

Head 42 — ELECTRICAL AND MECHANICAL SERVICES DEPARTMENT

Controlling officer: the Director of Electrical and Mechanical Services will account for expenditure under this Head.

Estimate 2019–20 **\$1,176.1m**

Establishment ceiling 2019–20 (notional annual mid-point salary value) representing an estimated 500 non-directorate posts as at 31 March 2019 rising by 51 posts to 551 posts as at 31 March 2020..... **\$382.9m**

In addition, there will be an estimated 15 directorate posts as at 31 March 2019 rising by three posts to 18 posts as at 31 March 2020.

Commitment balance..... **\$2,499.9m**

Controlling Officer’s Report

Programmes

Programme (1) Energy Supply; Electrical, Gas and Nuclear Safety	This programme contributes to Policy Area 9: Internal Security (Secretary for Security) and Policy Area 23: Environmental Protection, Conservation, Power and Sustainable Development (Secretary for the Environment).
Programme (2) Mechanical Installations Safety	This programme contributes to Policy Area 5: Travel and Tourism (Secretary for Commerce and Economic Development), Policy Area 18: Recreation, Culture, Amenities and Entertainment Licensing (Secretary for Home Affairs), Policy Area 21: Land and Waterborne Transport (Secretary for Transport and Housing) and Policy Area 22: Buildings, Lands, Planning, Heritage Conservation, Greening and Landscape (Secretary for Development).
Programme (3) Energy Efficiency and Conservation, and Alternative Energy	This programme contributes to Policy Area 23: Environmental Protection, Conservation, Power and Sustainable Development (Secretary for the Environment).
Programme (4) Centralised Services and Special Support	This programme contributes to Policy Area 27: Intra-Governmental Services (Secretary for Development).

Head 42 does not include expenses attributable to the Electrical and Mechanical Services Trading Fund (EMSTF) established in August 1996, other than EMSTF’s share of the common administrative expenses provided by the Electrical and Mechanical Services Department. Such expenses will be reimbursed to Government through General Revenue.

Detail

Programme (1): Energy Supply; Electrical, Gas and Nuclear Safety

	2017–18 (Actual)	2018–19 (Original)	2018–19 (Revised)	2019–20 (Estimate)
Financial provision (\$m)	149.8	160.1	166.4 (+3.9%)	171.9 (+3.3%)
				(or +7.4% on 2018–19 Original)

Aim

2 The aim is to safeguard the public through implementation of a set of comprehensive regulatory framework and systems on the safety of electrical and gas applications and working closely with the community on education, to monitor the operation of utility companies and development of electricity supply, and to provide professional support and advice on nuclear-related matters.

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Brief Description

3 For the regulatory functions, the Department is responsible for the administration and enforcement of the Electricity Ordinance (Cap. 406) (EO), the Gas Safety Ordinance (Cap. 51) (GSO) and the Oil (Conservation and Control) Ordinance (Cap. 264). The work includes:

Gas safety

- administration and enforcement of the GSO, including registration of gas supply companies, installers and contractors; monitoring gas distributors and contractors; and approval and inspection of gas appliances, tubing and installations including those in maintenance workshops for liquefied petroleum gas (LPG) vehicles;
- risk assessment of potentially hazardous installations relating to gas supply and land use planning aspects;
- assessment, approval and monitoring of natural gas supply projects;
- enlistment of competent persons for maintenance of LPG vehicles and approval of fuel tank of LPG vehicles;
- approval and monitoring of the operation of LPG filling stations;
- investigation of gas incidents;
- initiating prosecution and taking disciplinary actions;
- promotion of gas safety;

Electrical safety

- administration and enforcement of the EO, including registration of electrical workers, contractors and competent persons, recognised certification bodies and recognised manufacturers; and inspection of electrical installations and products;
- investigation of electrical incidents;
- initiating prosecution and taking disciplinary actions;
- promotion of electrical safety;

Monitoring of electricity utilities (Scheme of Control Agreements)

- annual auditing review of technical performance of electricity utilities;
- assessment of development plans submitted regularly by electricity utilities;
- provision of technical advice relating to monitoring of electricity utilities;

Oil and gas supply

- administration and enforcement of the Oil (Conservation and Control) Ordinance;
- compilation of statistics on oil and gas supply;

Nuclear safety

- reviewing and implementing departmental plans in preparedness for nuclear emergencies;
- responding immediately to initial alert, and interpreting and assessing engineering information received;
- planning and participating in exercises and drills in response to nuclear emergencies; and
- giving professional advice on matters relating to nuclear power and associated emergency preparedness.

