

Head 50 — GOVERNMENT LAND TRANSPORT AGENCY

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

Estimate 2002–03	\$152.7m
Establishment ceiling 2002–03 (notional annual mid-point salary value) representing an estimated 146 non-directorate posts at 31 March 2002 reducing by one post to 145 posts at 31 March 2003	\$31.6m
In addition there will be one directorate post at 31 March 2002 and at 31 March 2003.	
Capital Account commitment balance	\$0.6m

Controlling Officer's Report

Programmes

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

Detail

Programme (1): Transport Consultancy and Procurement

	2000–01 (Actual)	2001–02 (Approved)	2001–02 (Revised)	2002–03 (Estimate)
Financial provision (\$m)	162.2	256.9 (+58.4%)	161.3 (–37.2%)	110.7 (–31.4%)

Aim

2 The aim is to provide professional advice to departments on all issues relating to 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, on behalf of all government departments. It drafts user specifications; plans tendering procedures; tracks, evaluates and monitors tender processes; and manages funding through a block vote.

4 In order to enhance the environmental performance of the government vehicle fleet, the Agency will gradually replace diesel light buses with those driven by liquefied petroleum gas. Diesel powered government vehicles without alternative fuel substitutes will be installed with emission reduction devices.

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

Target

	Target	2000 (Actual)	2001 (Actual)	2002 (Plan)
savings agreed to be delivered by departments as a percentage of savings recommended by the Agency in departmental transport reviews (%)	85	N.A.‡	78	85

‡ Not applicable. No review was conducted in 2000 due to redeployment of resources to other more urgent commitments.

Indicators

	2000 (Actual)	2001 (Actual)	2002 (Estimate)
tender exercises conducted	20	35	8
vehicles procured			
additional	121	54	34
replacement	680	608	424

Head 50 — GOVERNMENT LAND TRANSPORT AGENCY

Matters Requiring Special Attention in 2002–03

6 During 2002–03, the Agency will:

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

Programme (2): Transport Operation Services

	2000–01 (Actual)	2001–02 (Approved)	2001–02 (Revised)	2002–03 (Estimate)
Financial provision (\$m)	45.0	45.7 (+1.6%)	42.1 (–7.9%)	42.0 (–0.2%)

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 additional vehicle establishment.

9 The Agency is responsible for ensuring that government drivers maintain a high standard of driving and road safety through a series of training and testing programmes. The Agency also manages staff of grades that are headed by the Government Land Transport Administrator and are on the establishment of other government departments.

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

Targets

	Target	2000 (Actual)	2001 (Actual)	2002 (Plan)
transport pool resources utilisation				
% of the drivers tasked daily	88	91	87	88
% of the pool vehicles utilised daily ..	86	75	78	86
% of pool vehicles on assignment reporting to users within five minutes of the scheduled time	98	98.5	99	98
first time passing rate of trainees attending government driving courses (%).....	95	97	96	96

Indicators

	2000 (Actual)	2001 (Actual)	2002 (Estimate)
number of blameworthy accidents per 1 000 000 km (cases) .	1.2	0.7	0.7
use of GLTA pool vehicle only (km).....	472 448	292 824	308 780
use of GLTA pool driving staff only (hrs)	16 872	14 533	10 840
use of GLTA pool vehicle with driver (km)	1 339 597	1 182 061	954 400
number of officers attending driving related training courses	450	1 666	1 500
number of trainees on driving courses	250	255	250

Matters Requiring Special Attention in 2002–03

11 During 2002–03, the Agency will continue to:

- improve the cost-effectiveness of pool transport services;
- monitor the pool fleet size and vehicle mix 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.

