

立法會
Legislative Council

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the Administration)

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**Subcommittee to follow up
the outstanding capital works projects
of the former municipal councils**

**Minutes of meeting
held on Wednesday, 18 April 2001 at 8:30 am
in Conference Room A of the Legislative Council Building**

- Members Present** : Dr Hon TANG Siu-tong, JP (Chairman)
Hon Fred LI Wah-ming, JP
Hon CHAN Yuen-han
Hon WONG Yung-kan
Hon WONG Sing-chi
Hon Albert CHAN Wai-yip
Hon LAU Ping-cheung
- Members Absent** : Hon Cyd HO Sau-lan
Hon Andrew WONG Wang-fat, JP
Hon LAU Wong-fat, GBS, JP
Hon IP Kwok-him, JP
- Public Officers Attending** : Mr Jonathan McKinley
Principal Assistant Secretary for Home Affairs
(Recreation & Sport)
- Ms Lolly CHIU
Deputy Director of Leisure and Cultural Services
(Administration)

Mr WONG Shiu-kwan
Project Director 3
Architectural Services Department

Ms Pamela CHAN
Chief Executive Officer (Planning) 1

Mrs YUEN KWONG Wai-king
Chief Executive Officer (Planning) 2

Miss Olivia CHAN
Senior Staff Officer (Leisure Services) 2

Clerk in Attendance : Mrs Constance LI
Chief Assistant Secretary (2)5

Staff in Attendance : Miss Betty MA
Senior Assistant Secretary (2)1

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I. Report of the Administration's consultation with District Councils on the relative priorities of ex-PMC capital works projects involving leisure and cultural facilities
[LC Paper No. CB(2) 1216/00-01(02)]

The Chairman said that the meeting was held to continue discussion on the Administration's consultation report with District Councils (DCs) on the relative priorities of ex-Provisional Municipal Councils (PMCs) capital works projects involving leisure and cultural facilities [LC Paper No. CB(2) 1216/00-01(02)].

Projects recommended to proceed with priority

2. Miss CHAN Yuen-han noted that although the Administration had recommended 21 projects involving leisure and cultural facilities to proceed with priority, some DCs held dissenting views with the Administration over the priority of certain projects. She asked how the Administration was going to deal with these cases. She further asked whether the Administration would consider altering the priority list, if the DC concerned had made strong request for a specific project which was not included in the list.

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3. Deputy Director of Leisure and Cultural Services (DD/LCSD) responded that apart from the 21 projects recommended by LCSD, DCs had recommended 27 projects to proceed with priority. She said that it was not possible for the Administration to proceed with all these projects simultaneously, and these would have to be taken forward by phases. She pointed out that even before the dissolution of the two PMCs, not more than 20 capital works projects were approved by the two PMCs each year because of the substantial expenditure involved. Citing Tai Po Civic Centre as an example, DD/LCSD explained that as a consultancy study to review the policy on the provision of civic centres was underway, it would not be appropriate to take a firm decision on the project pending the outcome of the review. Nevertheless, the Administration would take into account DCs' views as far as practicable. As regards the Tin Shui Wai Public Library cum Indoor Recreation Centre for which the Administration had recommended priority, DD/LCSD said that Yuen Long DC considered that a temporary library should be set up in Tin Shui Wai, the Public Library would be less urgent than the one in Yuen Long. The Administration accepted the DC's views and recommended that the Tin Shui Wai Public Library could be implemented at a later stage.

4. Responding to Miss CHAN Yuen-han's request for the implementation timetable for the priority projects, DD/LCSD said that LCSD did not have specific resources for implementation of these priority projects, and they had to compete for resources with other capital works proposals under the normal resources allocation mechanism. The actual implementation of the projects would be subject to funding approval from the Finance Committee of the Legislative Council (LegCo).

