

Head 159 — GOVERNMENT SECRETARIAT: DEVELOPMENT BUREAU (WORKS BRANCH)

Controlling officer: the Permanent Secretary for Development (Works) will account for expenditure under this Head.

Estimate 2017–18 **\$505.7m**

Establishment ceiling 2017–18 (notional annual mid-point salary value) representing an estimated 230 non-directorate posts as at 31 March 2017 rising by 19 posts to 249 posts as at 31 March 2018..... **\$181.0m**

In addition, there will be an estimated 28 directorate posts as at 31 March 2017 rising by one post to 29 posts as at 31 March 2018.

Commitment balance..... **\$285.6m**

Controlling Officer's Report

Programmes

Programme (1) Water Supply

This programme contributes to Policy Area 24: Water Supply, Drainage and Slope Safety (Secretary for Development).

**Programme (2) Heritage Conservation
Programme (3) Greening, Landscape and
Tree Management**

These programmes contribute to Policy Area 22: Buildings, Lands, Planning, Heritage Conservation, Greening and Landscape (Secretary for Development).

Programme (4) Energizing Kowloon East

**Programme (5) Intra-Governmental
Services**

This programme contributes to Policy Area 27: Intra-Governmental Services (Secretary for Development).

Detail

Programme (1): Water Supply

	2015–16 (Actual)	2016–17 (Original)	2016–17 (Revised)	2017–18 (Estimate)
Financial provision (\$m)	22.9	11.3	17.2 (+52.2%)	32.1 (+86.6%)
				(or +184.1% on 2016–17 Original)

Aim

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

Brief Description

3 The Works Branch's main responsibility under this programme is to formulate water supply policies and co-ordinate their implementation. In 2016, the Branch:

- oversaw the provision of round-the-clock water supply to the territory throughout the year,
- oversaw the control of the quality of water supplied to customers at connection points to fully comply with the Guidelines for Drinking-water Quality of the World Health Organization,
- monitored the implementation of total water management strategy including the promotion of water conservation,
- oversaw the implementation of follow-up actions in relation to the recommendations of the Commission of Inquiry into Excess Lead Found in Drinking Water (CoI),
- led an inter-bureau and inter-departmental working group in reviewing the development of a regulatory and monitoring regime for drinking water safety,
- oversaw the legislative amendments to the Waterworks Ordinance (Cap. 102) (WWO) and the Waterworks Regulations (Cap. 102A) (WWR) relating to personnel for carrying out plumbing works and updating of plumbing material standards and commenced the review of the other parts of the WWO and WWR, and
- led the International Expert Panel on Drinking Water Safety in providing advice on consultancy findings and suggestions of Water Supplies Department relating to drinking water safety.

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Matters Requiring Special Attention in 2017–18

4 During 2017–18, the Branch will:

- continue to oversee a reliable and safe supply of potable water,
- continue to oversee the maintenance and improvement of the water supply infrastructure,
- continue to monitor the implementation of the total water management strategy and oversee the study on review of the strategy for sustainable use of water resources,
- oversee the renewal of the agreement with Guangdong authorities for the supply of Dongjiang water commencing in 2018,
- continue to oversee the implementation of follow-up actions in relation to the recommendations of the CoI, and
- continue to oversee the legislative amendments to WWO and WWR relating to personnel for carrying out plumbing works and updating of plumbing material standards and the review of the other parts of WWO and WWR.

Programme (2): Heritage Conservation

	2015–16 (Actual)	2016–17 (Original)	2016–17 (Revised)	2017–18 (Estimate)
Financial provision (\$m)	47.6	59.3	53.8 (–9.3%)	75.5 (+40.3%)
				(or +27.3% on 2016–17 Original)

Aim

5 The aim is to protect, conserve and revitalise as appropriate historical and heritage sites and buildings through relevant and sustainable approaches for the benefit and enjoyment of the present and future generations.

