

Head 60 — HIGHWAYS DEPARTMENT

Controlling officer: the Director of Highways will account for expenditure under this Head.

Estimate 2016–17	\$2,915.2m
Establishment ceiling 2016–17 (notional annual mid-point salary value) representing an estimated 2 122 non-directorate posts as at 31 March 2016 rising by 59 posts to 2 181 posts as at 31 March 2017	\$1,016.5m
In addition, there will be an estimated 36 directorate posts as at 31 March 2016 and as at 31 March 2017.	
Commitment balance	\$6.7m

Controlling Officer's Report

Programmes

Programme (1) Capital Projects	This programme contributes to Policy Area 21: Land and Waterborne Transport (Secretary for Transport and Housing) and Policy Area 23: Environmental Protection, Conservation, Power and Sustainable Development (Secretary for the Environment).
Programme (2) District and Maintenance Works	This programme contributes to Policy Area 21: Land and Waterborne Transport (Secretary for Transport and Housing) and Policy Area 24: Water Supply, Drainage and Slope Safety (Secretary for Development).
Programme (3) Railway Development	This programme contributes to Policy Area 21: Land and Waterborne Transport (Secretary for Transport and Housing).
Programme (4) Technical Services	This programme contributes to Policy Area 21: Land and Waterborne Transport (Secretary for Transport and Housing) and Policy Area 24: Water Supply, Drainage and Slope Safety (Secretary for Development).

Detail

Programme (1): Capital Projects

	2014–15 (Actual)	2015–16 (Original)	2015–16 (Revised)	2016–17 (Estimate)
Financial provision (\$m)	373.8	387.9	411.1 (+6.0%)	444.3 (+8.1%)
				(or +14.5% on 2015–16 Original)

Aim

2 The aim is to expand and improve the road network in order to meet the growth in traffic demand, serve new development areas and facilitate the movement of people and goods both within the territory and across the boundary in accordance with approved programmes and at the same time contribute towards sustainable development.

Brief Description

3 The Department is responsible for the implementation of highway projects in the Public Works Programme. This involves the planning, investigation, design and supervision of the construction of roads, bridges, tunnels and traffic noise mitigation measures, using in-house resources as well as consultants.

4 In 2015, the Department had generally achieved its performance targets. The Department spent about \$20 billion on the following road infrastructure projects:

Works commenced —

- road improvement works for West Kowloon Reclamation Development - Phase 1, and
- retrofitting of noise barriers on Tuen Mun Road Town Centre Section.

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Works in progress —

- widening of Tolo Highway/Fanling Highway between Island House Interchange and Fanling - Stage 2;
 - Central-Wan Chai Bypass and Island Eastern Corridor Link;
 - improvement to Pok Oi Interchange;
 - construction of the Hong Kong Boundary Crossing Facilities (HKBCF) and the Hong Kong Link Road (HKLR) for the Hong Kong-Zhuhai-Macao Bridge (HZMB);
 - Tuen Mun-Chek Lap Kok Link (TM-CLKL); and
 - provision of barrier-free access facilities at public footbridges, elevated walkways and subways - phases 1 to 3 under the Universal Accessibility Programme.
- 5 On the planning side, the Department has:
- continued to monitor the progress of the works of the HZMB Main Bridge in the Mainland waters;
 - continued with the detailed design for the following highway projects:
 - Central Kowloon Route,
 - dualling of Hiram’s Highway between Clear Water Bay Road and Marina Cove and improvement to local access to Ho Chung,
 - retrofitting of noise barriers on Tuen Mun Road Fu Tei Section,
 - elevated pedestrian corridor in Yuen Long Town connecting with Long Ping Station,
 - widening of Castle Peak Road - Castle Peak Bay, and
 - widening of western section and eastern section of Lin Ma Hang Road;
 - continued with the investigation and preliminary design for the following highway projects:
 - Tuen Mun Western Bypass (TMWB),
 - pedestrian footbridge system in Mong Kok,
 - dualling of Hiram’s Highway from Marina Cove to Sai Kung Town, and
 - improvement to Fan Kam Road;
 - continued with the investigation and detailed design for provision of barrier-free access facilities for public footbridges, elevated walkways and subways under the Universal Accessibility Programme; and
 - continued with the investigation and detailed design for the higher-ranking proposals on the provision of hillside escalator links and elevator systems.
- 6 The key performance measures are:

Targets

	Target	2014 (Actual)	2015 (Actual)	2016 (Plan)
maintaining cost of capital projects within approved project estimate (%) ^φ	100	100	100	100
capital projects with expenditure incurred in the scheduled year (%)	100	95.7	92.0 ^Ω	100
works contracts commenced in accordance with agreed programmes (%)	90.0	69.2	70.0 ^α	90.0
works contracts completed in accordance with agreed programmes (%)	95	100	50 ^β	95

^φ This target refers to the ability of the Department to maintain the cost of projects within the latest approved project estimate approved by the Finance Committee (FC). The target reflects one of the Department’s prime objectives in the delivery of capital works projects, namely that the project expenditure should be closely monitored and maintained within the approved project estimate.

^Ω In 2015, expenditure on four out of 50 capital projects was not incurred as scheduled. The four projects were upgraded to Category A later than planned in the 2014/15 Legislative Council (LegCo) session due to the Public Works Subcommittee proceedings and were scheduled to commence between December 2015 and the first quarter of 2016.

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- α In 2015, three out of ten works contracts were not commenced according to the agreed programme. One works contract was upgraded to Category A later than planned in the 2014/15 LegCo session and was scheduled to commence in February 2016, whilst the programme of the remaining two contracts had been rescheduled in light of the latest progress.
- β In 2015, one out of two works contracts was not completed according to the agreed programme due to unexpected underground utilities.

Indicators

	2014 (Actual)	2015 (Actual)	2016 (Estimate)
capital projects under design and construction by			
in-house staff			
(no.)	23	19	17
(\$m)	1,961.5	1,973.2	2,033.8
consultants			
(no.)	125	193	228
(\$m)	191,510.3	192,577.0	224,899.9
expenditure in the year on capital projects under design and			
construction by			
in-house staff (\$m)	503.5	463.6	519.0
consultants (\$m)	20,946.2	20,734.0	21,061.1
works contracts commenced	9	7	4
works contracts completed	12	1	1

Matters Requiring Special Attention in 2016–17

- 7 During 2016–17, the Department will:
- continue to take forward the construction of the following key highway projects:
 - widening of Tolo Highway/Fanling Highway between Island House Interchange and Fanling - Stage 2;
 - Central-Wan Chai Bypass and Island Eastern Corridor Link;
 - the HKLR and HKBCF of HZMB;
 - TM-CLKL;
 - provision of barrier-free access facilities for public footbridges, elevated walkways and subways under the Universal Accessibility Programme;
 - improvement to Pok Oi Interchange;
 - road improvement works for West Kowloon Reclamation Development - Phase 1;
 - retrofitting of noise barriers on Tuen Mun Road Town Centre Section; and
 - dualling of Hiram's Highway between Clear Water Bay Road and Marina Cove and improvement to local access to Ho Chung;
 - continue to monitor closely the construction progress of the HZMB Main Bridge in the Mainland waters;
 - commence the retrofitting of noise barriers on Tuen Mun Road Fu Tei Section;
 - seek funding approval for three hillside escalator links and elevator systems at Tsing Yi, Kwai Chung and Kowloon City with a view to commencing construction progressively in the fourth quarter of 2016;
 - seek funding approval for an elevated walkway and a footbridge at Tseung Kwan O and Tsuen Wan respectively with a view to commencing construction progressively in the fourth quarter of 2016;
 - continue with the detailed design for the following highway projects:
 - widening of western section and eastern section of Lin Ma Hang Road,
 - elevated pedestrian corridor in Yuen Long Town connecting with Long Ping Station, and
 - widening of Castle Peak Road - Castle Peak Bay;
 - continue to take forward the Central Kowloon Route for its early implementation;

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- continue with the investigation and preliminary design for the following highway projects:
 - TMWB,
 - pedestrian footbridge system in Mong Kok,
 - dualling of Hiram's Highway from Marina Cove to Sai Kung Town, and
 - improvement to Fan Kam Road; and
- continue to oversee the implementation of the Universal Accessibility Programme, including inviting the 18 District Councils to further nominate not more than three walkways in each district for implementation in the next phase of the Programme.