4 The key performance measures are:

Targets

	Target	2017 (Actual)	2018 (Actual)	2019 (Plan)
<i>Gas safety</i>				
registration of installers within 12 working days (%).....	100	100	100	100
registration of contractors within 38 working days (%).....	100	100	100	100
approval for construction of notifiable gas installations (NGIs) within 30 working days (%).....	100	100	100	100
approval for use of NGIs within 12 working days (%).....	100	100	100	100
approval for use of equipment/materials within 26 working days (%)	100	100	100	100

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	Target	2017 (Actual)	2018 (Actual)	2019 (Plan)
scheduling and inspection of LPG road tankers and cylinder wagons within 18 working days (%).....	100	100	100	100
investigation of reports of illegal installations within ten working days (%).....	100	100	100	100
response to complaints of excessive storage of LPG within two working days (%).....	100	100	100	100
enlistment of competent persons for LPG installations/gasholders within 25 working days (%).....	100	100	100	100
<i>LPG vehicle safety</i>				
enlistment of competent persons for maintenance of fuel systems within 25 working days (%).....	100	100	100	100
approval for use of LPG fuel tanks in vehicles within 26 working days (%).....	100	100	100	100
approval for construction of filling stations within 30 working days (%).....	100	100	100	100
approval for use of filling stations within 12 working days (%).....	100	100	100	100
<i>Electrical safety</i>				
registration of electrical workers/contractors/competent persons within 13 working days (%).....	99	99	99	99
registration of recognised certification bodies and manufacturers within 17 working days (%).....	100	100	100	100
endorsement of testing certificate of electrical installations within 13 working days (%).....	99	99	100	99
investigation of incidents/complaints related to electrical installations/products within ten working days (%).....	100	100	100	100
<i>Monitoring of electricity utilities</i>				
conducting an annual technical performance audit on each of the two power companies under the Scheme of Control Agreements within 102 working days (%).....	100	100	100	100
providing technical input in the financial auditing review of capital expenditure variances within 55 working days (%).....	100	100	100	100
providing technical advice related to electricity utilities matters within 13 working days (%).....	100	100	100	100

Nuclear safety

The target is to ensure the availability of fully-trained and competent officers round the clock to provide immediate response to initial alerts, and to provide professional advice to the Government on matters relating to nuclear power and nuclear emergencies.

Indicators

	2017 (Actual)	2018 (Actual)	2019 (Estimate)
<i>Gas safety</i>			
audit inspections to gas supply companies, contractors and distributors.....	1 357	1 376	1 400
NGIs and related inspections.....	1 236	1 228	1 200
follow-up inspections and quality assurance visits.....	3 963#	2 149	2 100

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	2017 (Actual)	2018 (Actual)	2019 (Estimate)
applications processed for equipment approval and registration of gas contractors/installers	256	220	235
LPG road tankers and cylinder wagons inspected	504	483	500
NGIs approved	49 ^λ	23	22
gas incidents investigated.....	305	251 ^τ	275^τ
prosecutions/disciplinary actions conducted/improvement notices served	111	78 ^ε	90^ε
competent persons (for LPG installations/gasholders) enlistment applications processed	8 ^β	4	5
enquiries/complaints handled.....	2 634	2 597	2 500
<i>LPG vehicle safety</i>			
competent persons enlistment applications processed	40 ^ρ	12 ^ρ	15^ρ
LPG fuel tanks in vehicles approved and revalidated.....	4 330	4 685	4 000
inspections of vehicles and filling stations (all before grant of approval).....	34	35	35
inspections of approved filling stations.....	250	249	240
filling stations approved.....	0	3 ^α	5^α
enquiries/complaints handled.....	921	960	950
<i>Electrical safety</i>			
site inspections on electrical installations	8 807	9 308	8 500
site inspections on electrical products.....	3 917	3 908	3 900
electrical workers/contractors/competent persons registration applications processed (including renewals)....	31 186	23 469 ^Δ	38 500^Δ
recognised certification bodies and manufacturers applications processed	4	5	5
periodic testing certificates of electrical installations processed	10 194	10 967	10 000
reported electrical incidents investigated	378	382	400
reported unsafe electrical installations/products investigated.....	906	893	850
prosecutions/disciplinary actions conducted.....	983	521 [@]	550[@]
electrical products tested.....	60	63	60
enquiries handled	36 716	32 867	30 000
<i>Monitoring of electricity utilities</i>			
technical indicators assessed in the annual auditing review to monitor the technical performance of electricity utilities	62	62	62
projects assessed relating to technical input in the financial auditing review of capital expenditure variances	40	41	40
enquiries handled	110	109	110
<i>Nuclear safety</i>			
technical co-operation or exchanges participated	3	3	3
exercises and drills participated	3	2 ^η	2^η

The large number of follow-up inspections and quality assurance visits in 2017 was mainly due to the stepped-up publicity work following the gas incident in a restaurant in July 2017.

