

立法會
Legislative Council

LC Paper No. PWSC119/00-01

(These minutes have been
seen by the Administration)

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**Public Works Subcommittee of the Finance Committee
of the Legislative Council**

**Minutes of the 13th meeting
held in the Chamber of Legislative Council Building
on Wednesday, 18 April 2001, at 10:45 am**

Members present :

Ir Dr Hon Raymond HO Chung-tai, JP (Chairman)

Hon Albert CHAN Wai-yip (Deputy Chairman)

Hon Kenneth TING Woo-shou, JP

Hon Cyd HO Sau-lan

Hon Fred LI Wah-ming, JP

Prof Hon NG Ching-fai

Hon CHAN Kam-lam

Hon SIN Chung-kai

Hon Andrew WONG Wang-fat, JP

Hon WONG Yung-kan

Hon Mrs Miriam LAU Kin-yee, JP

Hon Emily LAU Wai-hing, JP

Hon Andrew CHENG Kar-foo

Dr Hon TANG Siu-tong, JP

Hon Henry WU King-cheong, BBS

Hon Michael MAK Kwok-fung

Hon WONG Sing-chi

Hon IP Kwok-him, JP

Hon LAU Ping-cheung

Members absent:

Hon Eric LI Ka-cheung, JP

Hon James TO Kun-sun

Hon CHAN Yuen-han

Hon LAU Kong-wah
Hon LAW Chi-kwong, JP
Hon TAM Yiu-chung, GBS, JP
Hon Abraham SHEK Lai-him, JP

Public officers attending:

Miss Elizabeth TSE	Deputy Secretary for the Treasury
Mr K K KWOK	Deputy Secretary for Works (Planning and Resources)
Mr Thomas TSO	Deputy Secretary for Planning and Lands
Mr Rob LAW, JP	Director of Environmental Protection
Mr James HERD	Principal Assistant Secretary of the Treasury (Works)
Ms Doris CHEUNG	Principal Assistant Secretary for Transport
Mr George LAI, JP	Deputy Commissioner for Transport/Planning and Technical Services, Transport Department
Mr Brian EDWARDS	Chief Engineer/Traffic Control, Transport Department
Ms Michelle LI	Principal Assistant Secretary for Education and Manpower
Mr Jack CHAN	Deputy Secretary-General, University Grants Committee
Mr K S SHUM	Chief Technical Advisor/Subvented Projects, Architectural Services Department
Mr Donald TONG	Principal Assistant Secretary for the Environment and Food
Mr John COLLIER, JP	Director of Drainage Services
Mr LAM Chiu-hung	Assistant Director (Sewage Services), Drainage Services Department
Mr HON Chi-keung	Chief Engineer/Strategic Sewage Disposal Scheme Drainage Services Department
Mr Francis LO	Principal Assistant Secretary for Home Affairs
Mr S K WONG	Project Director, Architectural Services Department
Mr C D B WILLIAMS, JP	Assistant Director of Home Affairs
Mr CHAN Nap-ming	Project Manager, Housing Department
Mr CHAN Wing-cheung	Assistant Project Manager/Building Services Engineer, Housing Department
Mr Kim SALKELD, JP	Deputy Secretary for the Environment and Food
Mr Benny WONG	Assistant Director (Waste and Water), Environmental Protection Department

Clerk in attendance:

Miss Polly YEUNG

Chief Assistant Secretary (1)3

Staff in attendance:

Ms Pauline NG

Assistant Secretary General 1

Ms Anita SIT

Senior Assistant Secretary (1)8

HEAD 706 – HIGHWAYS

PWSC(2001-02)8

17TC

Area traffic control and closed circuit television systems for Tai Po and North District

Members noted that the paper on the present proposal had been circulated to the Transport Panel for information on 26 March 2001.

2. Mr WONG Sing-chi and Mr WONG Yung-kan enquired whether Area Traffic Control (ATC) and Closed Circuit Television (CCTV) systems would be provided along Tolo Highway and Fanling Highway under the present proposal. In reply, the Deputy Commissioner for Transport/Planning and Technical Services, Transport Department (DC/P&TS,TD) advised that the present proposal was concerned with the provision of ATC and CCTV systems at signalized junctions of local roads in Tai Po and North Districts as shown on the site plans attached to the discussion paper. However, Traffic Control and Surveillance (TCS) facilities, including CCTV cameras and variable message panels would be provided along Tolo Highway and Fanling Highway under the relevant road widening projects (561TH and 720TH), the implementation works of which were underway.