Programme (2): District and Maintenance Works

	2014–15 (Actual)	2015–16 (Original)	2015–16 (Revised)	2016–17 (Estimate)
Financial provision (\$m)	1,356.8	1,363.7	1,373.3 (+0.7%)	1,526.3 (+11.1%)
				(or +11.9% on 2015–16 Original)

Aim

8 The aim is to maintain the integrity of the road network with particular emphasis on safety and serviceability, and implement local road infrastructure works to facilitate and cope with the public and private sector developments.

Brief Description

9 The Department is responsible for maintenance of all public roads, including highway structures, government road tunnels, road furniture, road drainage and roadside slopes. Other major areas of responsibility include co-ordination and control of openings on public roads, attendance to emergencies such as typhoons, rainstorms, landslips and road subsidence, minor improvements to roads and reconstruction or rehabilitation of road pavements.

10 The Department is also involved in the planning and administration of road infrastructure through commenting on town plans, land allocations and leases, and public and private sector development proposals. The Department also provides technical advice to the Government and private sector developers on road matters and carries out local road works to match development.

11 In 2015, the Department's performance was satisfactory.

12 The key performance measures are:

Targets

	Target	2014 (Actual)	2015 (Actual)	2016 (Plan)
responding to public enquiries and complaints within seven working days (%).....	100	99.9	99.9	100
clearing obstructions on expressways				
(i) arrive at reported location within two hours upon receipt of a report (%).....	90	100	100	90
(ii) clear the road obstructions within eight hours upon receipt of a report (%).....	100	100	100	100
rectifying untidy and unclean roadwork sites within three working days (%).....	100	100	100	100
displaying the purpose and the anticipated completion date of roadworks on site (%).....	100	99.9	100	100
repairing holes on road surface				
(i) within 24 hours (%).....	95.0	99.8	99.5	95.0
(ii) within 48 hours (%).....	100	100	100	100
repairing traffic signs				
(i) within 36 hours (%).....	95.0	99.6	99.2	95.0
(ii) within 48 hours (%).....	100	99.8	99.7	100

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	Target	2014 (Actual)	2015 (Actual)	2016 (Plan)
issuing road excavation permits to public utilities/road works permits within				
(i) eight working days (%)	95.0	99.9	99.9	95.0
(ii) ten working days (%)	99.0	100	99.9	99.0
issuing expressway works permits to public utilities within				
12 working days (%)	100	100	100	100
providing temporary pedestrian facilities where roadworks affect existing pedestrian routes (%)	100	100	100	100
cleansing all footbridges and subways at least once per quarter (%)	100	100	100	100
carrying out safety inspections on expressways (by vehicle) once every day (%)	100	100	100	100
carrying out safety inspections on trunk roads (by vehicle) once every seven days (%)	100	100	100	100
carrying out safety inspections on primary distributors (by vehicle) once per month (%)	100	100	100	100
inspection of highway structures and government road tunnels, including six-monthly superficial inspection, biennial general inspection and principal inspection to meet the capital project/maintenance programme (%)	100	100	100	100
inspecting/cleansing traffic signs, directional signs and removing overgrown vegetation on expressways at least twice per year (%)	100	100	100	100
inspecting/cleansing street name plates, traffic signs, directional signs, railings, barriers and planter walls at streets with high traffic flow at least once per quarter (%)	100	100	100	100
inspecting/clearing exclusive road drains at flooding blackspots at least once per month during the wet season and once per quarter during the dry season (%)	100	100	100	100

Indicators

	2014 (Actual)	2015 (Actual)	2016 (Estimate)
total area of roads maintained (million m ²)	24.9	25.0	25.1
expenditure on highways maintenance (\$m)	979.1	921.1	1,053.8
expenditure on roadside slope works (\$m)	52.1	52.3	70.9
expenditure on road reconstruction, rehabilitation, resurfacing, and joint replacement works (\$m)	299.7	312.1	314.3
expenditure on road cleanliness and streetscape enhancement and greening of shotcreted slopes (\$m)	92.7	93.6	101.5
complaints relating to road maintenance	9 614	10 120	10 500
excavation/road works permits authorised	23 769	21 797#	21 000
average duration of road excavation works per excavation permit (day)	77	73	77
inspections carried out on sites covered by excavation permit	97 030	97 410	97 400
items of non-compliance with excavation permit conditions per total no. of items inspected (%)	1.1	1.1	1.1
incidents of unattended sites per total no. of excavation permits (%)	0.6	0.6	0.6
incidents of damage to underground utilities by utility excavations and road works per total no. of excavation permits (%)	0.2	0.1	0.2

