

Message

To meet the immediate and long-term needs of Hong Kong, and to enhance the quality of life of the general public, it is our objective to ensure that infrastructure development projects under the Public Works Programme are well-planned; managed and implemented in a timely, cost-effective and efficient manner; and are of high quality and standards. We also plan to share and exchange our practices in the construction industry with the Mainland which will help enhance the experience of our construction industry and pave the way for our future co-operation with the Mainland.

We have set out in this booklet a number of initiatives and targets to achieve the above objective. We are fully committed to fulfilling these targets.

Your comments or suggestions, which will help us attain a higher standard in our services, are most welcome.



(Kwong Hon-sang)
Secretary for Works

Public Works Programme

Our policy objective is to ensure the effective planning, management and implementation of the Public Works Programme (PWP) as a whole and the major infrastructure development projects in particular.

Our targets in pursuing this policy objective are –

- to ensure that public works projects are planned and implemented on schedule and within budget
- to enhance the quality and standards of services provided by the works departments, consultants and contractors, and the construction industry as a whole

Key Result Areas (KRAs)

To ensure that this Policy Objective can be achieved, we must deliver results in a number of key areas, that is, we must –

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The following sections of this booklet explain the importance of these KRAs, describe the broad thrust of our efforts, and outline the indicators which we are using to assess progress. Each section lists the new key initiatives being taken to achieve our objectives and pinpoints the agency accountable for each initiative and the specific targets which we intend to meet.

I

Ensure that public works projects are planned for cost effectiveness, feasibility studies are thoroughly conducted, and planning action is well co-ordinated

Public works provide the cornerstone of Hong Kong's physical infrastructure. As such, they must be carefully planned and implemented to ensure that they meet the requirements of the public and private sectors.

Preliminary Project Feasibility Studies (PPFS) are crucial to the successful implementation of construction projects. With this in mind, we have introduced a land acquisition requirement prioritisation exercise and scrutinised PPFS reports of new projects before their inclusion in the PWP. This helps ensure that public works projects are properly planned and co-ordinated, with a well-defined scope and a realistic cost estimate and implementation programme.

We will also set up a monitoring system for high impact public works projects at the planning stage to ensure their timely commencement.

Indicator

Our main indicator of progress in this area is the percentage of public works projects approved by the Finance Committee of the Legislative Council for a start against plan.

Initiatives	Targets
<p>To prioritise new public works projects that require land acquisition to enable proper planning of the projects <i>(Works Bureau (WB))*</i></p>	<p>From 1999 onwards to issue a Site Handover Date Schedule each year for all new public works projects that require land acquisition</p>
<p>To scrutinise more quickly PPFS reports in respect of projects for inclusion in the PWP <i>(WB)</i></p>	<p>From 1999 we will complete our review of individual reports within three weeks of receipt of the reports, which will be one week quicker than our existing practice</p>
<p>To set up a monthly reporting system to strengthen the monitoring of the planning progress of high impact public works projects <i>(WB)</i></p>	<p>To set up the system in late 1998</p>

* the brackets denote the agency with lead responsibility for the initiative

II

Ensure that the most appropriate methods of procurement and methods of delivery of construction projects are used

To ensure the value for money of our construction works and efficiency in their construction in a timely manner and within budget, we must choose the most appropriate method of procurement for different kinds of public works project. In so doing, we will incorporate an equitable sharing of risk between the Government and the contractors.

Indicator

Our main indicator of progress in this area is the timely introduction of an improved procurement strategy for public works.

Initiatives

To carry out a review of the General Conditions of Contract for public works, taking into account legislative changes and development in construction contract law that have taken place since the last revision, and consider if further amendment to the conditions is necessary

(Works Bureau (WB))

Targets

To complete the review by December 1999

Initiatives	Targets
<p>To modify the General Conditions of Contract so as to adopt the most appropriate terms of contract for cost effective procurement</p> <p><i>(WB)</i></p>	<p>To complete the exercise by June 2001</p>
<p>To issue guidelines and administrative procedures for determining the appropriate forms of contract for different types of public works</p> <p><i>(WB)</i></p>	<p>To issue the guidelines and procedures by December 1998</p>



Ensure that the quality of consultants and contractors selected to deliver public works will meet the requirements of our projects

The quality of contractors and consultants affects the delivery of the PWP. To ensure quality, we have clarified our standards systems for selecting and managing consultants and contractors. These include monitoring performance and taking regulating action against poor performance by consultants or contractors.

We require all contractors and consultants of major public works projects to obtain International Organisation for Standardisation (ISO) 9000 certification. This shows that they have established quality assurance systems up to international standards.

As the PWP represents a large proportion of the overall construction activity in Hong Kong, we can contribute to a broader raising of standards within the local construction industry by improving the quality of our contractors and consultants.

