

# 立法會

## *Legislative Council*

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### **Report of the Panel on Planning, Lands and Works for submission to the Legislative Council**

#### **Purpose**

This report gives an account of the work of the Panel on Planning, Lands and Works from October 2001 to June 2002. It will be tabled at the meeting of the Legislative Council (LegCo) on 10 July 2002 in accordance with Rule 77(14) of the Rules of Procedure of the Council.

#### **The Panel**

2. The Panel was formed by resolution of LegCo on 8 July 1998 and as amended on 20 December 2000 for the purpose of monitoring and examining Government policies and issues of public concern relating to lands, buildings and planning matters, works and water supply, and Public Works Programme. The terms of reference of the Panel are in **Appendix I**.

3. For the 2001-2002 session, the Panel comprises 12 members. Dr Hon TANG Siu-tong and Hon LAU Ping-cheung were elected Chairman and Deputy Chairman of the Panel respectively. The membership list of the Panel is in **Appendix II**.

#### **Major work**

##### Planning and development

##### *Urban Design Guidelines for Hong Kong*

4. The Panel welcomed the Administration's initiative to establish urban design guidelines for Hong Kong to preserve and improve the urban scene. There was general consensus among members on the need to preserve views to the ridgelines and to achieve a well-designed waterfront along the Victoria Harbour. Members therefore urged the Administration to ensure effective coordination among bureaux and departments in implementing consistent

policies in line with the proposed urban design guidelines. Some members however considered the introduction of the urban design guidelines overdue, as some important ridgelines had already been breached by recent developments.

*Long-term territorial planning study*

5. On long-term territorial planning, the Panel supported the study on "Hong Kong 2030 : Planning Vision and Strategy" to provide a long-term land use-transport-environmental planning framework to guide the development of Hong Kong over the next 30 years. Members noted that the population of Hong Kong was becoming more mobile as a result of the increasing socio-economic integration with the Mainland. They supported the study on the mobile population and its implications on the demand for housing and other facilities. On land use in the New Territories, members expressed concern about the long-term development of agricultural land. The Administration shared members' concern and undertook to embark on a comprehensive review of land use in the New Territories with a view to identifying long-term solutions to problems associated with land use planning and management in the New Territories.

*Planning study and development proposals for specific districts*

6. The Panel supported the Focus Study on Aberdeen Harbour to establish a coherent and robust planning framework for optimizing the development potential of the Aberdeen Harbour, with particular focus on tourism, recreation and associated activities. The proposed Fishing Port Theme was well received. Members emphasized that the development option for Aberdeen Harbour should enhance the existing fishing activities and the development of the fisheries industries in Aberdeen, and should be compatible with the development strategies at the territorial and regional levels. They also pointed out the need for a strong transport network to support the proposed development.

7. On the Study on the South East New Territories Development Strategy Review, members supported the proposal to develop Sai Kung District into a tourist and recreation area, the "Leisure Garden of Hong Kong", as the District was attractive for its landscape, ecology and water sport activities. They however pointed out the need to balance conservation and recreation development, and to provide sufficient transport facilities. Members considered that the Study, which commenced in 1999, should be expedited to enable the early implementation of the Strategy.

8. On the proposed integrated planning and engineering study for the further development of Tseung Kwan O (TKO), members pointed out the important implications of population projection on planning and development of a district, and urged the Administration to review the projected population of

490 000 for TKO under the current Outline Zoning Plan. To meet the increase in traffic demand due to population growth in TKO, members called for the early completion of the Western Coast Road project. They also suggested that modern and people-oriented design concepts should be adopted for the new town, and that more leisure facilities and open areas should be provided.

9. As regards the restructuring studies on Ngau Tau Kok, Shek Kip Mei, Cheung Sha Wan and Homantin districts, members supported the new comprehensive planning approach under which the long-term land use of public housing sites and adjoining Government land in the same district were considered together. Members considered that a right balance should be maintained in the allocation of land for public housing, private housing and non-housing purposes in each of the four districts covered by the studies. They also pointed out the need for detailed planning for the arrangements for rehousing the affected households upon redevelopment of the public housing estates in the four districts and the community facilities required for the elderly to cater for the aging population. Members were assured by the Administration that all these issues would be dealt with in Stage 2 of the studies.

10. The Panel also deliberated on the development proposals for Central and Wanchai districts (including the Tamar Site), South East Kowloon and West Kowloon. Members welcomed the Administration's proposal to earmark the Tamar Site for the development of a new Central Government Complex together with a new LegCo Building and other compatible community facilities. It was expected that the construction works would be completed by 2007. Members were also pleased to note that the reclamation areas under the Central Reclamation Phase III (CRIII) Project and South East Kowloon Development (SEKD) had been scaled down. On the Wanchai Development Project (Phase II), however, members were surprised to note that despite the strong objection raised by Central and Western District Council, Eastern District Council and some members of the public, the proposed Harbour Park had been included in the draft Wanchai North Outline Zoning Plan. Some members opposed to the proposed reclamation required for the Harbour Park and queried whether it would contravene the Protection of the Harbour Ordinance (Cap. 531). At the request of the Panel, the Administration undertook to provide the legal advice obtained on this issue.