Brief Description

6 The Works Branch's main responsibility under this programme is to support the Secretary for Development in discharging his statutory role as the Antiquities Authority and to formulate and implement heritage conservation measures with public participation. In 2016, the Branch:

- established the Built Heritage Conservation Fund to provide funding support for the Revitalising Historic Buildings Through Partnership Scheme, the Financial Assistance for Maintenance Scheme, academic research, public education, community involvement and publicity activities, and set up the Advisory Committee on Built Heritage Conservation to offer advice to the Government on the operation of the Fund;
- continued to take forward the 15 projects under Batches I to IV of the Revitalising Historic Buildings Through Partnership Scheme, which involves revitalisation of government-owned historic buildings by non-profit-making organisations;
- launched Batch V of the Revitalising Historic Buildings Through Partnership Scheme which involves the revitalisation of four government-owned historic buildings;
- introduced enhancements to and continued to implement the Financial Assistance for Maintenance Scheme to provide financial assistance on the maintenance of privately-owned graded historic buildings as well as government-owned declared monuments and graded historic buildings leased to non-profit-making organisations;
- continued to oversee the implementation of the Heritage Impact Assessment mechanism for capital works projects to ensure that their impact on heritage sites would be avoided or minimised and mitigation measures would be devised if impact was unavoidable;
- offered assistance and explored economic incentives as appropriate to facilitate conservation of privately-owned historic buildings;
- continued to take forward the Central Police Station Compound revitalisation project in partnership with the Hong Kong Jockey Club;
- together with the Commerce and Economic Development Bureau (CEDB), continued to work closely with the selected non-profit-making organisation to promote the former Police Married Quarters on Hollywood Road as a creative industries landmark;
- completed the declaration of three historic buildings as monuments under the Antiquities and Monuments Ordinance (Cap. 53) (AMO);

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- continued with the grading exercise for 1 444 historic buildings and other buildings suggested for grading by the public by seeking the Antiquities Advisory Board's confirmation of the proposed grading taking account of the advice of the Historic Buildings Assessment Panel as well as the views received from the private owners concerned and the public; and
 - organised promotional activities for the public and tourists to enhance their interest in and knowledge of heritage conservation, including the roving exhibitions on "New Life @ Heritage II", King Yin Lei Open Days and "Heritage Fiesta 2016".
- 7 The key performance measures in respect of heritage conservation are:

Indicators

	2015 (Actual)	2016 (Actual)	2017 (Estimate)
cumulative total no. of projects included under the Revitalising Historic Buildings Through Partnership Scheme.....	15	19	19
no. of participants in promotional activities.....	272 056	270 843	210 000

Matters Requiring Special Attention in 2017–18

- 8 During 2017–18, the Branch will:
- continue to oversee the operation of the Built Heritage Conservation Fund;
 - continue to take forward the projects under Batches I to IV of the Revitalising Historic Buildings Through Partnership Scheme;
 - oversee the assessment of the applications under Batch V of the Revitalising Historic Buildings Through Partnership Scheme;
 - continue to implement the Financial Assistance for Maintenance Scheme to provide financial assistance on the maintenance of privately-owned graded historic buildings as well as government-owned declared monuments and graded historic buildings leased to non-profit-making organisations;
 - continue to oversee the implementation of the Heritage Impact Assessment mechanism to protect sites and buildings of historical or archaeological significance;
 - continue to liaise with private owners of graded historic buildings to offer assistance and explore economic incentives as appropriate to facilitate their preservation;
 - continue to take forward the Central Police Station Compound revitalisation project in partnership with the Hong Kong Jockey Club;
 - together with the CEDB, continue to work closely with the selected non-profit-making organisation to promote the revitalised former Police Married Quarters on Hollywood Road as a creative industries landmark;
 - continue to identify suitable historic buildings for consideration to be declared as monuments under the AMO;
 - continue to oversee the grading exercise for 1 444 historic buildings and other buildings suggested for grading by the public; and
 - continue to organise promotional activities to enhance public interest in and knowledge of heritage conservation.

Programme (3): Greening, Landscape and Tree Management

	2015–16 (Actual)	2016–17 (Original)	2016–17 (Revised)	2017–18 (Estimate)
Financial provision (\$m)	46.6	53.1	46.6 (–12.2%)	51.8 (+11.2%)
				(or –2.4% on 2016–17 Original)

Aim

- 9 The aim is to co-ordinate government efforts on greening, landscape and tree management through an integrated approach, and to ensure better integration of greening and tree management.

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Brief Description

10 Pursuant to the recommendations in the “Report of the Task Force on Tree Management – People, Trees, Harmony” published in June 2009, the Greening, Landscape and Tree Management (GLTM) Section was established under the Works Branch in March 2010 to champion a new, strategic policy on greening, landscaping and tree management with a view to achieving the sustainable development of a greener environment for Hong Kong.