λ The large number of NGIs approved in 2017 was mainly due to the change of ownership of a number of NGIs following the business restructuring of a gas supply company.

τ The decrease in the number of gas incidents in 2018 was believed to be a result of the enhanced promotional efforts in recent years including public education, safety inspection promotion exercise jointly conducted by the Department and gas supply companies, and on-site promotion to enhance the awareness of excavation works contractors in protecting underground gas pipes. Such promotional efforts will continue in 2019 and it is expected that the number of gas incidents in 2019 will continue to be on the low side.

ε The drop in the number of prosecutions conducted and improvement notices served in 2018 was the result of positive effect of education and publicity efforts and the deterrent effect of past enforcement actions. It is estimated that the figure in 2019 will continue to be on the low side.

β The large number of applications in 2017 was due to additional applications from staff newly posted to a works department and staff from a design-build-operate contractor of a new gas installation who had to carry out duties requiring such enlistment.

ρ The large number of applications in 2017 was mainly due to the enhanced promotion of competent person requirements. The number of applications in 2018 resumed to its normal level as the total number of competent persons could generally meet the market need. It is expected that the number of applications will remain at a similar level in 2019.

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- α The increase in the number of filling stations approved in 2018 was due to conversion of petrol filling station to petrol cum LPG filling station and modification of existing LPG filling stations. The number is expected to further increase in 2019 as more similar works will be completed in 2019.
- Δ Registered electrical workers/contractors/competent persons are required to have their registration renewed every three years. Due to the uneven distribution of renewal registrations for these persons, a cyclical peak appears once every three years. The number of three-yearly renewal applications of electrical workers/contractors/competent persons showed a cyclical trough in 2018 and is expected to show a cyclical peak in 2019.
- @ The decrease in prosecutions/disciplinary actions conducted in 2018 was attributed to the decrease in the number of summons related to Periodic Test Certificates for the fixed electrical installations and also the decrease of electricity supply line damage incidents under the EO. It is expected that the number of prosecutions/disciplinary actions in 2019 will be comparable to that of 2018.
- η There was/will be no planned inter-departmental exercise in 2018 and 2019.

Matters Requiring Special Attention in 2019–20

5 During 2019–20, the Department will:

- continue to monitor the operation and maintenance of LPG storage installations;
- continue the stepped-up inspection of vehicle maintenance workshops in relation to LPG vehicles and education for the trades on gas safety measures;
- monitor the development and application of new refrigerants of low global warming potential in the air conditioning and refrigeration market;
- review the Guidance Notes for the Electrical Products (Safety) Regulation; and
- continue to provide technical support to the Environment Bureau on matters relating to the future development of the electricity market and the implementation of the Scheme of Control Agreements.

Programme (2): Mechanical Installations Safety

	2017–18 (Actual)	2018–19 (Original)	2018–19 (Revised)	2019–20 (Estimate)
Financial provision (\$m)	137.2	151.6	162.4 (+7.1%)	412.2 (+153.8%)
				(or +171.9% on 2018–19 Original)

Aim

6 The aim is to safeguard the public through implementation of a set of comprehensive regulatory frameworks and systems on the safety of lifts, escalators, builders' lifts, tower working platforms, aerial ropeways, amusement rides, railways, tramway, peak tramway and other mechanical installations; and working closely with the community on public education.