5. Mr WONG Yung-kan said that he had no objection to LCSD proceeding with the 21 priority projects. As regards the 27 projects which DCs had requested for priority, he noted that 14 of them received unanimous or strong support of the DCs concerned. He said that he did not understand why these 14 projects were not included in LCSD's priority list. He also commented that the Administration was unnecessarily delaying the implementation of the ex-PMC projects by commissioning consultancy study to review the policy for provision of civic centres. He was concerned that the construction of Tai Po Civic Centre project would be aborted following the completion of the consultancy study. With regard to the proposed Tseung Kwan O Complex in Area 44, Mr WONG pointed out that the site was ready for a long time and that the construction of an indoor games hall was fully justified based on the planning criteria. He did not see any reason for the Administration to review the need for and the scope of the project.

6. Mr WONG Yung-kan further said that the Administration failed to honour its pledge to upgrade the cultural and sport facilities in Hong Kong. He commented that the Administration seemed to adopt an approach that projects in relation to leisure and cultural facilities would only be taken forward if there was a very strong call from the

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community. Mr WONG urged the Administration to provide a concrete timetable for the implementation of the 27 projects recommended by DCs. He believed that Members would support the funding request for these projects if it was laid before the Finance Committee.

7. DD/LCSD agreed to draw up a tentative implementation timetable. She said that the former PMCs would also need to take 10 years to implement these projects, as the PMCs approved an average of 8 to 10 projects a year and the maximum was 15 projects a year. She hoped members would appreciate that there were resource constraints in implementing all the outstanding projects.

8. Mr Fred LI said that the subcommittee would support the 21 priority projects recommended by LCSD since these projects also received the support of DCs. Mr Fred LI also expressed concern about the implementation of the 27 projects recommended by DCs, particularly the 14 projects which had the strong support of DC members. He said that as the Administration had taken the initiative to consult the DCs, it should give due consideration to their views. To expedite the implementation of the projects, Mr LI suggested that the Administration should earmark resources on a one-off basis for the 21 priority projects proposed by LCSD and the 27 projects recommended by DCs, instead of seeking funds annually.

9. Referring to the Regional Indoor Stadium in Area 11A of Fanling/Sheung Shui, Mr Fred LI said that the project had been classified as a Category II item by the Provisional Regional Council (ProRC), and that the North DC had strongly requested for priority to be accorded to this project. He asked whether the Administration would consider giving priority to the project given such background.

10. Regarding the Regional Indoor Stadium in Area 11A of Fanling/Sheung Shui, Principal Assistant Secretary for Home Affairs (PAS(HA)) said that this was a large-scale and complex project which had been upgraded to Category II by ProRC in December 1996. This project fell within the scope of the consultancy study commissioned by the Home Affairs Bureau to examine the provision of major recreation and sports venues in the territory. He advised that further planning of the project was subject to the outcome of the consultancy study. PAS(HA) further said that the Bureau would brief the Panel on Home Affairs on the parameters and initial findings of the consultancy study on 20 April 2001, and provide the Panel with the consultancy report in June 2001.

11. Mr Albert CHAN said that he was given the impression that the Administration gave more emphasis on the provision of territory-based leisure and cultural facilities, and that insufficient efforts were made to meet the demands for such facilities at the district level. He was disappointed that the Administration did not take heed of the views expressed by the districts in this regard.

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12. Mr Albert CHAN further said that it would be difficult for members to argue each and every project on the list, and that he saw no reason to object to the 21 priority projects recommended by LCSD if they had the support of DCs. However, he pointed out that previously, the former PMCs were responsible for according priority and distributing resources for the various projects planned in different districts. After the reorganisation for the provision of municipal services, DCs were only consulted on the relative priorities of the capital works projects in their own districts. There was no mechanism to provide for an overall assessment of the need and worthiness of such projects and to decide on the implementation time-table.

13. DD/LCSD agreed that the Administration would need to put in place a new mechanism for the vetting and approval of leisure and cultural facilities, after the dissolution of the former PMCs. Under the new arrangements, LCSD would first consult the DCs on these projects and bid fundings under Government's resource allocation mechanism based on the criteria described in paragraph 6 of the Administration's paper.