11 The GLTM Section is underpinned by the Greening and Landscape Office (GLO) and the Tree Management Office (TMO). The GLO is responsible for central co-ordination of policy matters and departmental efforts on greening and landscape planning and design, while the TMO deals with policy matters related to the promotion of a quality-led approach to tree management among tree management departments and in the community at large. In 2016, the Branch:

- continued to provide professional advice to enhance landscape design in both large-scale and regional government infrastructure projects, such as Kai Tak Development;
- continued to provide policy advice on greening and landscape aspects;
- commenced a consultancy study on Street Ecology Strategy for Hong Kong with a view to formulating a practical tree selection guide for different typical street/road typologies;
- continued to organise promotional and educational activities for the public and the industry through public seminars, talks, publication and community involvement activities to enhance their knowledge on greening, landscape and tree management issues;
- promulgated guidelines on tree preservation during development and issued a note on common wood decay fungi affecting urban trees of Hong Kong to promote a professional approach to tree management;
- continued to implement the “Guidelines for Tree Risk Assessment and Management Arrangement” to better protect public safety;
- promulgated the “Handbook on Tree Management” to provide guidelines for tree management on private properties;
- continued to provide training in greening, landscape and tree management, recording total attendance of around 6 000 participants from government bureaux/departments, professional bodies, consultants, contractors and other tree management personnel;
- continued to maintain GLTM Section as the co-ordinating authority with a view to providing professional support and advice to departments in enhancing the care of trees;
- continued the research on the possible use of biological agents to control the Brown Root Rot disease in Hong Kong;
- took the lead in resolving complex cases in collaboration with the departments concerned;
- continued to maintain an emergency response system to facilitate prompt and effective response to serious tree incidents; and
- held public seminars, enhanced the Greening website (www.greening.gov.hk), conducted tree talks in both primary and secondary schools and organised community activities to promote public awareness and foster a culture of tree care.

12 The key performance measures in respect of greening, landscape and tree management are:

Indicators

	2015 (Actual)	2016 (Actual)	2017 (Estimate)
planting by Government			
trees (millions)	0.4	0.5	0.4
shrubs (millions)	4.3	5.2	3.6
seasonal flowers (millions)	0.4	0.3	0.3
total (millions)	5.1	6.0	4.3
expenditure on greening works by Government (\$m)	180.1	153.2	153.4
no. of participants in training organised by the GLTM Section	5 878	5 696	5 521
no. of participants in public education and community involvement activities organised by the GLTM Section	13 994	10 378	5 695

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Matters Requiring Special Attention in 2017–18

13 During 2017–18, the Branch will continue to:

- formulate and promulgate standards, guidelines and best practices related to greening, landscape planning and design, and tree management;
- provide input in the greening and landscape aspect of strategic government infrastructure projects;
- oversee the effective implementation of the tree risk management arrangement within the Government and the development of a database of problematic trees;
- build up the tree management capacity of the tree management departments through training and research; and
- promote urban forestry management through co-operation with District Councils, schools and non-governmental organisations so as to better protect public safety.

Programme (4): Energizing Kowloon East

	2015–16 (Actual)	2016–17 (Original)	2016–17 (Revised)	2017–18 (Estimate)
Financial provision (\$m)	28.7	33.4	34.6 (+3.6%)	39.0 (+12.7%)
				(or +16.8% on 2016–17 Original)

Aim

14 The aim is to advocate the overall planning and design directions, facilitate public and private developments, implement necessary public works projects, and take such initiatives that are conducive to expedite the transformation of Kowloon East (comprising the Kai Tak Development and Kwun Tong and Kowloon Bay Business Area) into an additional core business district (CBD) to support Hong Kong's economic development.

Brief Description

15 The 2011–12 Policy Address announced the transformation of Kowloon East into an attractive CBD in order to meet the demand for quality office space outside the traditional CBD. Specifically, this will involve land use reviews, urban design, improving connectivity and the associated infrastructure.