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	2014 (Actual)	2015 (Actual)	2016 (Estimate)
excavation permits extended	1 322	1 281#	1 280
submissions and development proposals checked	21 237	21 496	21 737

The decrease in the number of excavation/road works permits authorised and excavation permits extended in 2015 as compared with 2014 is mainly due to the gradual completion of the replacement and rehabilitation of water mains programme by the Water Supplies Department.

Matters Requiring Special Attention in 2016–17

13 During 2016–17, the Department will continue to:

- contribute to improving road cleanliness;
- improve the safety and appearance of roadside slopes;
- monitor and enhance the performance of the Excavation Permit Management System to facilitate control and co-ordination of road opening works;
- comment on roadwork proposals and land allocations, and monitor and implement roadwork associated with developments; and
- use the low-noise thermal heating method for minor repairs of pavements.

Programme (3): Railway Development

	2014–15 (Actual)	2015–16 (Original)	2015–16 (Revised)	2016–17 (Estimate)
Financial provision (\$m)	102.7	112.6	118.0 (+4.8%)	125.5 (+6.4%)
				(or +11.5% on 2015–16 Original)

Aim

14 The aim is to implement the Railway Development Strategy and formulate plans for further development of the railway network.

Brief Description

15 The Department plans, monitors and co-ordinates various activities associated with the implementation of new railway projects including the associated Essential Public Infrastructure Works. The Department has to liaise with the railway corporation to develop detailed schemes for the railways, undertake necessary route protection, preparatory work and statutory procedures, and resolve interface issues arising from the implementation of these projects.

16 The Department will co-ordinate with other departments concerned for approval of the infrastructure layout design for various new railways and their interface arrangements with other projects, and take part in site liaison for traffic diversion, site handing over arrangements, as well as issues on the commissioning and operation of the railways.

17 The Department is responsible for carrying out studies to formulate plans for the further development of the railway network to cater for the sustainable social, economic, land and housing development of Hong Kong.

18 In 2015, the construction of the West Island Line, the Hong Kong section of the Guangzhou-Shenzhen-Hong Kong Express Rail Link (XRL), the South Island Line (East), the Kwun Tong Line Extension and the Shatin to Central Link continued. Following the commissioning of Kennedy Town Station and HKU Station of the West Island Line on 28 December 2014, the Sai Ying Pun Station was also commissioned on 29 March 2015.

19 The key performance measures are:

Targets

	Target	2014 (Actual)	2015 (Actual)	2016 (Plan)
ensuring timely completion of the West Island Line by 2015 (cumulative % completed) ^α	100	99	100	100
ensuring timely completion of XRL in the third quarter of 2018 (cumulative % completed) ^μ	78	58 ^υ	68	78

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	Target ^λ	2014 (Actual)	2015 (Actual)	2016 (Plan)
ensuring timely completion of the Shatin to Central Link by 2021 (cumulative % completed) ^ω	61	23	46	61
ensuring timely completion of the Kwun Tong Line Extension by 2016 (cumulative % completed) [§]	100	77	91	100
ensuring timely completion of the South Island Line (East) by 2016 (cumulative % completed) ^δ	100	80	92	100

ψ In accordance with the usual practice of reporting construction progress within the Government, the performance targets for the railway projects are expressed in terms of percentage share (%) of the estimated expenditure on the projects. In the quarterly reports submitted to the LegCo Subcommittee on Matters Relating to Railways, the percentage of completion for individual projects is presented in terms of percentage of work done estimated by the MTR Corporation Limited. As at 31 December 2015, the percentages of completion, measured in terms of physical work done, are 76 per cent, 48 per cent, 91 per cent and 93 per cent for XRL, Shatin to Central Link, Kwun Tong Line Extension and South Island Line (East) respectively.