11. In view of the prominent locations of the Tamar Site, SEKD and West Kowloon Reclamation (WKR) area, members considered that the design for the waterfront areas in these three sites should be compatible with each other. Referring to the remarkable design of the proposal awarded the first prize in the Concept Plan Competition for the WKR area, members called for innovative designs for the other two areas.

### *Study on Planning for Pedestrians*

12. The Panel was briefed on the Study on Planning for Pedestrians, which aimed to formulate a broad planning framework setting out the principles, concepts, guidelines and standards for pedestrian planning. Members considered that the principle of "Pedestrians First" should be applied not only in the overall planning for better pedestrian environments in Hong Kong, but also in the drawing up of improvement measures for the existing footpaths and pedestrian links. For example, improvement measures should be made to facilitate pedestrian access for the elderly and the physically disabled. Moreover, guidelines on design of footpaths and pedestrian links should be developed, e.g. the standard width of footpaths. The impact of pedestrianisation schemes on traffic, business operation and local community should also be assessed.

### Urban renewal

13. Apart from town planning, urban renewal is another major area of concern of the Panel. To address the problem of urban decay and to improve the living conditions of residents in dilapidated urban areas, the Panel called for the early implementation of urban renewal projects. In the 2001-02 session, members continued to monitor the situation closely and had extensive discussions with the Administration on issues relating to urban renewal, including the draft Urban Renewal Strategy (URS), work plans of the Urban Renewal Authority (URA), and the Government's proposed capital injection into URA.

14. The Panel supported the people-oriented approach of the URS finalized in November 2001 and that URA should pursue the task of urban renewal in Hong Kong through a combination of four directions, namely, redevelopment, rehabilitation, revitalization and heritage preservation. In end-March 2002, the Financial Secretary approved URA's first 5-year corporate plan (CP) and first annual business plan. The approved CP comprised a total of 42 projects over a period of five years (April 2002 to March 2007), including all of the 25 uncompleted projects of the former Land Development Corporation. To facilitate the early implementation of these projects, members in general supported the Government's proposed capital injection into URA but doubted why \$10 billion was needed. They requested the Administration to provide more detailed justifications and to elaborate on the assumptions made by URA in the financial projections in its first CP.

### Building safety, maintenance and control

15. The Panel continued to monitor the progress of the implementation of the "Comprehensive Strategy for Building Safety and Timely Maintenance".

On the pilot Coordinated Maintenance of Buildings Scheme (CMBS) introduced in November 2000 for 150 buildings, members noted that owners of 62 buildings had already completed the necessary repair works, owners of another 72 buildings had started the repair works, and owners of the remaining 16 buildings had not been able to organize the necessary repair works owing to various reasons. While members supported the Administration's initiative to promote timely maintenance of buildings, they considered that appropriate measures should be put in place to assist and advise the owners concerned of the details of the required maintenance and repair works, in particular those complicated ones.

16. On the proposed amendments to the Buildings Ordinance (Cap. 123) to rationalize the building control regime and strengthen safety requirements, members noted that the Administration proposed to introduce a new category of relatively simple and small-scale building works, i.e. "minor works". A new category of registered contractors might carry out such works on their own or under the supervision of an authorized person and a registered structural engineer, without the submission of building plans for approval by the Building Authority (BA). In the absence of a clear definition of "minor works", some members expressed grave concern about the impact of the proposed amendment on the quality of building works. Members urged the Administration to strengthen its control on the quality as well as safety of building works. As regards the proposed amendment to provide that owners who without reasonable excuse obstructed their Owners' Corporation (OC) in complying with an order served by BA might be prosecuted, members considered that what constituted a "reasonable excuse" could be subject to different interpretation. They cautioned that the Administration should handle the issue carefully to avoid causing disputes between OCs and individual owners.

### Public works

#### *Tightening up the control of public works contractors*

17. On the contractual disputes relating to the Strategic Sewage Disposal Scheme (SSDS) Stage I tunnelling contracts, the Panel and the Panel on Environmental Affairs were briefed on the outcome of the arbitration. Members noted that under the Settlement Agreement signed on 20 September 2001 by the Government and the Joint Venture Contractors (JVCs), JVCs would pay the Government a sum by three equal instalments. Members however noted that the sum was much less than the additional expenditure incurred by the Government in relation to the forfeiture of the SSDS Stage I tunnelling contracts. Members queried whether the Settlement Agreement was a good settlement, as the Government had been successful in relation to all the most significant issues in the dispute and should have a good chance to recover the substantial costs and damages from JVCs.

18. Members also expressed grave concern about the delay in the river training works for the Upper River Indus. As a result of the delay, the drainage capacity of the Upper River Indus remained inadequate to cope with the heavy rainstorm with a return period of one in ten years. While considering the proposed substantial increase in the approved project estimate by \$168.7 million unjustified, members had no choice but to support the funding proposal, as further delay in the completion of the river training works would have adverse impact on the livelihood of the residents along River Indus. Members pointed out that this substantial additional expenditure could have been avoided if the Government had closely monitored and supervised the works of the contractors. They urged the Administration to take legal action to recover the additional cost from the contractor.