16 In June 2012, the multi-disciplinary Energizing Kowloon East Office was inaugurated to steer and monitor the transformation of Kowloon East into the second CBD of Hong Kong to support our economic growth and strengthen our global competitiveness. In 2016, the Branch:

- announced the fifth version of the Conceptual Master Plan (CMP) and continued to liaise with the community to enhance the evolving CMP to cater for the needs of the public and stakeholders;
- enhanced the walkability in Kowloon East by implementing pedestrian and traffic environment improvement works proposed under the feasibility studies on the Kowloon Bay and Kwun Tong Business Areas;
- carried out actions for implementation of the Kai Tak Fantasy project including undertaking a planning and design review on the former airport runway tip and a planning and engineering study on the Kwun Tong Action Area;
- continued to carry out a planning and engineering study to release the potential of the government sites within the Kowloon Bay Action Area;
- commenced construction of facilities on sites underneath Kwun Tong Bypass for arts, culture and creative uses;
- incorporated the industrial culture elements of Kowloon East into urban design with a view to creating distinctive public spaces including open space and streetscape enhancement projects;
- co-ordinated Government's efforts and resources for improvement of the environment, including face-lifting of the Hoi Bun Road Park and Lam Wah Street Playground together with their adjacent areas, conversion of Tsun Yip Street Playground and associated reprovisioning of ballcourts, transformation of King Yip Street nullah into Tsui Ping River and implementation of Tsui Ping River Garden;
- commenced a smart city consultancy to formulate a framework strategy, set direction and priority for smart city proposals in Kowloon East, and facilitated different sectors to use Kowloon East as a test bed to explore the feasibility of developing a smart city;
- maintained active dialogues with the community to enhance vibrancy through facilitation of place-making events and activities;

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- provided one-stop advisory and co-ordination services for public and private developments to facilitate the transformation in Kowloon East;
- engaged major stakeholders and the public to promote Kowloon East to local and overseas developers and users as an additional CBD; and
- explored opportunities to support the arts, culture and creative industries with a view to turning Kowloon East into a distinctive CBD.

Matters Requiring Special Attention in 2017–18

17 During 2017–18, the Branch will continue to:

- advocate and further develop the evolving CMP through public engagement to push ahead the policy initiatives of Energizing Kowloon East;
- promote walkability in Kowloon East through short, medium and long-term measures proposed under the pedestrian and traffic environment feasibility studies on the Kowloon Bay and Kwun Tong Business Areas;
- carry out actions to implement the Kai Tak Fantasy project including undertaking the planning and design review study for the former airport runway tip and the planning and engineering study on the Kwun Tong Action Area;
- carry out a planning and engineering study to release the potential of the government sites within the Kowloon Bay Action Area;
- complete construction of facilities on sites underneath Kwun Tong Bypass for arts, culture and creative uses and oversee their operation;
- incorporate the industrial culture elements of Kowloon East into urban design and public arts with a view to creating distinctive public spaces including open space and streetscape enhancement projects;
- co-ordinate Government's efforts and resources for improvement of the environment, including face-lifting of the Hoi Bun Road Park and Lam Wah Street Playground together with their adjacent areas, conversion of Tsun Yip Street Playground and associated reprovisioning of ballcourts, transformation of King Yip Street nullah into Tsui Ping River and implementation of Tsui Ping River Garden;
- carry out the smart city consultancy including the proof of concept trials proposed under the framework strategy, and facilitate different sectors to use Kowloon East as a test bed to explore the feasibility of developing a smart city;
- maintain active dialogues with the community to enhance vibrancy through facilitation of place-making events and activities;
- provide one-stop advisory and co-ordination services for public and private developments to facilitate the transformation in Kowloon East;
- engage major stakeholders and the public to promote Kowloon East to local and overseas developers and users as an additional CBD; and
- explore opportunities in the Kwun Tong and Kowloon Bay Action Areas to support the culture and creative industries with a view to turning Kowloon East into a distinctive CBD.

Programme (5): Intra-Governmental Services

	2015–16 (Actual)	2016–17 (Original)	2016–17 (Revised)	2017–18 (Estimate)
Financial provision (\$m)	292.1	259.8	267.8 (+3.1%)	307.3 (+14.7%)
				(or +18.3% on 2016–17 Original)

Aim

18 The aim is to plan, manage and implement public sector infrastructure development and works programmes in a safe, timely and cost-effective manner whilst maintaining high quality standards, and to promote the safety of lifts and escalators.