Brief Description

7 The Department is responsible for the administration and enforcement of various safety ordinances, including the Lifts and Escalators Ordinance (Cap. 618) (LEO), the Amusement Rides (Safety) Ordinance (Cap. 449), the Aerial Ropeways (Safety) Ordinance (Cap. 211), the Builders' Lifts and Tower Working Platforms (Safety) Ordinance (Cap. 470), certain provisions of the Mass Transit Railway Ordinance (Cap. 556) and the Mass Transit Railway Regulations (Cap. 556A), the Airport Authority (Automated People Mover) (Safety) Regulation (Cap. 483C), the Tramway Ordinance (Cap. 107) and the Peak Tramway (Safety) Regulations (Cap. 265A). The Department is also responsible for the development and implementation of the voluntary registration schemes for vehicle mechanics and vehicle maintenance workshops. For ease of reference, the above activities, which are under different policy areas, are reported under this programme. The work includes:

- administration and enforcement of the above ordinances and regulations on mechanical safety and railway safety;
- registration of contractors, engineers, workers, examiners, surveyors and competent persons and inspection of installations;
- approval of design and construction of amusement rides, builders' lifts and tower working platforms, new brands/models of lift and escalator equipment, new railways and major railway modifications;
- preparation of codes of practice;
- investigation of incidents;
- initiating prosecution and taking disciplinary actions;

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- implementation of the voluntary registration schemes for vehicle mechanics and vehicle maintenance workshops; and
 - provision of expert advice.
- 8 The key performance measures are:

Targets

	Target	2017 (Actual)	2018 (Actual)	2019 (Plan)
applications of new or major modified railway facilities/systems processed within 25 working days (%) [□]	99	98 ^ω	99	99
registration of lift/escalator contractors within 40 working days (%)	100	100	100	100
lift/escalator engineers within 40 working days (%)	100	100	100	100
lift/escalator workers within 40 working days (%)	100	100	100	100
periodic testing certificates for lifts and escalators processed within 13 working days (%) ^Ψ	100	100	100	100
builders' lifts and tower working platforms processed within 12 working days (%) ^δ	100	100	100	100
issue of permits to use for lifts and escalators within 13 working days (%)	100	100	100	100
builders' lifts and tower working platforms within 12 working days (%)	100	100	100	100
amusement rides within 13 working days (%)	100	100	100	100
approval of design and construction of amusement rides (capacity ≤20 persons) within 34 working days (%)	100	100	100	100
amusement rides (capacity ≥21 persons) within 48 working days (%)	100	100	100	100
builders' lifts and tower working platforms within 34 working days (%)	100	100	100	100

- Revised description of the previous target “processing of applications of new or major modified railway facilities/systems within 25 working days” as from 2019.
- ω The number of applications processed in 2017 increased significantly and exceeded the original estimation by more than 40 per cent, which led to longer processing time spent on some applications.
- Ψ Revised description of the previous target “processing of periodic testing certificates for lifts and escalators within 13 working days” as from 2019.
- δ Revised description of the previous target “processing of periodic testing certificates for builders' lifts and tower working platforms within 12 working days” as from 2019.

Indicators

	2017 (Actual)	2018 (Actual)	2019 (Estimate)
applications processed			
new brands/models of lift and escalator equipment	365	394	400
design and construction of builders' lifts and tower working platforms	62 ^Ω	31	31
new or major modified railway facilities/systems	771	575 ^η	545^η
certificates processed			
lifts and escalators	85 305	88 456	91 700
builders' lifts and tower working platforms	223	277 [^]	280[^]
amusement rides	309	338	310

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	2017 (Actual)	2018 (Actual)	2019 (Estimate)
inspections			
lifts and escalators	11 231	15 409 γ	28 900 γ
percentage of existing lifts and escalators (%)	14.8	19.8 γ	36.3 γ
builders' lifts and tower working platforms	302	301	300
amusement rides	1 851	1 894	1 850
railway facilities/systems	262	348 \diamond	340 \diamond
peak tramway	13	13	13
tramway	170	170	170
aerial ropeways	90	93	90
incidents investigated			
lifts and escalators	275	273	273
aerial ropeways	3	3	3
amusement rides	16	16	16
peak tramway	2	2	2
tramway	9	10	9
railways	121	110	110
builders' lifts and tower working platforms, and others	4	4	4
incidents/1 000 registered lifts	7	6	6
incidents/100 registered escalators	17.6	17.1	17.1
enquiries/complaints handled	2 721	3 872 Λ	4 000 Λ

Ω The large number of applications processed in 2017 was mainly due to the increased number of new lifts and platforms imported to Hong Kong for replacement of aged lifts and platforms which were beyond economical repair.

η The decrease in 2018 was attributed to the decrease in the number of applications related to new railway projects. It is expected that the number of applications will further decrease in 2019.

\wedge The increase in the number of certificates issued in 2018 was attributed to a larger number of active construction sites and the situation is expected to continue in 2019.