Head 50 — GOVERNMENT LAND TRANSPORT AGENCY

ANALYSIS OF FINANCIAL PROVISION

Programme	2000-01 (Actual) (\$m)	2001-02 (Approved) (\$m)	2001-02 (Revised) (\$m)	2002-03 (Estimate) (\$m)
(1) Transport Consultancy and Procurement ...	162.2	256.9	161.3	110.7
(2) Transport Operation Services	45.0	45.7	42.1	42.0
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	207.2	302.6 (+46.0%)	203.4 (-32.8%)	152.7 (-24.9%)

Analysis of Financial and Staffing Provision

Programme (1)

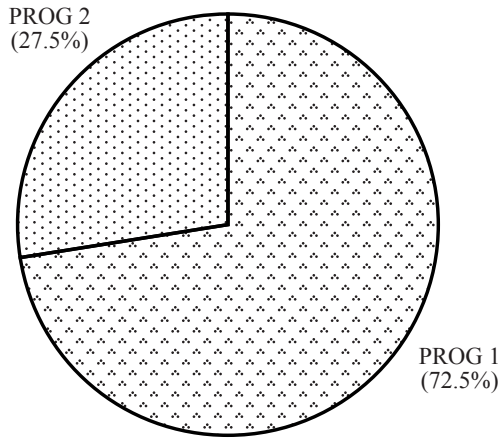
Provision for 2002-03 is \$50.6 million (31.4%) lower than the revised estimate for 2001-02. This is mainly due to reduced expenditure on procurement of vehicles.

Programme (2)

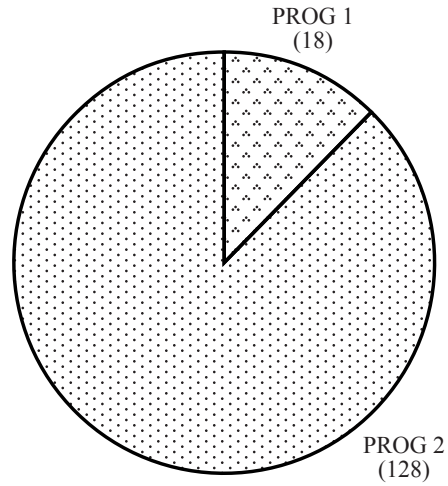
Provision for 2002-03 is \$0.1 million (0.2%) lower than the revised estimate for 2001-02. This is mainly due to full-year effect of posts deleted in 2001-02 and the deletion of one post in 2002-03, partly offset by salary increments for staff.

Head 50 — GOVERNMENT LAND TRANSPORT AGENCY

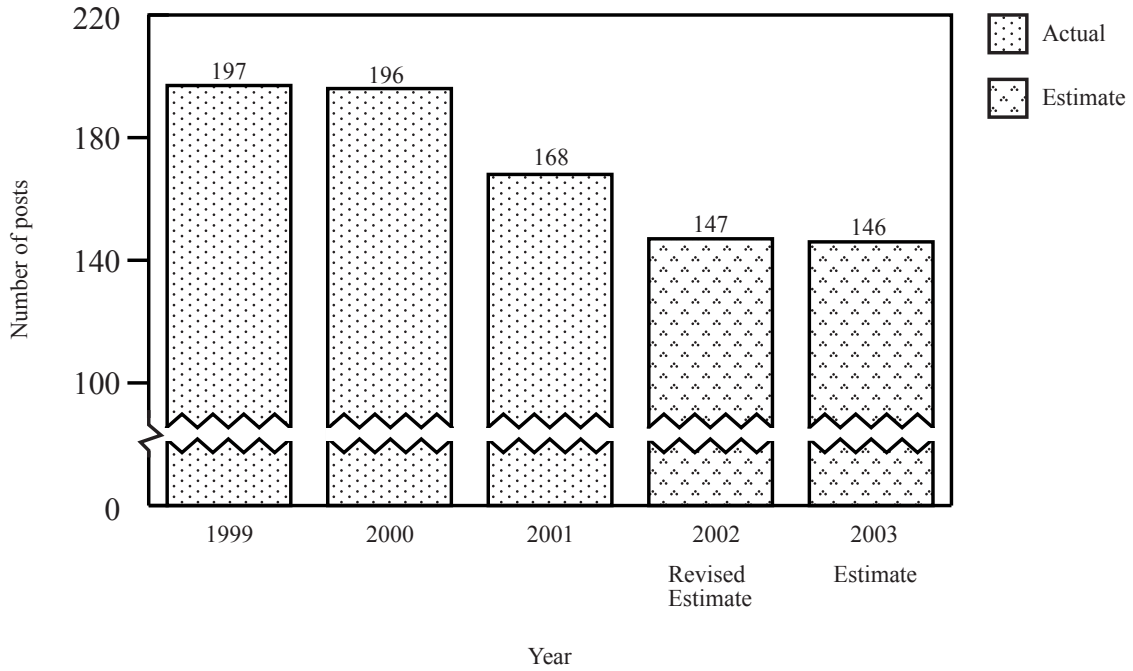
*Allocation of provision
to programmes
(2002-03)*