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Brief Description

19 The Branch's main responsibilities under this programme are to formulate works policies; to monitor implementation of public sector infrastructure development and works programmes; to roll out industry reform initiatives; to provide legal services for these matters; and to formulate policies on safety of lifts and escalators. In 2016, the Branch:

- monitored the delivery of major public works projects according to schedule and within budget;
- established a dedicated "Project Cost Management Office" to strengthen cost management of capital works projects;
- spearheaded the implementation of Kai Tak Development;
- steered the detailed feasibility study for the Environmentally Friendly Linkage System for Kowloon East;
- spearheaded the implementation of Liantang/Heung Yuen Wai Boundary Control Point project;
- steered the planning, engineering and architectural study for topside development on the Hong Kong boundary crossing facilities island of Hong Kong-Zhuhai-Macao Bridge;
- steered the technical studies on reclamations at Ma Liu Shui, Siu Ho Wan and Lung Kwu Tan, and preliminary integrated development study on reclamation in association with the relocation of Sai Kung sewage treatment works;
- oversaw the implementation of the Mui Wo and Tai O improvement works;
- oversaw the implementation of improvement and expansion of mountain bike trail networks in south Lantau;
- oversaw the investigation and detailed design of the relocation of Sha Tin sewage treatment works to caverns;
- steered the formulation of new initiatives to facilitate cavern development;
- oversaw the feasibility studies on the relocation of Sham Tseng sewage treatment works, Sai Kung sewage treatment works, and Diamond Hill fresh water and salt water service reservoirs to caverns;
- oversaw the provision of infrastructure support to various increasing land supply initiatives and proposals to increase development densities;
- steered the pilot study on underground space development in selected strategic urban areas;
- sustained momentum in raising the quality of the construction industry through collaboration with the Construction Industry Council (CIC);
- collaborated with the CIC and key stakeholders to monitor the manpower situation in the construction industry and to implement measures to address the manpower demand for the implementation of upcoming infrastructure projects;
- worked closely with the CIC to facilitate registration of construction workers and implementation of prohibition under the Construction Workers Registration Ordinance (Cap. 583) (CWRO) by phases;
- promoted the construction and related professional services and liaised with the relevant Mainland authorities to pursue further market access in the Mainland, with focus on extending the existing scope of the professional services and striving for further liberalisation measures, direct provision of services in Pilot Free Zones and more opportunities to participate in the national foreign aid projects;
- provided support to involvement of the Government of the Hong Kong Special Administrative Region in the post-quake reconstruction work in Sichuan, including a leading role in liaising with the Sichuan authorities on two major road reconstruction projects, namely Provincial Road 303 (Yingxiu to Wolong section) and Mianmao Road (Hanwang to Qingping section) as well as 23 reconstruction projects in the Wolong Nature Reserve; also commenced implementation of three post-reconstruction projects related to the Wolong Nature Reserve, pursuant to the Agreement on the Use of the Hong Kong Special Administrative Region's Residual Fund in Support of Reconstruction in Sichuan Earthquake Stricken Areas;
- oversaw the implementation of the Landslip Prevention and Mitigation Programme to deal with landslide risks associated with man-made slopes and natural terrains;
- introduced improvement measures and organised promotional activities to enhance safety and environmental performance at public works construction sites;
- monitored the implementation of the Lifts and Escalators Ordinance (Cap. 618) (LEO) to enhance regulatory control of lift and escalator safety;
- commenced drafting a new legislation to enhance payment practice in the construction industry;
- monitored drainage upgrading works to reduce flooding risk and nullah improvement works to enhance the local environment;

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- reviewed the public works procurement system to better nurture industry stakeholders for building up the industry's skill capacity and to enhance healthy competition for cost-effective and productive delivery of quality and innovative infrastructures;
- provided secretariat services to the Working Group on Professional Services of the Economic Development Commission (EDC) in exploring support measures to enhance professional services sectors' competitiveness and economic opportunities;
- provided secretariat and support services to the Lantau Development Advisory Committee (LanDAC) which advised the Government on development strategy and opportunities for the sustainable development and conservation of Lantau;
- engaged the public and stakeholders on the proposed development strategy for Lantau and steered the formulation of the Sustainable Lantau Blueprint which set out the conservation and development framework for Lantau; and
- commenced a study on formulation of a works policy to promote design buildability for public works projects aiming at enhancing cost management and construction productivity.