3. DC/P&TS,TD also informed members that the Transport Department (TD) had recently completed an in-house Intelligent Transport Systems Strategy (ITSS) Review Study. One of the recommendations of the study was that comprehensive TCS facilities should be installed on all existing and new expressways and trunk roads. The Administration would draw up a detailed implementation plan in respect of ITSS at a later stage. The Chairman suggested that the Administration should brief the Transport Panel on the implementation plan in due course.

4. Mr Andrew CHENG expressed concern whether the proposed computer-controlled traffic system to be installed in TD's ATC Control Centre in Tsuen Wan would become obsolete with the implementation of the ITSS. In response, DC/P&TS,TD advised that under the ITSS, all existing ATC

systems and TCS facilities in different districts would be integrated, where practicable, under a single control centre.

5. Mrs Miriam LAU sought explanation on how the proposed installation of CCTV cameras at local roads could improve traffic flow. DC/P&TS,TD advised that CCTV cameras would be installed at road junctions with busy traffic, particularly those connected with external traffic. With the real-time visual information supplied by the CCTV cameras, the ATC centre could adjust the traffic signal timing and co-ordinate the operation of traffic signals to cater for the actual traffic conditions and thus improve traffic flow.

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6. Miss Emily LAU enquired about the basis for estimating that the proposed ATC system on full implementation would be able to reduce the journey time, delay and number of stops by an average of 30%, 50% and 40% respectively. The Chief Engineer/Traffic Control, Transport Department (CE/TC,TD) advised that the estimation was based on the experience of previous projects, before and after which traffic studies had been conducted to evaluate the improvements brought about by the ATC systems installed. At Miss LAU's request, the Administration agreed to provide, before the relevant Finance Committee meeting (on 11 May 2001), information on the improvement in traffic flow brought about by the provision of ATC systems in previous projects.

7. Pointing out that there were frequent traffic jams at Ting Kok Road where road widening works were underway, Mr Andrew CHENG asked whether the installation of ATC and CCTV systems along this road could be expedited to relieve the congestion problem. In reply, DC/P&TS,TD advised that consideration would be given to programme the proposed works such that the ATC and CCTV systems at locations with more notable traffic problems could operate to bring relief at the earliest time as far as possible.

8. Miss Emily LAU enquired whether under the proposed ATC system, there were means to inform road users of the real-time traffic condition to enable them to make informed choices of alternative routes. CE/TC,TD advised that the main function of the ATC system was real-time coordination and adjustment of traffic control signals within an area having regard to changes in traffic flow level. There were separate projects, which were mainly implemented on expressways and trunk roads, whereby traffic information was provided to road users through equipment such as variable message signs.

9. Mr Andrew WONG reiterated his suggestion made at the Transport Panel meeting on 16 March 2001 that in addition to the installation of fixed CCTV cameras, consideration should be given to installing mobile traffic surveillance facilities on buses, police cars or emergency vehicles for traffic surveillance purposes. In response, DC/P&TS,TD advised that as far as the

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present proposal was concerned, the CCTV cameras would be installed at critical road junctions. According to the relevant traffic studies, the proposed 30 CCTV cameras would be adequate for surveillance of the traffic conditions in the areas concerned. He however agreed to consider Mr Andrew WONG's suggestion in future traffic management plans.

10. Mr Kenneth TING enquired whether the traffic information collected by the CCTV cameras would be made available to the public via the Internet. In reply, CE/TC,TD advised that at present, TD supplied CCTV images on road traffic to the media and there was constant display of over 40 CCTV images on road traffic on TD's website. TD also planned to increase the number of these images to over 100 in the near future.

11. Mr LAU Ping-cheung expressed support for the proposed ATC and CCTV systems. He however expressed concern about the privacy implications of the proposed CCTV system. Miss Emily LAU and Mr WONG Sing-chi echoed Mr LAU's concern. They were concerned about the mechanism, if any, to prevent abuse of the system so as to safeguard the privacy of road users.

