	210.8	199.8 (–5.2%)	194.8 (–2.5%)
				(or –7.6% on 2003–04 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 and to maintain high quality and standards.

Brief Description

8 The branch's main responsibilities under this programme are to formulate and co-ordinate works policies; to co-ordinate and monitor implementation of public sector infrastructure development and works programmes; to foster collaboration on strategic issues and improvement measures affecting the construction industry; and to provide legal services for these matters. In 2003, the branch:

- continued to monitor the implementation of major public works projects and improve their delivery according to schedule and within budget in a cost-effective manner;
- reviewed the Public Works Programme procedures and promulgated further administrative measures to expedite the delivery of projects;
- sustained momentum on the implementation of reform initiatives advocated by the Construction Industry Review Committee; and
- drew up a code for cost reduction for works departments to follow.

Matters Requiring Special Attention in 2004–05

9 During 2004–05, 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%;
- monitor the effectiveness of further administrative measures that were promulgated in 2003 to expedite the delivery of public works projects, including the procedures to exclude non-essential changes to project scope and programme and enhanced consultation/notification of projects to speed up the resolution of public objections;
- explore ways to further enhance the cost-effectiveness of slope upgrading works and continue to monitor the implementation of slope improvement measures, 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;

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- introduce enhanced measures and initiatives, organise promotional activities, step up provisions of training and regulate contractors on environmental and safety performance;
- 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 greening efforts to promote urban greenery, continue to explore new greening opportunities to enhance the cityscape, and enlist community support in greening the environment; and
- promote local professional services in the construction industry to the Mainland with a view to achieving better market opportunities and recognition of professional qualifications.

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ANALYSIS OF FINANCIAL PROVISION

Programme	2002–03 (Actual) (\$m)	2003–04 (Original) (\$m)	2003–04 (Revised) (\$m)	2004–05 (Estimate) (\$m)
(1) Director of Bureau’s Office	—	6.2	6.4	7.5
(2) Water Supply	15.8	15.5	14.0	13.8
(3) Intra-Governmental Services	184.3	210.8	199.8	194.8
	200.1	232.5	220.2 (–5.3%)	216.1 (–1.9%)
				(or –7.1% on 2003–04 Original)

Note: For comparison purpose, the actual expenses for 2002–03 have included the allocations previously attributable to the programmes of water supply and intra-governmental services under the obsolete Head 56—Government Secretariat: Housing, Planning and Lands Bureau (Planning and Lands) and Environment, Transport and Works Bureau (Transport and Works).

Analysis of Financial and Staffing Provision

Programme (1)

Provision for 2004–05 is \$1.1 million (17.2%) higher than the revised estimate for 2003–04. This is mainly due to the full-year provision for the remuneration of two technical advisers to the Secretary for the Environment, Transport and Works.

Programme (2)

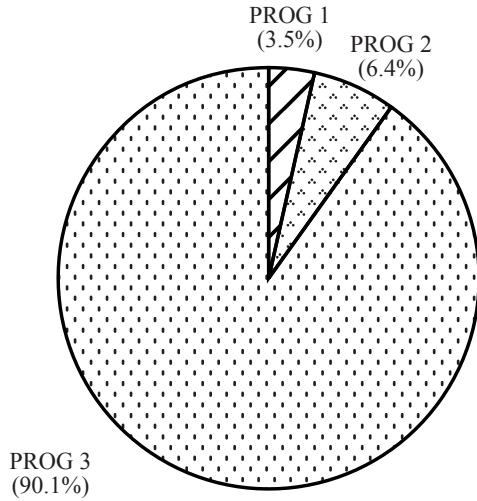
Provision for 2004–05 is \$0.2 million (1.4%) lower than the revised estimate for 2003–04. This is mainly due to the effect of the 2004 and 2005 civil service pay cut and reduced operating expenses.

Programme (3)

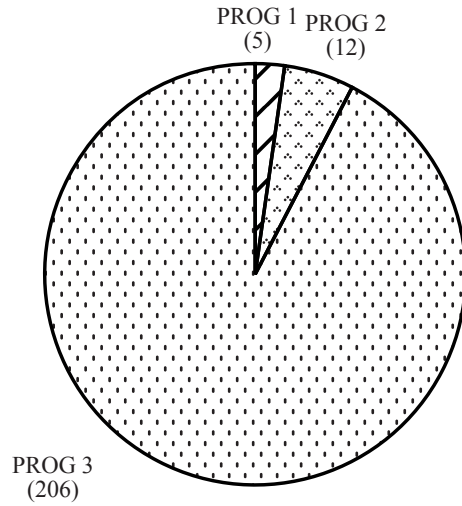
Provision for 2004–05 is \$5.0 million (2.5%) lower than the revised estimate for 2003–04. This is mainly due to the net deletion of nine posts and transfer of one post to the Environment and Transport Branch of Environment, Transport and Works Bureau, partly offset by the transfer of five posts from the Information Technology Services Department.

