

CONTROLLING OFFICER'S REPLY

THB(T)035

(Question Serial No. 0274)

Head: (60) Highways Department

Subhead (No. & title): (-) Not Specified

Programme: (1) Capital Projects

Controlling Officer: Director of Highways (K K LAU)

Director of Bureau: Secretary for Transport and Housing

Question:

- (a) Please provide details about the staff establishment of the Highways Department (HyD) dedicated for monitoring the progress and expenditure of projects, including the rank, number and salary point.
- (b) Please provide details about methods the HyD employs to monitor the projects and the procedures concerned. How many project items is each staff member responsible for? What professional qualifications and knowledge must a staff member possess for performing the task? What statutory power does the Government have in handling cases of projects being delayed or with a possible cost overrun? In the past, what means were employed to deal with project delay or cost overrun?
- (c) Regarding the number and the cost of capital projects at the design and construction stages, those that involve in-house staff are apparently different from those involving consultants. Please provide details about the establishment of the HyD's in-house staff tasked with the duties of design and construction. On what grounds does the Government decide whether to outsource?

Asked by: Hon Jeffrey LAM Kin-fung (Member Question No. 21)

Reply:

- (a) Project teams in the HyD who are involved in administering projects normally comprise professional, technical and general grades officers, as well as other supporting staff. The pay points for professional staff range from Point D2 on the Directorate Pay Scale for a Government Engineer to Point 19 on the Master Pay Scale for an Assistant Engineer, while officers in other grades follow respectively the Master Pay Scale or the Model Scale 1 Pay Scale. There are currently about 600 staff in the HyD responsible for administration of capital projects.

- (b) There are established mechanisms, comprehensive guidelines and stringent requirements put in place for administering the procurement, delivery and quality control of works projects; as well as for monitoring and auditing project costs, with a view to achieving satisfactory completion of projects in a timely manner. A project team comprising various levels of in-house staff would be set up to take forward the corresponding project and to administer the relevant contracts. Depending on the scale and complexity of the project, consultants may be commissioned to take part in the administration of the projects. Professional and technical grade officers deployed to administer a contract must possess the relevant academic and professional qualifications. The HyD currently manages about 200 projects at different stages of implementation.

In general, the progress and expenditure of contracts are closely monitored under the provisions of the contract through regular meetings with various parties, vetting of submissions and reporting mechanisms. In case of delay identified, the HyD would liaise with all relevant parties to work out measures to mitigate delay and to catch up with the programme in accordance with the terms and conditions of the contract. The performance of the relevant contractors would be reflected in their regular performance appraisal reports.

- (c) The capital projects at the design and construction stages involve either solely in-house staff or outsourcing to consultants. For the former, there are about 300 staff in the HyD responsible for the design and construction of in-house capital projects. Outsourcing to consultants would be considered when there is shortage of manpower resources or necessary in-house expertise, such that the HyD may respond rapidly to changing demands.

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