λ These targets indicate the cumulative progress of the projects/tasks concerned for 2016, which will be adjusted over the years until the projects/tasks are completed.

α Following the commissioning of Kennedy Town Station and HKU Station of the West Island Line on 28 December 2014, Sai Ying Pun Station (without its Ki Ling Lane entrance) was also commissioned on 29 March 2015. The Ki Ling Lane entrance of Sai Ying Pun Station is targeted for commissioning in the first quarter of 2016.

μ The XRL is entrusted to the MTR Corporation Limited for design and construction. On 30 November 2015, the Government and the MTR Corporation Limited announced that both sides had agreed to adjust the target commissioning for the XRL to the third quarter of 2018, with the revised Cost to Complete of \$84.42 billion. Including the government cost of \$2 billion, the revised project estimate would be increased to \$86.42 billion (subject to the approval by FC). The performance percentages of XRL are based on the expenditure divided by the revised total project estimates of \$89.203 billion under the three project votes (i.e. 52TR – XRL – Design and Site Investigation, 53TR – XRL – Construction of Railway Works and 57TR – XRL – Construction of Non-railway Works).

υ The actual performance target in 2014 is decreased as compared with that reported in 2015–16 Estimates due to the revised total project estimate.

ω The Shatin to Central Link is entrusted to the MTR Corporation Limited for design and construction. Based on the latest assessment by the MTR Corporation Limited, the Tai Wai to Hung Hom Section and the Hung Hom to Admiralty Section are targeted for commissioning in 2019 and 2021 respectively.

§ The MTR Corporation Limited announced in August 2015 that the Kwun Tong Line Extension was targeted for commissioning by the third or fourth quarter of 2016.

δ The MTR Corporation Limited announced in November 2014 that the South Island Line (East) was targeted for commissioning by end 2016.

Indicators

	2014 (Actual)	2015 (Actual)	2016 (Estimate)
submissions and development proposals (that may have impact on railway developments) processed	506	523	520
railway infrastructure layouts and ancillary building submissions processed	1 049	736	601
capital projects under design and construction entrusted to the railway corporation or other agencies			
(no.)	17	17	16
(\$m)	154,764.8	154,756.1	174,367.7
expenditure in the year on capital projects under design and construction entrusted to the railway corporation or other agencies			
(no.)	17	17	16
(\$m)	21,088.9	23,825.5	20,132.9
studies and other tasks carried out by consultants			
(no.)	4	4	2
(\$m)	339.2	339.6	390.1
transport and planning studies with railway planning input provided by the Department	36	57	42

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Matters Requiring Special Attention in 2016–17

20 During 2016–17, the Department will:

- co-ordinate actions with bodies and departments concerned to speed up land resumption and to resolve interface problems to facilitate implementation of the railway projects;
- oversee the progress of the XRL, the South Island Line (East), the Kwun Tong Line Extension and the Shatin to Central Link to ensure their timely completion;
- continue to take forward the proposed railway schemes recommended under the Railway Development Strategy 2014;
- scrutinise submissions including project estimates by the MTR Corporation Limited on the implementation of railway projects;
- co-ordinate with the Mainland authorities on cross-boundary infrastructure developments; and
- continue to undertake route protection of the recommended railway projects and other longer term proposals.

Programme (4): Technical Services

	2014–15 (Actual)	2015–16 (Original)	2015–16 (Revised)	2016–17 (Estimate)
Financial provision (\$m)	777.3	775.6	756.6 (–2.4%)	819.1 (+8.3%)
				(or +5.6% on 2015–16 Original)

Aim

21 The aim is to provide technical support and set standards for the construction and maintenance of the road network.

Brief Description

22 The Department provides design input for road lighting, highway structures, roadside slope improvement and landscape features associated with capital projects and maintenance works; and inspects the safety provisions on highway construction sites. The Department researches into new materials, techniques and standards. The Department also provides engineering, quantity surveying and landscaping technical services.

23 In 2015, the Department's performance was satisfactory. The Department maintained road lights in the territory to the required standards through prompt co-ordination, inspection and repairs; and implemented quality assurance system in the design and maintenance of the road network. The Department also ensured that the necessary technical support was given to ensure the smooth implementation and operation of works in the other programmes.