Indicator

Our indicator of progress in this area is the degree to which we enhance our system for monitoring and recording the performance of contractors and consultants by 2000.

Initiatives	Targets
<p>To improve the guidelines and procedures and issue a contractor management handbook for administering and monitoring the performance of contractors on approved lists</p> <p><i>(Works Bureau (WB))</i></p>	<p>To finalise and promulgate the contractor management handbook by 2000</p>
<p>To strengthen the criteria for the selection of contractors and evaluation of tenders</p> <p><i>(WB)</i></p>	<ul style="list-style-type: none"> ● To formulate a Contractors' Performance Index System by 1999 ● To complete a review of Financial Assessment Criteria and Procedure by the second half of 1999
<p>To encourage public works contractors to employ qualified tradesmen with Trade Test Certificates and semi-skilled tradesmen who have passed the Intermediate Trade Tests</p> <p><i>(WB)</i></p>	<p>To require in 1998 that at least 10% of the workers employed by public works contractors be qualified tradesmen and at least 5% be semi-skilled tradesmen</p>
<p>To improve and set out the guidelines and procedures for selecting and administering consultants and monitoring their performance</p> <p><i>(WB)</i></p>	<p>To finalise and promulgate the Handbook on Selection, Appointment and Administration of Engineering and Associated Consultants by mid-1999</p>

IV

Ensure that contractors for public works maintain a safe and healthy working environment

The construction of high-rise buildings and other major projects can pose hazards to workers and to the public. We recognise this, and are committed to achieving the highest possible standards of safety in Hong Kong's construction industry.

Since the introduction of safety management systems in the Airport Core Programme (ACP) contracts in 1992 and non-ACP contracts in 1993, there has been a downward trend in accident rates on public works construction sites. The average rate has now approached our target of less than 60 accidents per 1 000 workers per year in 1997. We aim gradually to reduce accident rates to less than 55 accidents per 1 000 workers per year by 2000.

Two major safety initiatives, the Pay for Safety Scheme and the Independent Safety Audit Scheme, were introduced in 1996 to encourage public works contractors to set up more efficient safety management systems and to enhance the standard of safety performance of contractors.

We will continue to monitor the site safety performance of our contractors and ensure that only contractors with a satisfactory performance will be allowed to tender for public works contracts.

Indicator

Our indicator of progress in this area is the rate of reduction in accident rates.

Initiatives	Targets
<p>To expand the Pay for Safety Scheme to term contracts so as to encourage the participating contractors to set up more efficient safety management systems</p> <p><i>(Works Bureau (WB))</i></p>	<p>To include ten term contracts in the Scheme in 1999</p>
<p>To implement the second stage of an independent auditing system to monitor the safety performance of public works contractors</p> <p><i>(WB)</i></p>	<p>To include 35 public works contracts in the second stage of the system in 1999</p>
<p>To promote more intensively safety awareness through the Construction Advisory Board and through additional promotional activities</p> <p><i>(WB)</i></p>	<ul style="list-style-type: none"> ● To co-organise two seminars for 250 persons with external organisations in 1999 ● To organise three safety award schemes in 1999 to promote safety awareness of all personnel involved in the construction industry

V

Ensure high quality and standards in the construction and maintenance of public works

To ensure the successful delivery of public works, we need to maintain and improve the quality of contractors, consultants and personnel in the construction industry. The development of local construction standards in line with leading international standards is essential, as it can help ensure that the construction of Hong Kong's public works complies with internationally recognised standards of work.

Indicator

Our indicator of progress in this area is the extent to which local construction standards and quality management systems improve in comparison with leading international standards.

Initiatives

Targets

To encourage the participation of public works and private sector construction sites in the Considerate Contractors Site Award Scheme by promoting the Scheme in publications of the industry

(Works Bureau (WB))

Over 40% of the participating contractors in the 1998 phase to meet the performance standard required under the Scheme and be given the award

To require the works departments to develop and maintain their quality management systems

(WB)

All works departments to develop quality management systems by end 1999

Initiatives	Targets
<p>To promote further quality management among public works consultants and contractors (WB)</p>	<p>To organise an industry-wide seminar in 1999 to promote conformity with ISO 9000 requirements</p>
<p>To commission a consultancy study on setting up a central construction standardisation body in Hong Kong to oversee the development of local construction standards and their alignment with international standards (WB)</p>	<p>To complete the consultancy study, which will make recommendations on the framework and the implementation plan for setting up the body, in the year 2000</p>
<p>To formulate an implementation plan for the alignment of standards for Unplasticised Polyvinyl Chloride (UPVC) pipes and fittings commonly used in Hong Kong with corresponding international standards (WB)</p>	<p>To finalise the implementation plan in 1999</p>
<p>To require the works departments to produce and implement action plans for the improvement of the quality of maintenance works (WB)</p>	<p>To finalise action plans for implementation in 1999</p>

VI

Ensure that projects in the Public Works Programme are completed on time and within budget

To ensure the effective provision of public works, projects must be completed on time and within budget. The completion of projects on time allows client bureaux to deliver their services to the public as scheduled. Completion within budget facilitates financial planning and ensures that the works are carried out cost effectively.