Matters Requiring Special Attention in 2017–18

20 During 2017–18, the Branch will:

- continue to closely monitor the delivery of the Public Works Programme to ensure timely completion of projects and keep its underspending, if any, to below five per cent;
- continue to achieve better cost management by drawing up cost control measures and cost reduction initiatives, and to steer and monitor related work undertaken by project client bureaux and works departments;
- continue to oversee the implementation of Kai Tak Development;
- continue to oversee the implementation of Liantang/Heung Yuen Wai Boundary Control Point project;
- continue to steer the planning, engineering and architectural study for topside development on the Hong Kong boundary crossing facilities island of Hong Kong-Zhuhai-Macao Bridge;
- continue to oversee the technical studies on reclamations at Ma Liu Shui, Siu Ho Wan and Lung Kwu Tan, and preliminary integrated development study on reclamation in association with the relocation of Sai Kung sewage treatment works;
- continue to oversee the implementation of the Mui Wo and Tai O improvement works;
- continue to oversee the implementation of improvement and expansion of mountain bike trail networks in south Lantau;
- steer the planning and engineering studies on reclamations at Sunny Bay, Ma Liu Shui and Lung Kwu Tan;
- steer the strategic studies for artificial islands in the central waters;
- continue to oversee the investigation and detailed design of the relocation of Sha Tin sewage treatment works to caverns;
- oversee the preparatory works to take forward the proposals associated with the relocation of Sham Tseng sewage treatment works, Sai Kung sewage treatment works, and Diamond Hill fresh water and salt water service reservoirs to caverns;
- continue to steer the pilot study on underground space development in selected strategic urban areas;
- continue to steer the detailed feasibility study for the Environmentally Friendly Linkage System for Kowloon East;
- steer the implementation of the new initiatives to facilitate cavern development;
- continue to oversee the provision of infrastructure support to various increasing land supply initiatives and proposals to increase development densities;
- continue to work closely with the CIC to pursue improvement initiatives that aim to raise the standards of the construction industry;
- continue to monitor the progress of the various initiatives and enhance them where necessary for attracting more new entrants and further uplifting the skill level of local construction labour force;
- continue to work closely with the CIC to facilitate smooth implementation of the “designated workers for designated skills” requirement under the CWRO;

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- continue to promote the construction and related professional services and to liaise with the relevant Mainland authorities to pursue further market access in the Mainland, with focus on extending the existing scope of the professional services and striving for further liberalisation measures, direct provision of services in Pilot Free Zones and more opportunities to participate in the national foreign aid projects;
- continue to implement the post-reconstruction projects related to the Wolong Nature Reserve, pursuant to the Agreement on the Use of the Hong Kong Special Administrative Region's Residual Fund in Support of Reconstruction in Sichuan Earthquake Stricken Areas;
- introduce improvement measures and continue to organise promotional activities to enhance safety and environmental performance at public works construction sites;
- continue to monitor the implementation of the LEO;
- continue to oversee the implementation of the Landslip Prevention and Mitigation Programme;
- continue to monitor drainage upgrading works to reduce flooding risk and nullah improvement works to enhance the local environment;
- introduce the bill to enhance payment practice in the construction industry;
- continue to review the public works procurement system and oversee the implementation of the enhancement measures;
- continue to serve the Working Group on Professional Services to explore support measures and make recommendations to the EDC on proposals to enhance professional services sectors' competitiveness and economic opportunities;
- continue to provide secretariat and support services to the LanDAC which advises the Government on development strategy and opportunities for the sustainable development and conservation of Lantau;
- monitor the implementation of the Sustainable Lantau Blueprint including the conservation and development projects and initiatives for Lantau; and
- oversee the study on formulation of a works policy to promote design buildability for public works projects aiming at enhancing cost management and construction productivity.

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ANALYSIS OF FINANCIAL PROVISION

Programme	2015-16 (Actual) (\$m)	2016-17 (Original) (\$m)	2016-17 (Revised) (\$m)	2017-18 (Estimate) (\$m)
(1) Water Supply.....	22.9	11.3	17.2	32.1
(2) Heritage Conservation.....	47.6	59.3	53.8	75.5
(3) Greening, Landscape and Tree Management.....	46.6	53.1	46.6	51.8
(4) Energizing Kowloon East	28.7	33.4	34.6	39.0
(5) Intra-Governmental Services	292.1	259.8	267.8	307.3
	437.9	416.9	420.0 (+0.7%)	505.7 (+20.4%)
				(or +21.3% on 2016-17 Original)

Analysis of Financial and Staffing Provision

Programme (1)

Provision for 2017-18 is \$14.9 million (86.6%) higher than the revised estimate for 2016-17. This is mainly due to the increased provision for additional posts and for taking forward the recommendations of the CoI.