24 The key performance measures are:

Targets

	Target	2014 (Actual)	2015 (Actual)	2016 (Plan)
design of structures completed to meet the capital project/maintenance programme (%)	100	100	100	100
road lighting points completed to meet the capital project/maintenance programme (%)	100	100	100	100

Indicators

	2014 (Actual)	2015 (Actual)	2016 (Estimate)
structural designs completed/in progress (highway structures)	23	24	23
road lighting points completed	6 756	6 992	6 600
expenditure on maintenance of road lights (\$m)	92.4	96.9	99.0
roadside slope improvement designs vetted	68	80	80
research and development studies and investigations completed	9	9	9

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	2014 (Actual)	2015 (Actual)	2016 (Estimate)
standard drawings, road notes, information technology notes and guidance notes issued and reviewed	34	33	30
engineering surveying jobs handled and plans issued.....	5 728	5 507	5 500
site safety inspections.....	241	241	240
landscape submissions checked	6 878	5 644	5 320
landscape cases designed/implemented	1 934	1 138	1 200
hectares of land provided with vegetation maintenance service	1 095	1 095	1 095
expenditure on vegetation maintenance for roadside slopes and expressways (\$m)	54.4	55.5	56.2
Engineer Inspection Reports for slopes audited.....	39	40	40

Matters Requiring Special Attention in 2016–17

25 During 2016–17, the Department will continue to:

- enhance its quality management system with special emphasis on environment and safety management;
- enhance the environment with improved streetscape, more greening and appropriate landscaping works;
- enhance the maintenance of vegetation for roadside slopes and expressways;
- maintain the technical standard of Engineer Inspection of slopes through audit; and
- establish and maintain survey control networks for cross-boundary highway projects.

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ANALYSIS OF FINANCIAL PROVISION

	2014–15 (Actual) (\$m)	2015–16 (Original) (\$m)	2015–16 (Revised) (\$m)	2016–17 (Estimate) (\$m)
Programme				
(1) Capital Projects	373.8	387.9	411.1	444.3
(2) District and Maintenance Works.....	1,356.8	1,363.7	1,373.3	1,526.3
(3) Railway Development.....	102.7	112.6	118.0	125.5
(4) Technical Services	777.3	775.6	756.6	819.1
	2,610.6	2,639.8	2,659.0 (+0.7%)	2,915.2 (+9.6%)
				(or +10.4% on 2015–16 Original)

Analysis of Financial and Staffing Provision

Programme (1)

Provision for 2016–17 is \$33.2 million (8.1%) higher than the revised estimate for 2015–16. This is mainly due to the increased provision for filling of vacancies as well as net increase of 12 posts in 2016–17.

Programme (2)

Provision for 2016–17 is \$153.0 million (11.1%) higher than the revised estimate for 2015–16. This is mainly due to the increased provision for highways maintenance, filling of vacancies, workshop services as well as creation of 36 posts in 2016–17.

Programme (3)

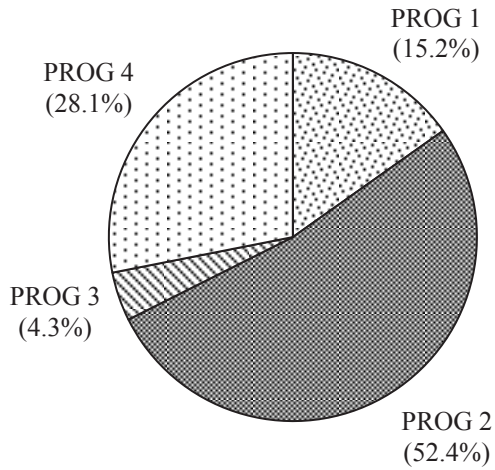
Provision for 2016–17 is \$7.5 million (6.4%) higher than the revised estimate for 2015–16. This is mainly due to the increased provision for filling of vacancies, creation of three posts in 2016–17, as well as review and update of the Railway Development Strategy 2000.