As an on-going process, we will review the relevant administrative or statutory procedures so as to remove hurdles affecting the implementation of the projects as and when necessary. In particular, we will strive to maintain underspending at no more than 5% of the annual estimate.

Indicator

Our indicator of progress in this area is the timely delivery of public works projects within budget.

Initiatives

To strengthen the monitoring of the progress of High Impact PWP projects to ensure that there will be no undue delay

(Works Bureau (WB))

Targets

To ensure that High Impact PWP projects are implemented according to the approved programme and project estimate

Initiatives	Targets
<p>To assess the cumulative effect of the housing development programme on infrastructure capacity, so as to identify the need for new infrastructure projects and co-ordinate the planning for these projects, to monitor their progress and to ensure their timely completion</p> <p><i>(WB)</i></p>	<p>To update the assessment on a half-yearly basis starting from 1999 to ensure that any implications for new infrastructure capacity are taken care of</p>
<p>To monitor the progress of the port development studies for better planning</p> <p><i>(WB)</i></p>	<p>To compile quarterly progress reports on all port development studies and plans starting from late 1998</p>

VII

Promote the exchange of construction technology and expertise in public works between Hong Kong and the Mainland

The exchange of public works technology and expertise between Hong Kong and the Mainland contributes to higher standards in the construction industry, develops general understanding of construction practices in Hong Kong and the Mainland, and broadens the potential for future co-operation.

Contractors and consultants in the construction industry who undertake public works have an important role themselves in developing links with the Mainland. Works Bureau promotes and facilitates such exchanges through seminars and visits.

Indicator

Our indicator of progress in this area is the number of seminars and visits to the Mainland organised jointly with trade associations and professional bodies.

Initiatives

To promote joint technological research activities and exchange of construction technology with the Mainland

(Works Bureau (WB))

Targets

To liaise with local universities and related Mainland authorities in 1999 on joint research activities in construction engineering

Initiatives	Targets
<p>To facilitate contact between the local construction industry and Mainland counterparts to help enhance mutual understanding in the organisation and practice of the construction industry (WB)</p>	<p>To co-organise at least one exchange seminar and arrange visits to the Mainland on topics related to the systems and practices adopted by the construction industry in Hong Kong and in the Mainland by end 1999</p>
<p>To foster liaison and co-operation among engineering and construction and related professionals, such as lawyers and financiers, for the promotion of a comprehensive service to the construction industry (WB)</p>	<p>To co-organise at least one exchange seminar and arrange visits to the Mainland by end 1999 to share experience and promote co-operation between local professionals and Mainland counterparts</p>



Ensure that the stormwater drainage infrastructure is adequate and effective in collecting and discharging surface runoff

Rapid infrastructural development gives rise to the need for improved drainage systems so as to alleviate the possibility of flooding. Low-lying areas of the New Territories periodically suffer from severe flooding, and relief measures are required to reduce hardship to residents of rural areas.

To match demand arising from new developments and to reduce the risk of flooding, we will review and upgrade the existing stormwater drainage systems and strengthen preventive maintenance works to ensure proper functioning of the systems over the territory. We will also improve flood protection measures for the areas of the New Territories worst affected by inundation.

Indicators

Our indicators of progress in this area are –

- the timeliness of implementing village flooding protection schemes and river training schemes in the flood-prone areas of the New Territories
- the level of upgrading of stormwater drainage systems in urban areas

Initiatives	Targets
<p>To implement river training schemes in the flood-prone areas of the Northern New Territories <i>(Works Bureau (WB))</i></p>	<ul style="list-style-type: none"> ● To complete river training and rehabilitation works for River Beas and River Indus in 2001 ● To complete river training works in Area 30B in Sheungshui in 2001
<p>To complete the Drainage Master Plan (DMP) Studies for Northern New Territories, Sha Tin/Tai Po and Sai Kung/East Kowloon/Southern Lantau to ensure that all stormwater drainage systems in the areas conform to a common high standard of flood protection <i>(WB)</i></p>	<p>To complete the DMP Studies for Northern New Territories and Sha Tin/Tai Po in 1999 and the Sai Kung/East Kowloon/Southern Lantau studies in 2000</p>
<p>To implement the recommendations of the DMP Study for West Kowloon to upgrade the stormwater drainage systems in the area <i>(WB)</i></p>	<ul style="list-style-type: none"> ● To complete drainage works in local streets peripheral to the east side of Nathan Road between Playing Field Road and Nullah Road in 1999 ● To improve drainage at the section of Nathan Road between Boundary Street and Prince Edward Road by 2000