12. CE/TC,TD advised that at present, there were arrangements in place to restrict access to the operation of the CCTV systems although there were no specific regulations or internal guidelines for the purpose of protecting privacy while the CCTV systems were in operation. He however stressed that all along, the CCTV systems had been used solely for traffic surveillance purposes and only a limited number of TD's officers and Police officers responsible for traffic control could have access to the CCTV systems. He stressed that the CCTV cameras to be installed under the present proposal would be of the same design in terms of zooming and tilting functions as those used in previous ATC projects. While recorded CCTV images had been used in traffic studies in the past, such records had never been used for any other purposes such as evidence for traffic offences. The images on display on TD's website were fed by CCTV cameras pre-set to collect traffic images at a fixed wide angle.

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13. Miss Emily LAU opined that the Administration should establish a proper mechanism to prevent abuse of the CCTV systems and to safeguard the privacy of road users and other affected individuals. In response, the Principal Assistant Secretary for Transport (6) stressed that ATC systems had been implemented over 10 years in various urban areas and all along, the systems had been used for traffic control and management purposes only. In view of members' concern, she agreed to consider whether departmental guidelines should be tightened up to address privacy concerns. The Chairman suggested and the Administration agreed to provide a paper on the functions and operations of the proposed CCTV systems and relevant measures to address the privacy concerns for consideration by the relevant Panel in due course. Mr WONG Sing-chi suggested that the paper should be discussed at

the Security Panel.

Admin 14. In view of members' concern about the operation of ATC and CCTV systems, the Chairman suggested that the Administration should invite members to visit TD's ATC Control Centre(s). DC/P&TS,TD said that he would be pleased to make the relevant arrangements. Miss Emily LAU supported the Chairman's suggestion, but remarked that the purpose of the visit might be defeated if only a few members would participate. Mr Andrew WONG said that he was not interested in visiting the Centre(s).

(Post-meeting note: The visit will be conducted on 7 June 2001.)

15. The item was voted on and endorsed.

HEAD 708 - CAPITAL SUBVENTIONS AND MAJOR SYSTEMS AND EQUIPMENT

**PWSC(2001-02)1 38EF Engineering Building Complex,
phase 2, The Chinese University of
Hong Kong**

16. Mr CHAN Kam-lam declared interest that he was a council member of the Chinese University of Hong Kong (CUHK).

17. Addressing Mr Albert CHAN's concern on whether the proposed project had taken into account the use of advanced information technology (IT) facilities for teaching and research purposes, the Deputy Secretary-General, University Grants Committee (DS-G,UGC) and the Chief Technical Advisor/Subvented Projects, Architectural Services Department (CTA/SP,ArchSD) confirmed that the estimate of \$65.98 million for building services under the present proposal had taken into account the provision of cables and connection facilities for computer systems. Indeed, under the current policy, all new buildings including student hostels for universities would be provided with state-of-the-art facilities for IT-related purposes.

18. In reply to Miss Emily LAU's enquiry on whether there were any facilities which had been proposed by CHUK but subsequently rejected by the Administration, CTA/SP,ArchSD advised that the project proposal, which had been drawn up by the consultant engaged by CUHK, had been scrutinized by the University Grants Committee (UGC) and the Architectural Services Department (ArchSD). He confirmed that for this project, the Administration had agreed to all the facilities and the design details proposed by CUHK, since the project proposal did not include any excessive or extravagant provision.

19. Mr Henry WU enquired how the present project compared with the project 22EK "Phase VI development of Hong Kong Polytechnic University", which was quoted in the discussion paper as a reference for the construction unit cost for the present project. In reply, CTA/SP,ArchSD advised that the type of building constructed under project 22EK was similar to the proposed Engineering Building Complex for CUHK. The difference in the construction unit cost between the two projects (i.e. \$13,717 for the present project and \$12,242 for project 22EK, both at September 2000 prices) was mainly attributed to the provision of a clean room system in the present project which would have to be housed in a single-storey building adjacent to the main building of the complex. At Mr Henry WU's request, CTA/SP,ArchSD agreed to provide, before the relevant FC meeting (on 11 May 2001), information on the respective unit cost for the "building" and "building services" items and the respective consultants' fees under both projects.

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20. Regarding the upward adjustment of CUHK's estimate for the "furniture and equipment" item by \$350,000 to \$25.08 million by UGC, CTA/SP,ArchSD advised that special furniture items were required for the laboratories and workshops to be housed in the complex and these furniture items would be procured through an international tendering exercise. UGC estimated that the prices for these furniture items would be relatively high and thus had adjusted the relevant estimate accordingly.