Programme (4)

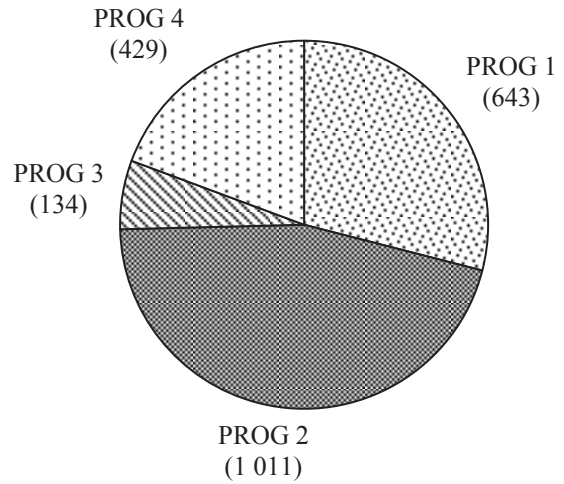
Provision for 2016–17 is \$62.5 million (8.3%) higher than the revised estimate for 2015–16. This is mainly due to the increased provision for filling of vacancies, electricity for public lighting, highways maintenance and lighting maintenance, workshop services as well as creation of eight posts in 2016–17.

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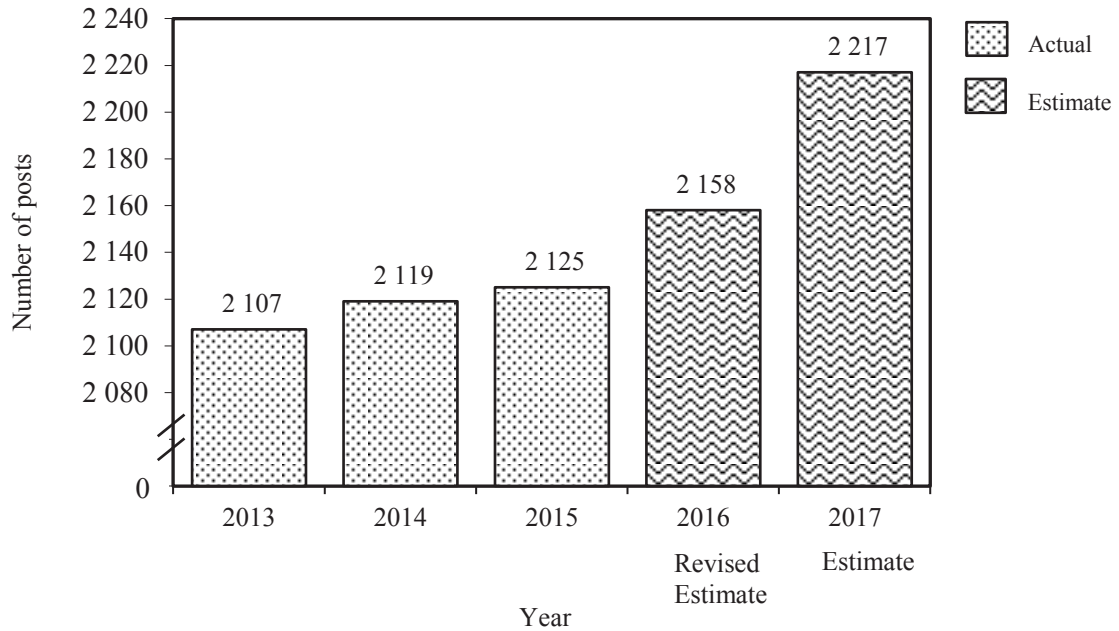
*Allocation of provision
to programmes
(2016-17)*



*Staff by programme
(as at 31 March 2017)*



*Changes in the size of the establishment
(as at 31 March)*



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Sub-head (Code)	Actual expenditure 2014–15	Approved estimate 2015–16	Revised estimate 2015–16	Estimate 2016–17	
	\$'000	\$'000	\$'000	\$'000	
Operating Account					
Recurrent					
000	Operational expenses	2,378,048	2,395,249	2,431,245	2,677,149
272	Electricity for public lighting.....	229,479	241,980	225,679	231,745
	Total, Recurrent.....	<u>2,607,527</u>	<u>2,637,229</u>	<u>2,656,924</u>	<u>2,908,894</u>
Non-Recurrent					
700	General non-recurrent	1,565	1,000	800	1,800
	Total, Non-Recurrent.....	<u>1,565</u>	<u>1,000</u>	<u>800</u>	<u>1,800</u>
	Total, Operating Account	<u>2,609,092</u>	<u>2,638,229</u>	<u>2,657,724</u>	<u>2,910,694</u>
Capital Account					
Plant, Equipment and Works					
661	Minor plant, vehicles and equipment (block vote).....	1,505	1,540	1,300	4,500#
	Total, Plant, Equipment and Works.....	<u>1,505</u>	<u>1,540</u>	<u>1,300</u>	<u>4,500</u>
	Total, Capital Account.....	<u>1,505</u>	<u>1,540</u>	<u>1,300</u>	<u>4,500</u>
	Total Expenditure	<u><u>2,610,597</u></u>	<u><u>2,639,769</u></u>	<u><u>2,659,024</u></u>	<u><u>2,915,194</u></u>