γ Additional inspections were conducted in 2018 to strengthen the surveillance of aged lifts and escalators. The number of inspections in 2019 is expected to further increase due to the inspections of lifts that will be modernised under the Lift Modernisation Subsidy Scheme to be launched in early 2019 and an increase in the number of inspections of the maintenance works carried out by registered contractors for enhancing the safety of aged lifts.

\diamond The increase in 2018 was attributed to the increase in the number of inspections related to new railway projects. The number of inspections is expected to remain at the same level in 2019.

Λ More complaints/enquiries were received after two serious lift incidents in 2018. The enquiries/complaints figure in 2019 is expected to remain at a high level after the launch of the Lift Modernisation Subsidy Scheme in early 2019.

Matters Requiring Special Attention in 2019–20

9 During 2019–20, the Department will continue to:

- monitor the operation and maintenance of the aerial ropeways of Ngong Ping 360 and Ocean Park, and amusement rides in Hong Kong Disneyland, Ocean Park and other venues;
- promote and administer the voluntary registration schemes for vehicle mechanics and vehicle maintenance workshops, including stepping up inspection of vehicle mechanics and vehicle maintenance workshops under the voluntary registration schemes, as well as study the feasibility of a mandatory registration system for both vehicle mechanics and vehicle maintenance workshops;
- step up public education and publicity efforts to enhance the safety of lifts and escalators;
- step up inspection of registered contractors' maintenance works for aged lifts and escalators;
- implement the LEO and publicise the requirements to relevant stakeholders;
- provide support to the Urban Renewal Authority for implementation of the Lift Modernisation Subsidy Scheme; and
- monitor the safety performance of railway service provided by the MTR Corporation Limited (MTRCL), in particular to enhance monitoring by conducting thorough and systematic audit of the MTRCL's asset management system and safety management system.

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Programme (3): Energy Efficiency and Conservation, and Alternative Energy

	2017–18 (Actual)	2018–19 (Original)	2018–19 (Revised)	2019–20 (Estimate)
Financial provision (\$m)	280.3	512.3	490.6 (–4.2%)	492.4 (+0.4%)
				(or –3.9% on 2018–19 Original)

Aim

10 The aim is to promote energy efficiency and conservation and application of alternative energy.

Brief Description

11 The Department is responsible for the development, promotion and implementation of energy efficiency and conservation; and providing professional support to the Government on the promotion and use of new and renewable energy. The work includes:

- administration and enforcement of the Energy Efficiency (Labelling of Products) Ordinance (Cap. 598);
- administration and enforcement of the Buildings Energy Efficiency Ordinance (Cap. 610) (BEEO);
- provision of professional support and advice to relevant bureaux and the Energy Advisory Committee on matters in relation to energy efficiency and conservation as well as adoption of renewable energy;
- planning for and implementation of district cooling systems;
- preparation and review of codes of practice and technical guidelines;
- development and implementation of energy saving, energy efficiency and conservation as well as renewable energy programmes and projects;
- research and development on application of innovative energy efficiency and renewable energy technologies;
- establishment and updating of the energy end-use database;
- promotion of public awareness and application of energy efficiency and conservation measures, equipment and systems and the use of renewable energy; and
- liaison with the Mainland, regional and international organisations such as the Asia-Pacific Economic Cooperation on energy-related issues.

12 The key performance measures are:

Targets

	Target	2017 (Actual)	2018 (Actual)	2019 (Plan)
registration under the voluntary Energy Efficiency Labelling Scheme (EELS) within 17 working days (%)	99	100	100	99
processing of product submissions under the mandatory EELS within 17 working days (%).....	99	100	100	99
approval of applications under the voluntary water-cooled air-conditioning system scheme for the design or operation of the evaporative cooling towers within 17 working days (%).....	99	100	100	99
registration under the voluntary Energy Efficiency Registration Scheme for Buildings within 17 working days (%)....	99	100	100	99
annual updating of Hong Kong Energy End-use Database (% completed).....	100	100	100	100
registration of Registered Energy Assessors under the Mandatory Building Energy Code (BEC) Scheme within 40 working days (%)	99§	100	100	99

§ The target is revised from 90 per cent to 99 per cent as from 2018.