21. Miss Emily LAU sought clarification on Footnote 2 of the discussion paper regarding the consultants' fees for the project. DS-G,UGC explained that when the Public Works Subcommittee (PWSC) considered the project "18EH -University hostels at Baptist University Road - Phase 1 and phase 2" in February 1999, members noted that the consultancy contract under the project had been awarded on a scale fee basis and enquired whether there were further projects of UGC-funded institutions under which the consultancy contract had also been awarded on a scale fee basis. Thereafter, the Administration had consulted the eight UGC-funded institutions and had been informed by the latter that there were four other such projects, two being pursued by the University of Hong Kong and two by the City University of Hong Kong. The relevant information had been provided to PWSC vide the supplementary information note PWSCI(98-99)32. At that time, CUHK had considered that the consultants for its two projects, namely the project under the present proposal and project 37EF "Extension facilities for the Clinical Departments of the Medical Faculty at Prince of Wales Hospital" were not remunerated solely on a scale fee basis and thus had not informed the Administration of these consultancy contracts there and then. However, when scrutinizing the two projects, Arch SD found that a portion of the consultants' fees for these two project were calculated on a scale fee basis. As such, the Administration considered it necessary to keep members fully informed of the situation and had therefore sought to explain in the aforesaid Footnote why these two projects had not been covered in the information note PWSCI(98-99)32.

22. In reply to the Chairman's enquiry, DS-G,UGC and CTA/SP,ArchSD advised that taking into account members' views expressed at the PWSC meeting on 3 February 1999, the Administration had advised UGC-funded institutions that consultants' fees should be determined through competitive price bidding rather than on a scale fee basis. In any tendering exercise for a consultancy contract, there should be at least three consultants bidding for the contract. Both a technical proposal and a price proposal would be required from each bidder for consideration against a set of criteria. The bidder obtaining the highest total score would be awarded the contract. The relevant guidelines had been issued to all UGC-funded institutions in March 1999.

23. In reply to Mr LAU Ping-cheung, CTA/SP, Arch SD clarified that a lead consultant and a geotechnical consultant had been engaged for the present project and they were remunerated on a scale fee basis under the relevant consultancy contracts. The consultants had been disbursed fees of \$9.87 million for their services at the planning stage of the project under the relevant Block Allocation under the Capital Works Reserve Fund. The provision of \$8.64 million for consultants' fees under the present proposal was concerned with the consultants' services at the tendering and construction stages. CTA/SP,Arch SD then referred to the breakdown of the estimate in Enclosure 2 to the discussion paper and confirmed that no funds had been disbursed out of the provision of \$8.64 million.

24. Miss Emily LAU sought clarification on whether the scale fees of \$4.19 million included in the provision of \$8.64 million for consultants' fees under the present proposal had been committed and thus would have to be paid to the consultants irrespective of whether the present proposal would be endorsed/approved by this Subcommittee and the Finance Committee. In response, CTA/SP,ArchSD advised that the consultancy contract with the lead consultant comprised two parts, one for the services during the planning stage and the other for the services during the tendering and the construction stages. He confirmed that CUHK had not made any contractual commitment regarding the latter part of the consultancy contract.

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25. To facilitate members' reference, the Chairman requested and the Administration agreed to provide a supplementary information note before the relevant FC meeting to set out the detailed arrangements for the consultancy fees for the lead and geotechnical consultants for this project. Miss Emily LAU requested the Administration to also include information to address her concern on whether the Administration/CUHK had made any financial commitment which the Finance Committee had not yet approved and to provide further information on the fees of \$9.87 million that had already been disbursed to the consultants.

26. Mr Albert CHAN appreciated the intention of the Administration to rectify an inadvertent omission in a previous information note by providing

additional information in this discussion paper. He considered that it was mainly due to the complicated background of the scale fee issue that members had found the additional information rather confusing. He urged the Administration not to refrain from providing additional relevant information in future proposals. While sharing the view of Mr Albert CHAN, the Chairman and Miss Emily LAU nevertheless called upon the Administration to present its explanation in a clearer and more comprehensible manner.