Provision of \$4,500,000 under *Subhead 661 Minor plant, vehicles and equipment (block vote)* represents an increase of \$3,200,000 (246.2%) over the revised estimate for 2015–16. This reflects the updating of the ambit of this block vote subhead as set out in the Introduction to the Estimates and the increased requirement for equipment.

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Details of Expenditure by Subhead

The estimate of the amount required in 2016–17 for the salaries and expenses of the Highways Department is \$2,915,194,000. This represents an increase of \$256,170,000 over the revised estimate for 2015–16 and \$304,597,000 over the actual expenditure in 2014–15.

Operating Account

Recurrent

2 Provision of \$2,677,149,000 under *Subhead 000 Operational expenses* is for the salaries, allowances and other operating expenses of the Highways Department. The increase of \$245,904,000 (10.1%) over the revised estimate for 2015–16 is mainly due to the increased provision for highways maintenance, net increase of 59 posts in 2016–17, filling of vacancies, workshop services as well as general departmental expenses.

3 The establishment as at 31 March 2016 will be 2 158 posts including five supernumerary posts. It is expected that there will be a net increase of 59 permanent posts in 2016–17. Subject to certain conditions, the controlling officer may under delegated power create or delete non-directorate posts during 2016–17, but the notional annual mid-point salary value of all such posts must not exceed \$1,016,538,000.

4 An analysis of the financial provision under *Subhead 000 Operational expenses* is as follows:

	2014–15 (Actual) (\$'000)	2015–16 (Original) (\$'000)	2015–16 (Revised) (\$'000)	2016–17 (Estimate) (\$'000)
Personal Emoluments				
- Salaries.....	1,100,126	1,132,057	1,193,766	1,272,753
- Allowances.....	15,634	17,512	17,820	17,823
- Job-related allowances.....	1,368	1,521	1,393	1,509
Personnel Related Expenses				
- Mandatory Provident Fund contribution.....	3,135	4,502	4,151	5,170
- Civil Service Provident Fund contribution.....	25,943	31,850	30,953	39,198
Departmental Expenses				
- Maintenance materials.....	19	30	25	30
- Workshop services.....	130,704	138,616	133,791	142,906
- General departmental expenses.....	125,516	112,534	111,425	139,265
Other Charges				
- Highways maintenance.....	975,603	956,627	937,921	1,058,495
	2,378,048	2,395,249	2,431,245	2,677,149

5 Provision of \$231,745,000 under *Subhead 272 Electricity for public lighting* is for paying electricity bills for all highways facilities including public lighting, traffic signals, lifts and escalators for footbridges and subways, and ventilation systems for public transport interchanges.

Capital Account

Plant, Equipment and Works

6 Provision of \$4,500,000 under *Subhead 661 Minor plant, vehicles and equipment (block vote)* represents an increase of \$3,200,000 (246.2%) over the revised estimate for 2015–16. This reflects the updating of the ambit of this block vote subhead as set out in the Introduction to the Estimates and the increased requirement for equipment.

Head 60 — HIGHWAYS DEPARTMENT

Commitments

Sub-head (Code)	Item (Code)	Ambit	Approved commitment	Accumulated expenditure to 31.3.2015	Revised estimated expenditure for 2015–16	Balance
			\$'000	\$'000	\$'000	\$'000
<i>Operating Account</i>						
700		<i>General non-recurrent</i>				
	838	Review and update of the Railway Development Strategy 2000	43,000	35,468	800	6,732
		Total	43,000	35,468	800	6,732