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Indicators

	2017 (Actual)	2018 (Actual)	2019 (Estimate)
<i>Mandatory EELS</i>			
product submissions processed	585	505	850_μ
site inspections on prescribed products.....	645	683	850_μ
<i>Voluntary EELS</i>			
energy labels developed	0 _¶	0 _¶	0_¶
energy labels implemented.....	0 _¶	0 _¶	0_¶
energy labels issued.....	294	261 _φ	250
<i>Mandatory BEC Scheme</i>			
sampling inspections for submissions relating to new buildings, major retrofitting works and energy audit	23	23	24
sampling inspections of buildings.....	973	982	980
<i>Voluntary Energy Efficiency Registration Scheme for Buildings</i>			
certificate issued	19	20	20
<i>Energy consumption study</i>			
studies completed	1	1	1
energy consumption indicators developed/updated	1	1	1
<i>Voluntary water-cooled air-conditioning system scheme</i>			
applications received and processed	34	68	55
installations completed.....	52	48	45
<i>Research and development on the application of innovative energy efficiency technologies</i>			
studies completed	3	3	3
<i>Energy efficiency and conservation promotion</i>			
talks delivered/visits organised for organisations/schools	446	506	450
enquiries handled	2 270	3 026	2 200

_μ The number of product submissions and site inspections is expected to increase in 2019 due to the implementation of the mandatory EELS Phase III.

_¶ There was no energy label developed and implemented under the voluntary EELS in recent years as it has already covered 22 types of electrical appliances and office equipment, as well as two types of gas appliances.

_φ There was a decrease in the number of energy labels in 2018 as some products under voluntary EELS were covered by the mandatory EELS Phase III.

Matters Requiring Special Attention in 2019–20

13 During 2019–20, the Department will:

- continue to implement the mandatory EELS, prepare for the full implementation of the third phase of the scheme after the end of the 18-month transition period, conduct studies on the expansion of the scope to cover more appliances, and continue to implement the voluntary EELS;
- continue to implement the BEEO and the associated codes of practice, and to promote building energy efficiency among stakeholders in the built environment;
- administer the updated voluntary Hong Kong Energy Efficiency Registration Scheme for Buildings to encourage outperforming the statutory requirements through recognition of high building energy efficiency;
- continue the development of the district cooling system at the Kai Tak Development and the design planning on a proposed district cooling system in the Tung Chung New Town Extension (East), and conduct feasibility studies on the provision of district cooling systems in new development areas;
- continue research and development works on the application of new energy efficiency and renewable energy technologies;
- continue to promote public awareness of best practices in energy efficiency and conservation as well as renewable energy through publicity and public education programmes;
- provide professional support to encourage the development of renewable energy in the private and public sectors;
- provide technical advice and support to government bureaux and departments on energy saving through organising seminars and experience sharing workshops;

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- promote retro-commissioning to the relevant trades and professions;
- continue to promote and provide technical advice relating to the implementation of energy-saving measures in government and public venues; and
- oversee energy saving projects on replacing plant and equipment in government buildings and facilities.

Programme (4): Centralised Services and Special Support

	2017–18 (Actual)	2018–19 (Original)	2018–19 (Revised)	2019–20 (Estimate)
Financial provision (\$m)	84.0	91.8	94.7 (+3.2%)	99.6 (+5.2%)
				(or +8.5% on 2018–19 Original)

Aim

14 The aim is to provide efficient and cost-effective centralised services and specialist support to other departments.

Brief Description

15 The Department is responsible for providing common administrative support to EMSTF. The common administrative expenses shared by EMSTF will be reimbursed to the Government.

16 The Department is also responsible for the regulatory control of fresh water cooling towers under the Public Health and Municipal Services Ordinance (Cap. 132).

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ANALYSIS OF FINANCIAL PROVISION

Programme	2017–18 (Actual) (\$m)	2018–19 (Original) (\$m)	2018–19 (Revised) (\$m)	2019–20 (Estimate) (\$m)
(1) Energy Supply; Electrical, Gas and Nuclear Safety	149.8	160.1	166.4	171.9
(2) Mechanical Installations Safety	137.2	151.6	162.4	412.2
(3) Energy Efficiency and Conservation, and Alternative Energy	280.3	512.3	490.6	492.4
(4) Centralised Services and Special Support	84.0	91.8	94.7	99.6
	651.3	915.8	914.1 (–0.2%)	1,176.1 (+28.7%)
				(or +28.4% on 2018–19 Original)

Analysis of Financial and Staffing Provision

Programme (1)

Provision for 2019–20 is \$5.5 million (3.3%) higher than the revised estimate for 2018–19. This is mainly due to the increased provision for the net increase of four posts and other operating expenses.