27. The item was voted on and endorsed. Miss Emily LAU said that she had reservation on the proposal pending further information to be provided by the Administration.

HEAD 704 - DRAINAGE

PWSC(2001-02)9

301DS

East Kowloon sewerage, stage II

28. Members noted that the present proposal had been discussed at the Environmental Affairs Panel on 19 March 2001.

29. Mr Fred LI queried whether the substantial addition of works scheduled to be carried out at night time after the award of the completion contract was attributed to poor planning of the Administration. In response, the Director of Drainage Services (DDS) and the Assistant Director (Sewage Services), Drainage Services Department (AD/SS,DSD) explained that the entire project comprised the construction of 14 kilometers of sewers, some 2.5 km of which had been scheduled initially to be constructed at night time. The completion contract covered the construction of 4.5 kilometres of sewers, and provision had been made initially to construct 1.3 kilometres of the sewers at night time. The initial works schedule had been drawn up based on the findings of the traffic impact assessment study carried out at the design stage, at which time, it would not be practicable nor cost-effective to determine the temporary traffic arrangements for each location of works. It was prior to the commencement of works on particular road sections and back alleys that the relevant temporary traffic arrangements could be determined and notices of these arrangements issued to the management offices of the affected buildings. In response to these notices, a total of 19 objections had been received from affected parties who requested that the relevant works be re-scheduled for night time. Having regard to the objections and the pros and cons of the rescheduling arrangement, the Administration had acceded to 14 such requests and rescheduled the works for another 1.9 kilometres of sewers to be carried out at night time (i.e. a total of 3.2 kilometres of sewers to be constructed at night time, including the nightworks for the 1.3 kilometres of sewers as originally envisaged). They remarked that although the additional nightworks would involve additional costs, the arrangement could avoid causing undue disruption to the affected business operations and the traffic in the area.

30. Mr Fred LI was not fully convinced and questioned why the Administration had not arranged discussions with the affected parties at the planning stage. In response, AD/SS,DSD explained that the Administration had consulted the relevant District Boards on the proposed works at the planning stage. It was when the Administration consulted the affected parties on the temporary traffic arrangements at a later stage that the affected parties, notably factory owners, had raised objections to the works schedule. Having carefully considered the related costs and benefits, the Administration found it justified to reschedule additional works to be carried out at night time. He added that should the additional nightworks have been anticipated at an earlier stage, the same amount of additional costs would still be required.

31. Miss Emily LAU said that she supported the rescheduling arrangement on account of the need to reduce disturbance to the public.

32. Mr Fred LI said that having perused the explanation set out in Enclosure 3 to the discussion paper, he was still not convinced that there had been insufficient grounds for the Administration to forfeit the first contract and re-enter the site until the end of 1998 when the contractor went into voluntary liquidation. He noted that the contractor's performance had deteriorated not long after the commencement of the project works in March 1996 and thereafter had repeatedly failed to meet the works programmes, yet the Drainage Services Department (DSD) and the Consulting Engineer had tolerated the poor performance for over two years. He thus queried whether DSD and/or the Consulting Engineer had not duly performed their duties of contract administration and works supervision.

33. In response, DDS explained that as a general policy, re-entry by the Government was a last resort as such action would usually lead to considerable additional costs and delay in works. DSD and the Consulting Engineer had been monitoring the performance of the contractor continuously and had stepped up monitoring whenever the work progress slackened. The frequency of performance reporting had been increased from quarterly to six-weekly in early 1997 and the contractor had been instructed to submit weekly progress reports since July 1998. During the period in question, the contractor had been able to improve progress in response to DSD's and the Consulting Engineer's continuous pressure for improvement on a number of occasions. In early 1998, DSD had considered taking re-entry action but on that occasion, the contractor had successfully brought in a major investor to inject funds. Unfortunately, the contractor went into liquidation shortly after a short period of marked improvement in late 1998, thus necessitating re-entry action by the Government. DDS stressed that DSD and the Consulting Engineer had repeatedly urged the contractor to improve its performance with a view to completing the works early. However, it should be noted that whilst the contractor's general performance had been unsatisfactory, there were insufficient grounds for Government to exercise the drastic contractual action

of forfeiting the contract and re-entering the sites at any time before the contractor went into voluntary liquidation.

