

CONTROLLING OFFICER'S REPLY

THB(T)039

(Question Serial No. 1199)

Head: (60) Highways Department
Subhead(No. & title): (-) Not Specified
Programme: - (-) Not Specified
Controlling Officer: Director of Highways (K K LAU)
Director of Bureau: Secretary for Transport and Housing

Question (Member Question No. 14):

Regarding outsourcing work:

- (1) - What were the expenses of the Highways Department (HyD) on outsourced contracts, including consultant fees, last year? What was the total number of staff engaged under outsourced contractors? How many categories of contracts were there?
- (2) - What are the expenses of the HyD on outsourced contracts, including consultant fees, this year? What is the total number of staff engaged under outsourced contractors? How many categories of contracts are there? What is the percentage of increase or decrease as compared with last year? What percentage do these expenses account for in the total expenditure of the HyD?
- (3) - What is the staffing establishment for monitoring the execution of contracts?

Asked by: Hon. LAU Wong-fat

Reply:

- (1) - In 2013-14, the expenditure on works related contracts and consultancies being executed by the HyD was \$16.7 billion. As the number of staff engaged by those contractors and consultants under their respective contracts and consultancies varied considerably depending on the actual volume of works and services delivered at a particular time, the total number of staff engaged by them in the year is not readily available. Regarding non-works related outsourced service contracts, the expenditure in 2013-14 was \$25 million. The contracts were related to cleaning, security, information technology support, transportation and surveying services. The total number of staff engaged under those outsourced service contracts was 158.

- (2) - In 2014-15, the estimated expenditure on works related contracts and consultancies is \$20.8 billion, representing an increase of about 25%. As the number of non-works related outsourced service contracts to be awarded in 2014-15 will vary in the light of changing service needs and operational requirements, the HyD is not able to provide an exact projection on the respective expenditure for 2014-15. Besides, the HyD is not able to provide a projection on the total number of staff engaged under all those works and non-works related outsourced service contracts and consultancies.

- (3) - The HyD has about 660 in-house professional and technical staff responsible for monitoring and supervising the execution of works related contracts and consultancies. For the non-works related outsourced service contracts, the execution of the contracts is monitored by 58 in-house staff as part of their normal duties.