*Staff by programme
(as at 31 March 2003)*



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



Head 50 — GOVERNMENT LAND TRANSPORT AGENCY

Sub-head (Code)	Actual expenditure 2000-01	Approved estimate 2001-02	Revised estimate 2001-02	Estimate 2002-03
	\$'000	\$'000	\$'000	\$'000
Recurrent Account				
000	Operational expenses	—	—	51,099
224	Motor Insurers' Bureau—government contribution.....	83	84	84*
225	Traffic accident victims assistance scheme—levies.....	845	845	845*
	Salaries	40,310	39,879	37,805
	Allowances.....	4,776	4,413	4,799
	Job-related allowances	40	41	41
	General departmental expenses.....	8,730	9,369	7,565
	Total, Recurrent Account.....	54,784	54,631	51,051
Capital Account				
I — Plant, Equipment and Works				
691	General purpose vehicles (block vote)	152,448	248,000	152,050
	Total, Plant, Equipment and Works	152,448	248,000	152,050
II — Other Non-Recurrent				
700	General other non-recurrent	—	—	320
	Total, Other Non-Recurrent	—	—	320
	Total, Capital Account.....	152,448	248,000	152,370
	Total Expenditure.....	207,232	302,631	203,421

Head 50 — GOVERNMENT LAND TRANSPORT AGENCY

Details of Expenditure by Subhead

The estimate of the amount required in 2002–03 for the salaries and expenses of the Government Land Transport Agency is \$152,666,000. This represents a decrease of \$50,755,000 against the revised estimate for 2001–02 and of \$54,566,000 against actual expenditure in 2000–01.

Recurrent Account

2 Provision of \$51,099,000 under *Subhead 000 Operational expenses* is for the salaries and allowances of staff of the Government Land Transport Agency and its other operating expenses. Management and control of the department's operational expenses will take the form of a one-line vote with effect from 2002–03.

3 As a vote-funded department, the department is subject to establishment control. The establishment at 31 March 2002 will be 147 permanent posts. It is expected that one post will be deleted in 2002–03. Subject to certain conditions, the controlling officer may under delegated powers create or delete non-directorate posts during 2002–03, but the notional annual mid-point salary value of all such posts must not exceed \$31,607,000.

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

	2000–01 (Actual) (\$'000)	2001–02 (Original Estimate) (\$'000)	2001–02 (Revised Estimate) (\$'000)	2002–03 (Estimate) (\$'000)
Personal Emoluments				
- Salaries	40,310	39,879	37,805	38,125
- Allowances	4,776	4,413	4,799	4,833
- Job-related allowances	40	41	41	41
Departmental Expenses				
- General departmental expenses	8,730	9,369	7,565	8,100
	53,856	53,702	50,210	51,099

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. The decrease of \$52,050,000 (34.2%) against the revised estimate for 2001–02 is mainly due to reduced expenditure on procurement of vehicles.

Head 50 — GOVERNMENT LAND TRANSPORT AGENCY

Capital Account

Commitments

Sub-head (Code)	Item (Code)	Ambit	Approved commitment	Accumulated expenditure to 31.3.2001	Revised estimated expenditure for 2001–02	Balance
			<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
700		<i>General other non-recurrent</i>				
	236	Disposal of pre-Euro I government vehicles.....	958	—	320	638
		Total.....	<u>958</u>	<u>—</u>	<u>320</u>	<u>638</u>