34. Mr Fred LI maintained his dissatisfaction that notwithstanding the contractor's persistently poor performance since the commencement of the contract, DSD and the Consulting Engineer had refrained from exercising the Government's contractual right to take re-entry action but had tolerated the contractor's poor performance until the latter went into liquidation. He considered that DSD and the Consulting Engineer had failed to fulfill their monitoring responsibilities.

35. The Chairman remarked that according to his professional experience, taking re-entry action in a capital works project was a very difficult decision especially when the performance of the contractor concerned fluctuated and there was a reasonable prospect at times that he would be able to complete the project works.

36. Mr Albert CHAN commented that substantial delay in this project (from two years to over five years) had not only resulted in additional costs for the project, but had also caused increased disturbance to the public which would incur economic losses. He observed that in most cases involving the forfeiture of contracts, the Government had been forced by circumstances to take re-entry action rather than exercising on its own accord its contractual right to take re-entry action. He urged the Finance Bureau (FB) and the Works Bureau (WB) to critically review the problems as revealed by this project, in particular the drafting of the works contract and the existing policy and mechanism for triggering re-entry action.

37. In response, the Deputy Secretary for Works (Planning and Resources) advised that the Administration had undertaken a review on the policy and procedures on forfeiture of contracts. To protect the interests of Government in the event of contractors failing to meet the standards of performance due to cashflow problems or heavy financial losses, WB had revised the financial requirements on the contractors on the Approved Lists so as to minimize the risk of awarding contracts to contractors with financial problems. The Administration would also scrutinize the cashflow situation and past earning records of the bidding contractors and might disqualify a bidding contractor if problems were identified. WB had also tightened the rules governing contractors' conduct and performance e.g. contractors receiving two, instead of three, consecutive adverse reports on performance would be suspended from tendering for public works contracts. These new measures had been announced through revised guidelines and procedures issued to the works departments and the contractors on the Approved Lists. In this regard, the Chairman cautioned that care must be taken in assessing contractors' financial capability to ensure that small and medium-sized contractors would not be disadvantaged.

38. Miss Emily LAU expressed regret for the considerable delay and additional costs arising from the project. She shared the concern of some other members that by taking no drastic action, the Administration and the Consulting Engineer might have given the contractor the impression that they condoned its poor performance. She further queried whether the Administration had checked the past performance of the contractor in question before the awarding the contract to him. In reply, DDS advised that at the time the contract was awarded, the contractor had not received any adverse reports over the previous five years, and his bid had fulfilled all the relevant requirements. Hence, there was no reason at that time that the contractor should not be awarded to the contractor.

39. On the wider issue of the existing contract award system, DDS informed members that the Construction Industry Review Committee had reviewed, inter alia, this subject. The Administration would consider in due course the recommendations of the Committee to see if the system for award of contracts and monitoring of contractors' performance could be further refined.

40. The Chairman said that issues relating to the contract award system and the monitoring of contractors were policy issues. In view of members' concern, he suggested that the issues, notably the recommendations of the Construction Industry Review Committee, should be further discussed at the Planning, Lands and Works Panel. Mr Albert CHAN concurred with the Chairman and further urged the Finance Bureau to take a more active role in reviewing the relevant policy and procedures.

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41. In reply to Mr CHAN Kam-lam's enquiry, AD/SS,DSD advised that the Government had paid the first contractor \$103.2 million for the works completed under the forfeited contract according to normal payment procedures. There was no question that the payment had been made earlier than usual having regard to the financial circumstances of the contractor.

42. Referring to the table in paragraph 9 of Enclosure 3 regarding the four contracts managed by DSD that had been forfeited over the past four years, Mr Albert Chan and Miss Emily LAU sought clarification on whether there had been savings or additional costs upon the re-tendering of the outstanding works. In reply, AD/SS,DSD confirmed that for all the four contracts, the forfeiture of contracts and the subsequent re-tendering of outstanding works had resulted in additional costs as follows -

<u>Contract</u>	<u>Additional cost (\$million)</u>
East Kowloon sewerage, stage 1 phase 2	2.74
Drainage maintenance and construction in HK Island and Outlying islands	0.36

East Kowloon sewerage stage 2 (with which the present proposal was concerned)	65.0
Construction of sewers, sewage pumping station and rising mains in Sai Kung	6.0

43. AD/SS,DSD further explained the original approved project estimate (APE) was higher than the latest project estimate for the first and fourth contracts mainly because the respective outturn tender price of the original contract was much lower than the original APE. Thus, although additional cost had been incurred by the Government as a result of the contract forfeitures, the latest project estimate was still within the original APE.