14. Mr Albert CHAN commented that the 21 projects recommended to proceed with priority were apparently unevenly distributed in the 18 districts. In the absence of information on the recommended provision for leisure and cultural facilities for these districts, he could not judge whether the Administration's recommendations could adequately meet the local needs. Mr CHAN therefore requested additional information on the justifications for LCSD to recommend priority projects in certain districts but not others. He also requested the Administration to provide information on the recommended provision for leisure and cultural facilities under the Hong Kong Planning Standards and Guidelines (or other criteria), and the existing shortfall of such facilities in these districts. The Administration should also provide the reason if there was a significant shortfall of provision in those districts without any priority projects. DD/LCSD agreed.

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15. The Chairman asked whether the Administration could also provide the implementation plan for the 27 projects recommended by DCs, in particular the Ma On Shan Seafront Promenade, Tseung Kwan O Complex in Area 44 and the Indoor Recreation Centre in Area 4 of Tsing Yi, as the DCs concerned and residents' organisations had written to the Subcommittee urging for early implementation of these projects.

16. DD/LCSD responded that the Ma On Shan Seafront Promenade project was within the list of 27 projects recommended by DCs. She said that LCSD had noted DCs' views and was liaising with the Territory Development Department to carry out some basic roadside recreational facilities in the area as an interim measure. Regarding the construction of Tseung Kwan O Complex in Area 44, the

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Administration had explained to Sai Kung DC that there were two indoor recreation centres in Tseung Kwan O and the third one in Tseung Kwan O would be opened soon. These three indoor recreation centres would be able to meet the overall demand of the residents in the district. In addition, the recreational development in Area 45 in Tseung Kwan O was under active planning. DD/LCSD further said that as there were many schools located in Area 45, Sai Kung DC members had agreed that an indoor recreation centre should be constructed in Area 45 rather than in Area 44. She assured members that the decision did not necessarily imply that the construction of Tseung Kwan O Complex would be aborted.

17. Mr Albert CHAN suggested that the construction of recreation grounds could be expedited by treating them as minor works projects if their construction cost could be reduced. For example, more trees could be planted instead of constructing artificial landscape.

18. At the request of the Chairman, DD/LCSD agreed to provide the preliminary implementation time-table in respect of the 21 priority projects recommended by LCSD and the 27 projects recommended by DCs.

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Funding mechanism for ex-PMC projects

19. Referring to DD/LCSD's remarks that the implementation of the ex-PMC projects would be subject to the approval of the Finance Committee of LegCo, Mr Fred LI pointed out that any financial proposals would have to be initiated by the Administration. He said that if the Administration did not put forward the funding proposals to the Finance Committee, there was little LegCo Members could do to pursue the implementation of the ex-PMC projects. Mr LI reiterated that the Administration should undertake to earmark an annual provision for capital works projects involving cultural and leisure facilities, at a level similar to the actual expenditure incurred by the ex-PMCs for such facilities in previous years.

20. DD/LCSD said that the former PMCs allocated about \$1,000 million yearly for carrying out capital works projects. As regards Mr LI's suggestion, she would need to discuss with the Finance Bureau (FB).

21. Mr Fred LI expressed strong dissatisfaction with the current funding mechanism for ex-PMC projects. He said that the current arrangement for bidding resources annually for implementing ex-PMC projects under the normal resources allocation mechanism would inevitably delay the implementation of these projects. He suggested that the Subcommittee should convey members' views to the Administration and urge the Administration to earmark provisions for ex-PMC projects at the same level as that spent by the former PMCs.

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22. The Chairman informed members that he had written to the Secretary for Treasury on 9 April 2001 conveying the Subcommittee's concern about the funding mechanism for the 169 outstanding capital works projects of the two PMCs. A reply was awaited.

23. Mr Fred LI noted that the estimated expenditure for the 21 priority projects was about \$3,900 million. He asked about the time-table for bidding the necessary resources and the construction of these projects. DD/LCSD responded that the Administration was actively carrying out the Preliminary Project Feasibility Study (PPFS) and Client Project Briefs in respect of these projects. Following these, LCSD would bid resources under the annual resource allocation exercise. She expected that it would take three to four years for the 21 priority projects to be upgraded to Category A of the PWP. The DCs concerned would be briefed on the progress of these projects annually. She assured members that the Administration was committed to the implementation of these projects.

