

## **THE HONG KONG HOUSING AUTHORITY**

### **Memorandum for the Human Resources Committee**

#### **Reorganization of the Senior Directorate Structure**

#### **PURPOSE**

At the Human Resources Committee meeting on 3 April 1997, the Director of Housing briefed Members on the proposed re-organization of the senior directorate structure of the Department. This paper sets out for Members' information the details of this re-organisation.

#### **BACKGROUND**

2. At the Housing Authority (HA) meeting on 2 January 1997, Members endorsed the Management Enhancement Programme Master Action Plan and gave full support to its implementation. As part of this wide-ranging programme of reforms, proposals were subsequently submitted to and endorsed at the Finance Committee (FC) meeting held on 27 February 1997 for the HA to develop a set of financial objectives and a financial management framework, with a view to -

- (a) ensuring that all HA policies and programmes are implemented and managed cost effectively;
- (b) searching for ways of improving the value for money;
- (c) developing and adopting a "best practice" approach to financial management, drawing on relevant private and/or public sector models, as appropriate;
- (d) ensuring that the HA continues to be self financing; and

- (e) demonstrating accountability and propriety in discharging its statutory and other financial commitments, pledges and transactions.

In order to properly implement the financial objectives, Members of the FC accepted that the directorate responsibilities would need to be aligned such that one senior directorate officer (preferably at D3 level) would be made responsible and accountable for the management of each core business.

3. In parallel with these developments, the Department has organised a series of workshops involving the entire directorate. These aimed at identifying the strengths and weaknesses of the existing senior directorate structure, and have resulted in proposals for a new structure to cope with the changes and challenges ahead.

## **NEW STRUCTURE**

4. It is proposed that the Department be re-structured into four core “businesses” and two cross-business “supporting services” comprising Development and Construction, Allocation and Marketing, Management, Commercial and Services, Finance and Accounting and lastly, Corporate Services. Each would be headed by an D3 officer and would answer to an Executive Board. This restructuring should allow for -

- (a) a streamlining of operations along business lines;
- (b) a greater focusing of responsibility together with greater delegation down the organization ; and
- (c) a clearer distinction between responsibility for day-to-day operations and strategic guidance.

To fully reflect the new responsibilities of the senior directorate officers under the new structure, their post titles will be renamed accordingly.

## **EXECUTIVE BOARD**

5. It is proposed that the Executive Board (行政委員會) will be composed of the Director of Housing (房屋署署長), Deputy Director of Housing/Management (副房屋署署長(管理)), Deputy Director of

Housing/Works (副房屋署署長(建設)), Director Corporate Services (機構事務總監) (currently Deputy Director/Administration) and Finance Director (財務總監) (currently Deputy Director/Finance). The Legal Adviser, Assistant Director/Information and Community Relations and the Director Corporate Strategy (see paragraph 6 below) will be in attendance. The Board will be responsible for setting strategy, clearing policy, agreeing targets and monitoring progress. It will delegate full day-to-day operational authority to the heads of the core businesses.

## **CORPORATE STRATEGY UNIT**

6. To support the Executive Board in discharging its functions, a Corporate Strategy Unit (機構策略組) will be set up. It will be responsible for co-ordinating the preparation and monitoring of the corporate business plan, formulation of corporate policy and strategy and co-ordinating cross-cutting issues, undertaking overall planning and review of public housing land requirements and acquisition, co-ordinating the review and monitoring the implementation of the LTHS including public housing supply and demand, and undertaking policy research and development. The Unit will be composed of a small multi-disciplinary team of staff.

## **CORE BUSINESSES**

7. As mentioned in paragraph 4 above, the Department will be re-organised into four core businesses, each headed by a directorate officer at D3 level -

- (a) **Development and Construction Branch (發展及建築處)** comprising the Development Division and two Projects Divisions. Headed by the Business Director/Development (發展總監), this branch will be responsible for the provision of architectural, town planning, building services and structural engineering services.
- (b) **Allocation and Marketing Branch (編配及銷售處)** comprising the Applications and Home Ownership Division and Operations and Redevelopment Division. Headed by the Business Director/Allocation and Marketing (編配及銷售總監), this branch will be responsible for policies and procedures relating to allocation of PRH flats, sale of HOS and PSPS flats,

eligibility for rehousing, squatter control, clearance and redevelopment activities.

- (c) **Management Branch (物業管理處)** comprising three Management Divisions. Headed by the Business Director/Management (物業管理總監), this branch will be responsible for the provision of management, maintenance, surveying and building services in housing estates.
- (d) **Commercial and Services Branch (商業及綜合事務處)** comprising Commercial Properties Division, Central Services and Management Policy Division and Construction Services Division. Headed by the Business Director/Commercial and Services (商業及綜合事務總監), this branch will be responsible for policies relating to the design, development, valuation, letting, management of commercial properties and markets; provision of central services in relation to housing administration (e.g. agency management, rent and welfare accommodation); and provision of technical services (e.g. quantity surveying, civil and geotechnical engineering) to the other branches.

8. Each of the four Business Directors will be responsible and accountable for the development and day-to-day operations of their respective business plans, setting of service goals and performance standards and resource allocation within their branches. They will report to the Executive Board direct on their lines of business but the two Deputy Directors of Housing, while having no direct responsibility for day-to-day operations, will continue to divide between them general supervisory responsibility for “Management” and “Works” and will provide high level advice on major policy areas and key cross-business strategic issues.

9. In order to empower the Business Directors to discharge duties in their business areas as independently as possible, the financial and administrative responsibilities will be devolved progressively from the Corporate Services and Finance and Accounting Branches (see paragraph 10 below) to the four Business Branches together with the necessary resources. The Assistant Directors in the four Business Branches will continue to provide support and advice to the Business Directors on the management of a defined and focused area of work under their purview.

## **SUPPORTING SERVICES**

10. The organisational set-up of the Administration and Finance Branch/Division will largely remain unchanged but they will be renamed as the Corporate Services Branch (機構事務處) and Finance and Accounting Branch (財務會計處) and will be headed by the Director Corporate Services and the Finance Director respectively. The Director Corporate Services and the Finance Director while members of the Executive Board in their own right, will be answerable to the Board separately for their respective service plans.

## **RELATIONSHIP WITH HA**

11. 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. Similarly, some adjustments in the terms of reference of the committees may eventually be necessary. Proposed changes will be submitted to the respective committees for consideration in due course.

12. The existing and proposed organization structures of the Department are in **Annexes A and B** respectively. The new job descriptions for the senior directorate posts are in **Annexes C-I**.

## **IMPLEMENTATION**

13. It is proposed that the new structure will take effect from 15 April 1997 with the exception of the Corporate Strategy Unit which will be established around September 1997.

## **FINANCIAL IMPLICATIONS**

14. No additional financial implications are expected as there will be no increase in head count nor changes in the level of posts arising directly from this reorganization.

## **INFORMATION**

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

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File Ref. : LM(4) in HD(CR/D)23/101  
Date : 14 April 1997