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44. Miss Emily LAU commented that information on the additional costs arising from the contract forfeitures should have been included in the aforesaid table as members were very concerned about the financial implications of the contract forfeitures. Mr Andrew WONG opined that information on the outturn tender prices should also be included. At the Chairman's request, the Administration agreed to provide, before the relevant FC meeting on 11 May 2001, information on the outturn tender price and the additional costs arising from the contract forfeitures in respect of each of the four contracts.

45. Miss Emily LAU and Miss Cyd HO expressed reservation on the proposal. Mr Albert CHAN said that Members of the Democratic Party would abstain from voting. Whilst they could not accept the Administration's explanation, they would not object to the proposal in consideration that the requested additional funding was necessary for completion of the project. Mr IP Kowk-him said that he would also abstain from voting.

Clerk

46. The item was voted on and endorsed. Miss Emily LAU requested that this item be voted on separately from other public works items at the relevant FC meeting.

HEAD 703 - BUILDINGS

**PWSC(2001-02)12 184SC Community hall at Lei Muk Shue
Estate, phase 4**

47. Albert CHAN said that according to his understanding, the Lei Muk Shue (LMS) Estate Redevelopment Programme was about half-way completed. The local community had called for the reprovisioning of various existing community services to the new community centre complex to be constructed

under the redevelopment programme and the Social Welfare Department (SWD) had already agreed to re-provision some of these services. He enquired whether the present proposal had taken into account the re-provisioning arrangement, in particular whether an existing elderly service centre and a youth centre would be re-provisioned in the new complex.

48. In reply, the Assistant Director of Home Affairs advised that in the same joint-users block accommodating the proposed community hall, there would also be a residential care home for the elderly, a day care centre for the elderly and a social centre for the elderly. As far as the proposed community hall was concerned, the facility would be considerably larger and better equipped than the existing one. The target was to complete the community hall prior to the closure of the existing one to ensure the continued operation of the relevant services.

49. The Project Manager, Housing Department (PM/HD) supplemented that pursuant to the policy of enhancing community care for the elderly, community facilities and special housing units for the elderly had been included in the design for the joint-users complex accommodating the proposed community hall. He understood that pursuant to the request of the Tsuen Wan District Council, the Administration had reserved space at the ground floor of a new housing block to be built nearby for a youth centre. He however could not confirm whether the elderly and youth centres to be provided in the redeveloped LMS Estate would be used for the re-provisioning of existing services as the matter fell within the purview of SWD.

50. Mr Albert CHAN expressed dissatisfaction that the Administration had consulted the Tsuen Wan District Council only when the design for the complex in question had been drawn up, thus leaving little scope for variation without causing delay to the project. He urged the Administration to undertake consultation with the local community on similar projects at the early planning stage so that the views of the local community could be fully taken into account in the project design. The Administration took note of Mr CHAN's view for appropriate action in future.

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51. Mr Henry WU referred to the construction unit cost, represented by building and building services costs, of \$17,565 per square metre (m²) for this project and that of \$13,717 per m² for the previous item PWSC(2001-02)1 regarding the construction of an Engineering Building Complex in CUHK. He queried the relatively high construction unit cost for this project, bearing in mind that the cost for advanced building services were already included for the university building under item PWSC(2001-02)1.

52. In reply, PM/HD said that he was not in a position to make a comparison between this project and the project under item PWSC(2001-02)1 as he had no knowledge of the details of the latter project. However, he

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advised that the construction cost for the community hall type of facility was relatively high as the facility was usually small in scale but a series of ancillary facilities were nevertheless required. At Mr Henry WU's request, he agreed to provide, before the relevant FC meeting on 11 May 2001, a comparison between the construction unit cost for the present project and those for other similar projects.

53. The item was voted on and endorsed. Mr Albert CHAN expressed reservation on the proposal.

54. There being insufficient time, the Chairman instructed that the remaining item PWSC(2001-02)10 be carried over to the next meeting scheduled for 25 April 2001.

55. The meeting ended at 1:05 pm.

Legislative Council Secretariat

24 May 2001