Programme (2)

Provision for 2019–20 is \$249.8 million (153.8%) higher than the revised estimate for 2018–19. This is mainly due to the increased cash flow for the non-recurrent items for Lift Modernisation Subsidy Scheme and consultancy studies on multi-storey vehicle maintenance workshop buildings, and the increased provision for the net increase of 32 posts, partly offset by the reduced provision for capital non-works projects.

Programme (3)

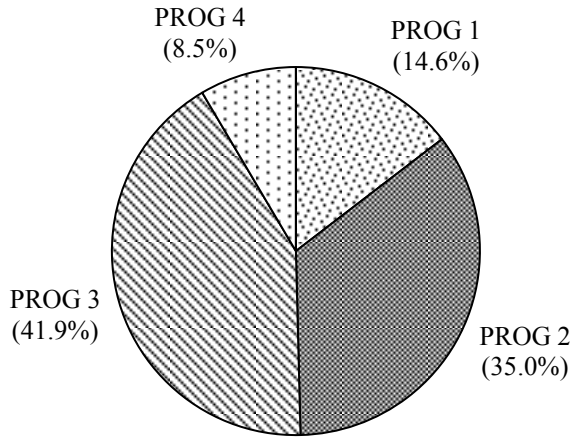
Provision for 2019–20 is \$1.8 million (0.4%) higher than the revised estimate for 2018–19. This is mainly due to the increased provision for promoting energy efficiency and conservation, recurrent consequence of the development of the district cooling system at the Kai Tak Development and the creation of 18 posts, partly offset by the reduced provision for energy saving projects.

Programme (4)

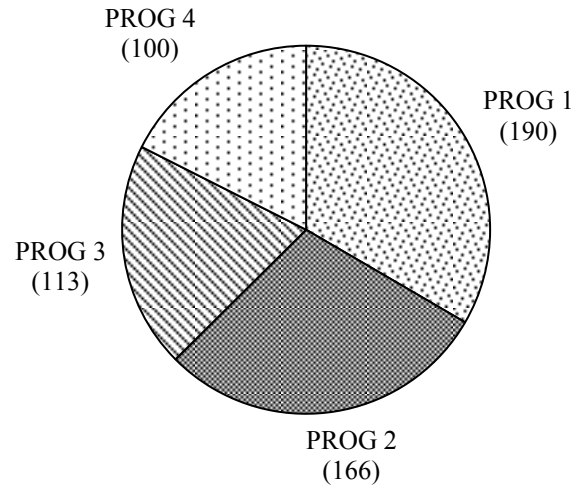
Provision for 2019–20 is \$4.9 million (5.2%) higher than the revised estimate for 2018–19. This is mainly due to the increased provision for operating expenses.

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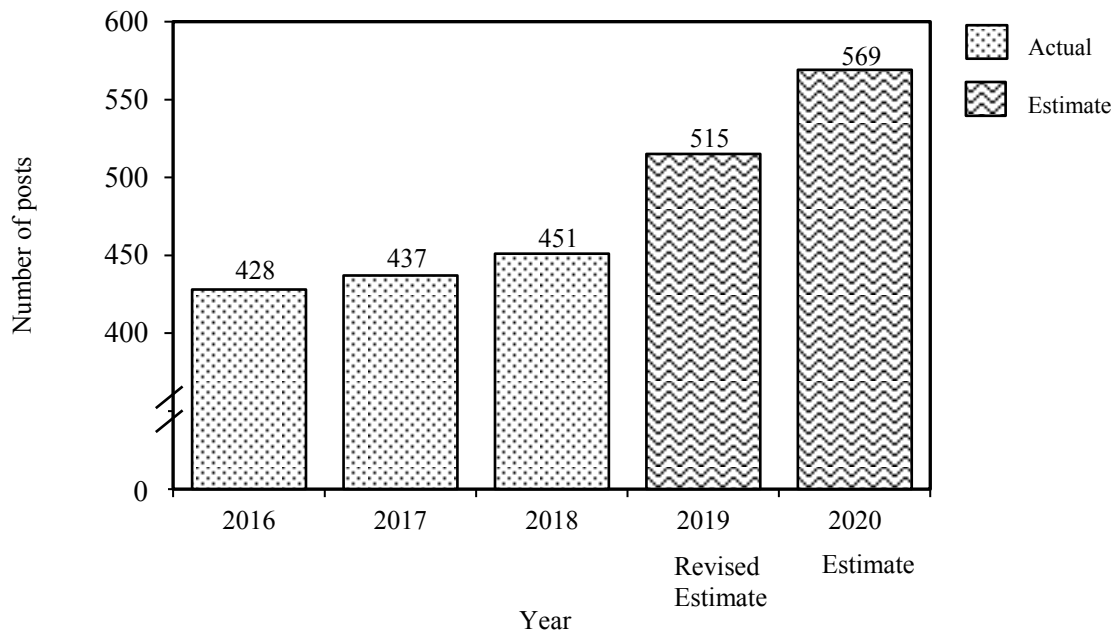
Allocation of provision to programmes (2019-20)