24. Mr Fred LI suggested that the Administration should also consider carrying out the PPFS of the 27 projects recommended by DCs at the same time, in order to shorten the process for implementation. DD/LCSD noted the suggestion.

25. Mr Albert CHAN said that the annual provisions for the ex-PMC projects should be made known to LegCo Members to facilitate monitoring of these projects. Mr CHAN requested the Administration to provide information on the provision sought for these projects in the next financial year. He also requested for a comparison of the annual provisions earmarked for capital works projects involving leisure and cultural facilities provided by the ex-PMCs and LCSD, together with a breakdown by type of service and number of projects involved. DD/LCSD agreed. However, DD/LCSD reminded members that the capital works projects involving leisure and cultural facilities were now subject to a different funding mechanism following the dissolution of the two PMCs.

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26. In response to members' concerns, PD3/ArchSD explained the PWP procedure, which comprised three stages. He said that a project would be included in Category C of PWP after satisfactory completion of PPFS and obtaining agreement from the policy bureau and FB. The project would then have to compete with other capital works projects for inclusion in the annual resource allocation exercise. After the project had been included in Category C of PWP, the ArchSD would proceed with the detailed design and preparation of contract documents. When the project was ready for upgrading to Category A, funding approval from the Finance Committee would be sought and tender would be called for.

27. PD3/ArchSD further said that during the resource allocation exercise last year, FB had agreed in principle that funds would be reserved for the construction of six of

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the projects which were recommended to proceed with priority. These six projects were :

- Indoor Recreation Centre in Area 17 of Tin Shui Wai,
- grass pitches in Tseung Kwan O Landfill;
- improvement works to Lei Yue Mun Park and Holiday Village;
- additional open space to Tsuen Wan Town Hall;
- Kwai Chung Park Football Training Centre; and
- a multi-purpose grass pitch on Sai Tso Wan Landfill.

PD3/ArchSD advised that subject to the satisfactory completion of PPFS, these projects would be upgraded to Category B of PWP, the remaining 15 projects were not yet included in Category C. DD/LCSD said that the Administration would proceed with the PPFS for all the priority projects progressively.

28. Mr Albert CHAN expressed grave concern that these priority projects were not yet included in Category C in PWP. He said that as a lot of preparation work in respect of the ex-PMC projects had already been done by the former PMCs, he did not consider it necessary to carry out PPFS again for these projects. He commented that it might take many years for a project to be upgraded to Category A under such arrangements. He urged the Administration to provide the estimated timing for including the 21 priority projects in the various categories of PWP. DD/LCSD replied that in addition to the six projects which had FB approval in principle, the Administration planned to take forward six to eight more projects this year. She reiterated that the implementation of ex-PMC projects was subject to competition of resources with other capital works projects under Government's normal resource allocation mechanism.

29. Mr LAU Ping-cheung shared Mr Albert CHAN's concern. To facilitate members' following up the progress of ex-PMC projects, Mr LAU agreed with Mr CHAN that the Administration should provide information on the target dates for the various planning, design and construction stages in respect of the 21 priority projects recommended by LCSD and the 27 projects which DCs had requested for priority treatment. DD/LCSD agreed to provide the requested information as far as practicable.

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30. Mr Albert CHAN considered that the major obstacle for early implementation of ex-PMC projects was resource constraint. He suggested that representatives of FB should be invited to attend the next meeting of the Subcommittee to explain to members the funding mechanism for ex-PMC projects. Members agreed.

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II. Any other business

31. Members agreed to hold the next meeting on 3 May 2001 at 8:30 am. The Chairman said that representatives of FB would be invited to attend the next meeting to brief members on the funding allocation mechanism for ex-PMC projects. Members also agreed to follow up the retro-fitting of air-conditioning to existing public markets, the progress of the Hammer Hill District Park, Kowloon Bay Recreation Ground and Stanley Complex at the next meeting.

32. There being no other business, the meeting ended at 9:55 am.

Legislative Council Secretariat

4 October 2001