Programme (2)

Provision for 2017-18 is \$21.7 million (40.3%) higher than the revised estimate for 2016-17. This is mainly due to the increased cash flow requirement for the general non-recurrent item on “Conservation and Revitalisation of Historic Buildings” and the increased provision for additional posts and filling of vacant posts.

Programme (3)

Provision for 2017-18 is \$5.2 million (11.2%) higher than the revised estimate for 2016-17. This is mainly due to the increased provision for additional posts and filling of vacant posts.

Programme (4)

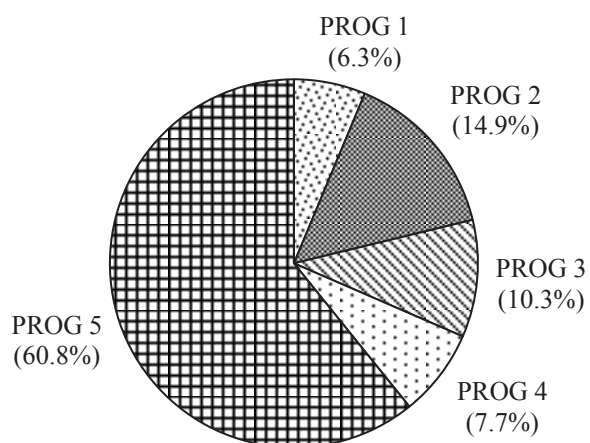
Provision for 2017-18 is \$4.4 million (12.7%) higher than the revised estimate for 2016-17. This is mainly due to the increased provision for expenses on non-civil service contract staff and conducting consultancy studies.

Programme (5)

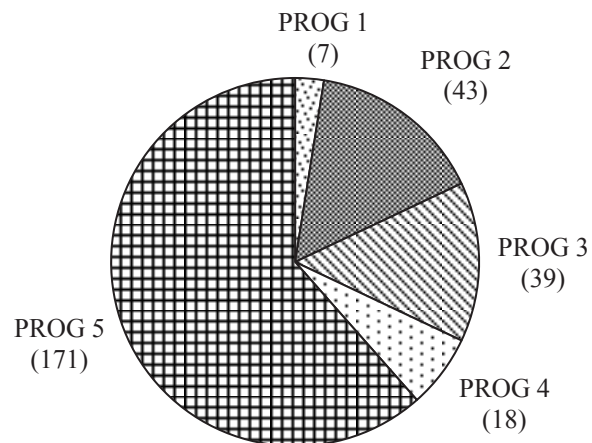
Provision for 2017-18 is \$39.5 million (14.7%) higher than the revised estimate for 2016-17. This is mainly due to the increased cash flow requirement for general non-recurrent items and increased provision for filling of vacant posts and training of electrical and mechanical technician trainees.

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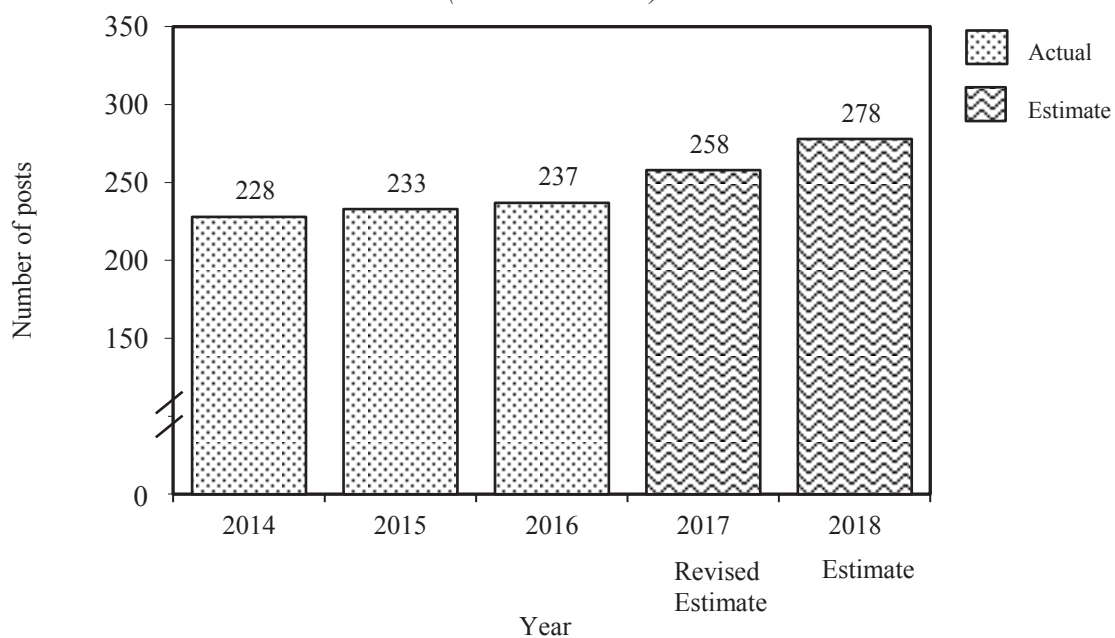
*Allocation of provision
to programmes
(2017-18)*



