

THE HONG KONG HOUSING AUTHORITY

Memorandum for the Human Resources Committee

Reorganization of Housing Department

PURPOSE

At the HRC meeting held on 11 February 1999, the Director of Housing briefed Members on the proposed re-organization of the Department. This paper sets out for Members' information the details of this re-organization which will take effect on 1 March 1999.

BACKGROUND

2. In April 1997, the Department was re-structured into four core businesses and two cross-business supporting services branches, as follows:

Core Business Branches

Allocation & Marketing (A&M)
Commercial & Services (C&S)
Development & Construction (D&C)
Management (M)

Supporting Services Branches

Corporate Services (CS)
Finance & Accounting (FA)

The then reorganization was to allow for a streamlining of operations along business lines and a greater focusing of responsibility and greater delegation down the organization.

3. During the past 22 months, it has become clear that there are some grey areas whereby business branches were providing services to other branches. This is particularly the case of the C&S Branch which currently provides technical services, agency management services and other supporting services to the other business branches. For better management and to enable

clarity of the cost centres, there is a need to further rationalise the existing structure by transferring cross-business activities back to the respective business branches. The opportunity will also be taken to free up one of the Business Directors to concentrate on future follow-up work which will flow from the Housing Authority (HA)'s decision on the consultancy report on private sector involvement.

NEW STRUCTURE

4. In general, for M Branch and A&M Branch, the new services to be absorbed from C&S Branch will be incorporated as additional units into their existing structure without any major changes. The D&C Branch, after taking over the additional services, will be re-organised to the effect that apart from one Assistant Director who is responsible for central policies and services, the other Assistant Directors will each become responsible for one geographical area of work in addition to taking on some branch-wide subject. For C&S Branch, apart from those services to be transferred to A&M, D&C and M Branches, the list management functions and the Lift Ordinance Enforcement Unit which are deemed corporate functions will also be transferred out – the former to FA Branch in three months' time (in the interim, A&M, D&C and M Branches will share out the responsibility for list management of agency services contracts, consultants and contractors, and services contracts respectively) and the latter to Director's Office. Aside from commercial property responsibilities which are existing areas of work, C&S Branch will take over the new responsibility of driving private sector involvement.

5. While there will not be any changes to the nomenclature of the A&M, D&C, M, FA and CS Branches, the C&S Branch will be retitled as Commercial & Business Development (C&BD) Branch () to reflect the changes in its business.

RELATIONSHIP WITH HOUSING AUTHORITY

6. The working relationship between the Department and the HA and its Committees will remain unchanged with the senior directorate continuing to service relevant HA Committees although there may be a need to change the Department's representation on some of them as a result of the change in portfolios of the directorate officers.

7. The existing and revised organization structures of the Department are in Annexes A and B respectively.

IMPLEMENTATION

8. It is proposed that the new structure will take effect from 1 March 1999 with the combination of all list management functions under FA Branch to be undertaken in three months i.e. by June 1999.

FINANCIAL IMPLICATIONS

9. There are no immediate additional financial implications as there will be no increase in head count nor changes in the level of posts arising directly from this reorganization. Should there be any subsequent changes, proposals will be submitted to the HRC for consideration.

INFORMATION

10. Members are invited to note the contents of this paper.

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File Ref : L/M(4) in 23/101 III

Date : 24 February 1999