Staff by programme (as at 31 March 2020)



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



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Sub-head (Code)	Actual expenditure 2017-18	Approved estimate 2018-19	Revised estimate 2018-19	Estimate 2019-20	
	\$'000	\$'000	\$'000	\$'000	
Operating Account					
Recurrent					
000	Operational expenses	466,642	555,583	551,696	647,821
	Total, Recurrent	466,642	555,583	551,696	647,821
Non-Recurrent					
700	General non-recurrent	—	—	2,200	249,688
	Total, Non-Recurrent	—	—	2,200	249,688
	Total, Operating Account	466,642	555,583	553,896	897,509
Capital Account					
Plant, Equipment and Works					
661	Minor plant, vehicles and equipment (block vote)	34,896	35,171	35,171	38,000
696	Energy saving projects in government buildings (block vote)	149,751	325,017	325,017	240,593
	Total, Plant, Equipment and Works	184,647	360,188	360,188	278,593
	Total, Capital Account	184,647	360,188	360,188	278,593
	Total Expenditure	651,289	915,771	914,084	1,176,102

Head 42 — ELECTRICAL AND MECHANICAL SERVICES DEPARTMENT

Details of Expenditure by Subhead

The estimate of the amount required in 2019–20 for the salaries and expenses of the Electrical and Mechanical Services Department is \$1,176,102,000. This represents an increase of \$262,018,000 over the revised estimate for 2018–19 and \$524,813,000 over the actual expenditure in 2017–18.

Operating Account

Recurrent

2 Provision of \$647,821,000 under *Subhead 000 Operational expenses* is for the salaries, allowances and other operating expenses of the Electrical and Mechanical Services Department. The increase of \$96,125,000 (17.4%) over the revised estimate for 2018–19 is mainly due to the net increase of 54 posts in 2019–20 and the increased provision for recurrent consequence of the development of the district cooling system at the Kai Tak Development.

3 The establishment as at 31 March 2019 will be 515 posts. It is expected that there will be a net increase of 54 posts in 2019–20. Subject to certain conditions, the controlling officer may under delegated power create or delete non-directorate posts during 2019–20, but the notional annual mid-point salary value of all such posts must not exceed \$382,943,000.

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

	2017–18 (Actual) (\$'000)	2018–19 (Original) (\$'000)	2018–19 (Revised) (\$'000)	2019–20 (Estimate) (\$'000)
Personal Emoluments				
- Salaries.....	326,122	391,748	379,902	437,814
- Allowances.....	3,905	4,432	6,318	6,541
- Job-related allowances.....	1	1	1	1
Personnel Related Expenses				
- Mandatory Provident Fund contribution.....	616	444	771	1,568
- Civil Service Provident Fund contribution.....	13,980	16,648	18,727	21,550
Departmental Expenses				
- General departmental expenses	122,018	142,310	145,977	180,347
	466,642	555,583	551,696	647,821

Capital Account

Plant, Equipment and Works

5 Provision of \$240,593,000 under *Subhead 696 Energy saving projects in government buildings (block vote)* is for acquisition and replacement of plant and equipment for government buildings for the purpose of energy saving, up to a limit of \$10 million for each project. The decrease of \$84,424,000 (26%) against the revised estimate for 2018–19 is mainly due to the reduced requirement for projects.

Head 42 — ELECTRICAL AND MECHANICAL SERVICES DEPARTMENT

Commitments

Sub-head (Code)	Item (Code)	Ambit	Approved commitment	Accumulated expenditure to 31.3.2018	Revised estimated expenditure for 2018–19	Balance
			\$'000	\$'000	\$'000	\$'000
<i>Operating Account</i>						
700		<i>General non-recurrent</i>				
	807	Lift Modernisation Subsidy Scheme	2,500,000	—	2,200	2,497,800
	808	Consultancy studies on multi-storey vehicle maintenance workshop buildings	2,100	—	—	2,100
		Total	<u>2,502,100</u>	<u>—</u>	<u>2,200</u>	<u>2,499,900</u>