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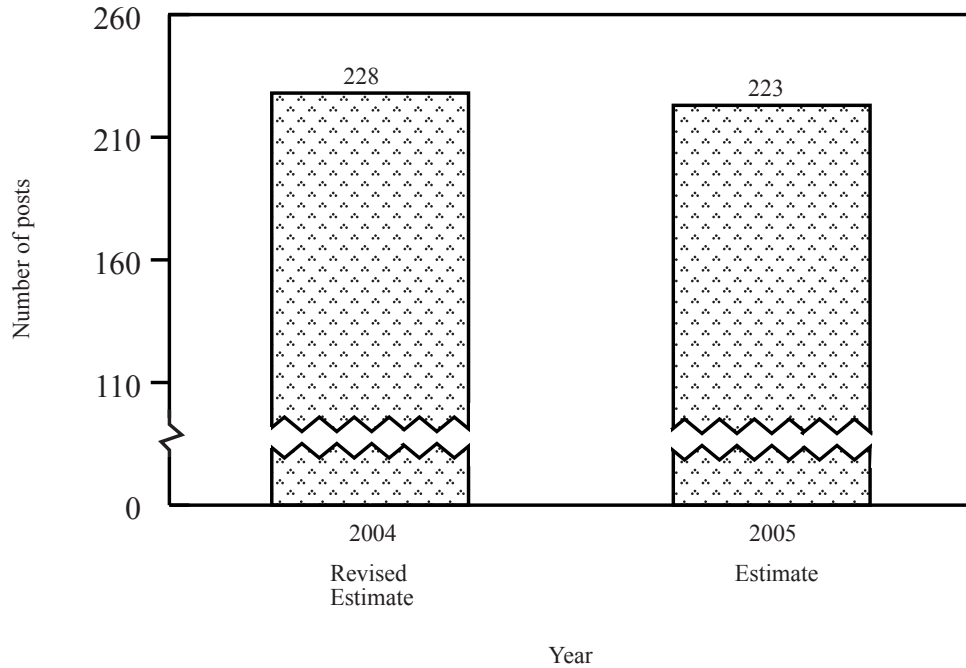
*Allocation of provision
to programmes
(2004-05)*



*Staff by programme
(as at 31 March 2005)*



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



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Sub-head (Code)	Actual expenditure 2002-03	Approved estimate 2003-04	Revised estimate 2003-04	Estimate 2004-05	
	\$'000	\$'000	\$'000	\$'000	
Operating Account					
Recurrent					
000	Operational expenses.....	—	228,508	216,629	214,135
	Total, Recurrent	—	228,508	216,629	214,135
Non-Recurrent					
700	General non-recurrent.....	—	4,037	3,603	1,920
	Total, Non-Recurrent	—	4,037	3,603	1,920
	Total, Operating Account.....	—	232,545	220,232	216,055

	Total Expenditure.....	—	232,545	220,232	216,055

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Details of Expenditure by Subhead

The estimate of the amount required in 2004–05 for the salaries and expenses of the Works Branch is \$216,055,000. This represents a decrease of \$4,177,000 against the revised estimate for 2003–04.

Operating Account

Recurrent

2 Provision of \$214,135,000 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 2004 will be 225 permanent posts and three supernumerary posts. It is expected that there will be a net deletion of two permanent posts and three supernumerary posts in 2004–05. Subject to certain conditions, the controlling officer may under delegated power create or delete non-directorate posts during 2004–05, but the notional annual mid-point salary value of all such posts must not exceed \$87,093,000.

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

	2002–03 (Actual) (\$'000)	2003–04 (Original) (\$'000)	2003–04 (Revised) (\$'000)	2004–05 (Estimate) (\$'000)
Personal Emoluments				
- Salaries.....	—	130,300	127,746	124,733
- Allowances.....	—	1,782	2,102	2,056
- Job-related allowances.....	—	6	3	4
Personnel Related Expenses				
- Mandatory Provident Fund contribution.....	—	72	90	90
Departmental Expenses				
- Temporary staff.....	—	49,109	47,435	47,726
- General departmental expenses.....	—	44,239	37,053	36,526
Other Charges				
- Maintenance of government slopes by Housing Department.....	—	3,000	2,200	3,000
	—	228,508	216,629	214,135

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Commitments

Sub-head (Code)	Item (Code)	Ambit	Approved commitment	Accumulated expenditure to 31.3.2003	Revised estimated expenditure for 2003-04	Balance
			\$'000	\$'000	\$'000	\$'000
<i>Operating Account</i>						
700		<i>General non-recurrent</i>				
	525	Consultancy study on the demand and supply of manpower resources for the construction industry.....	3,000	1,299	200	1,501
	532	Second stage of the Independent Safety Audit Scheme in public works contracts.....	5,500	3,643	550	1,307
	545	Consultancy study on benchmark comparison on construction cost and establishment of performance indicators	1,300	484	716	100
		Total.....	9,800	5,426	1,466	2,908