*Staff by programme
(as at 31 March 2018)*



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



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Sub-head (Code)		Actual expenditure 2015–16	Approved estimate 2016–17	Revised estimate 2016–17	Estimate 2017–18
		\$'000	\$'000	\$'000	\$'000
Operating Account					
Recurrent					
000	Operational expenses	370,190	375,991	385,815	438,607
	Total, Recurrent.....	370,190	375,991	385,815	438,607
Non-Recurrent					
700	General non-recurrent	67,677	40,949	34,227	67,071
	Total, Non-Recurrent.....	67,677	40,949	34,227	67,071
	Total, Operating Account	437,867	416,940	420,042	505,678
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	Total Expenditure	437,867	416,940	420,042	505,678
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Details of Expenditure by Subhead

The estimate of the amount required in 2017–18 for the salaries and expenses of the Works Branch is \$505,678,000. This represents an increase of \$85,636,000 over the revised estimate for 2016–17 and \$67,811,000 over the actual expenditure in 2015–16.

Operating Account

Recurrent

2 Provision of \$438,607,000 under *Subhead 000 Operational expenses* is for the salaries, allowances and other operating expenses of the Works Branch. The increase of \$52,792,000 (13.7%) over the revised estimate for 2016–17 is mainly due to additional posts, filling of vacant posts, increased provision for taking forward the recommendations of the Commission of Inquiry into Excess Lead Found in Drinking Water and training of electrical and mechanical technician trainees.

3 The establishment as at 31 March 2017 will be 258 posts including four supernumerary posts. It is expected that there will be a net increase of 20 posts including one supernumerary post in 2017–18. Subject to certain conditions, the controlling officer may under delegated power create or delete non-directorate posts during 2017–18, but the notional annual mid-point salary value of all such posts must not exceed \$181,036,000.

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

	2015–16 (Actual) (\$'000)	2016–17 (Original) (\$'000)	2016–17 (Revised) (\$'000)	2017–18 (Estimate) (\$'000)
Personal Emoluments				
- Salaries.....	199,811	221,483	210,881	245,294
- Allowances.....	4,212	4,540	5,917	5,509
- Job-related allowances	2	12	12	12
Personnel Related Expenses				
- Mandatory Provident Fund contribution.....	239	164	334	263
- Civil Service Provident Fund contribution.....	4,792	5,456	6,566	7,789
Departmental Expenses				
- Temporary staff.....	84,658	85,439	85,379	77,120
- General departmental expenses	74,776	57,197	75,126	101,020
Other Charges				
- Maintenance of government slopes by Housing Department.....	1,700	1,700	1,600	1,600
	<u>370,190</u>	<u>375,991</u>	<u>385,815</u>	<u>438,607</u>

Head 159 — GOVERNMENT SECRETARIAT: DEVELOPMENT BUREAU (WORKS BRANCH)

Commitments

Sub-head (Code)	Item (Code)	Ambit	Approved commitment	Accumulated expenditure to 31.3.2016	Revised estimated expenditure for 2016–17	Balance
			\$'000	\$'000	\$'000	\$'000
<i>Operating Account</i>						
700		<i>General non-recurrent</i>				
	801	Consultancies for Enhancing Project Cost Management [^]	10,200 [^]	—	—	10,200
	818	Enhancing the Skill Level of Construction Manpower	100,000	163	5,000	94,837
	868	Investing in Construction Manpower	320,000	272,557	17,500	29,943
	870	Conservation and Revitalisation of Historic Buildings	200,000	37,653	11,727	150,620
		Total	630,200	310,373	34,227	285,600

[^] This is a new item, funding for which is sought in the context of the Appropriation Bill 2017.