19. To avoid recurrence of similar incidents in future, members urged the Administration to put in place concrete improvement measures to ensure smooth and timely implementation of public works contracts. To address members' concern, the Administration had conducted a comprehensive review aiming at tightening up the administrative control of public works contractors. Following the review, the Administration had implemented a series of improvement measures. The financial criteria for admission and retention on the Approved List and tendering public works contracts had been tightened to ensure that the contractors were financially capable to undertake the contracts. For large-scale contracts, additional security such as performance bond could be imposed. On the other hand, a marking scheme would be introduced in late 2002 to improve the current tendering system by systematically giving weight to both the tender price and the quality of tender in the evaluation. It aimed to establish that a tenderer's past performance was an important attribute in assessing the quality of tender and that a good performer would have a better chance of winning a contract. Moreover, contractors would be suspended from tendering public works contracts when they had received two, instead of the previous three, consecutive adverse reports on performance under the same contract. Members urged the Administration to monitor the effectiveness of the measures.

#### *Speeding up of public works projects*

20. Members welcomed the Administration's initiative to reduce the pre-construction lead time for an average medium-sized civil engineering project from six years to less than four years. To further expedite the delivery of public works projects, the Administration proposed to introduce legislative amendments to shorten the period for the public to lodge objections from two months to one month and the objection resolution period from the maximum of nine months to four months. Pointing out that the original two-month objection period was very tight, members considered it absolutely unreasonable to shorten it to one month. Members therefore urged the Administration to

withdraw the proposed legislative amendments, and to explore other alternatives to expedite the delivery of public works projects, such as the shortening of the time for internal consultation within the Administration.

*Proposed charging and penalty system for road opening works*

21. The Panel further deliberated on the legislative proposal to introduce a charging and penalty system for road opening works. Members discussed the subject with the Administration and relevant parties, including utility undertakers, construction industry and District Councils. On the proposed fees and charges, members noted that the proposed charging scheme, which was based on the "user-pays" principle, would recover the full administrative costs incurred by Government departments in processing and monitoring Excavation Permits (EPs), and that an additional charge based on the economic cost of traffic delay would be levied for such delay caused by road excavation works carried after expiry of the original permit period. Some members considered that the Administration should address the relevant parties' concern that the proposed fees and charges were set at too high a level, in particular, the proposed additional daily charge of \$18,000 for traffic delay caused to Strategic Roads. To streamline the EP application procedures and to avoid imposing conflicting requirements on an applicant by various relevant government departments, members urged the Administration to establish a one-stop-shop mechanism to process EP applications. As regards the Administration's proposal that Government departments, unlike other road works promoters, would not be prosecuted for breach of EP conditions and would only be subject to an internal reporting mechanism to the Secretary for Works, members strongly believed that Government departments should not be above the law and requested the Administration to reconsider its proposal.

*Infrastructure for Penny's Bay Development, Package 3 and Penny's Bay Reclamation Stage 2*

22. In view of the fish loss incidents caused by the reclamation works under Penny's Bay Reclamation Stage 1, members were concerned about the impact of the reclamation works under Stage 2 on water quality. Members were advised by the Administration that the scope of reclamation works and dredging works under Stage 2 would be substantially reduced, and that a series of measures would be implemented to reduce contamination of the surrounding waters by dredging works, including the installation of framed type silt curtains, use of specially-designed dredging grabs and closed barges. To minimize contamination, members urged the Administration to closely monitor the transportation of sea-mud from the dredging areas to its destination.

23. On the proposed decommissioning of the former Cheoy Lee Shipyard (CLS), members expressed grave concern about the substantial increase in the decommissioning cost from \$22 million quoted in November 1999 to \$450

million in 2002. Members considered that the situation could have been avoided if the Administration had conducted an Environmental Impact Assessment study on the decommissioning at an earlier stage. Members noted the Administration's advice that the substantial increase in the decommissioning cost was mainly attributable to the presence of dioxins in the soil, the effective and thorough treatment of which was very expensive. The presence of dioxin-contaminated soil in the shipyard site was unusual and unknown to the Administration until April 2001 when the Administration was permitted entry to the CLS site. Some members considered that CLS, not tax payers, should be responsible for the decommissioning cost. They urged the Administration to seek legal remedy from CLS.

#### Issues raised by Heung Yee Kuk

24. The Panel exchanged views with the Administration and Heung Yee Kuk (HYK) on two issues raised by HYK. On HYK's request for a review of the ex-gratia zonal compensation system for land resumption in the New Territories, members noted that the system had been in operation since 1978 as a simplified alternative arrangement to the more elaborate statutory compensation claim procedures under the Lands Resumption Ordinance (LRO) (Cap. 124), and that the system had been reviewed on a number of occasions, the last time in 1996. As the Government was currently in litigation of two cases on compensation issues under LRO, the Administration considered that a review of the system before a Court of Final Appeal (CFA) ruling would be inappropriate. The two cases were expected to be heard by CFA in December 2002.

25. As regards HYK's concern about the suspension of the village expansion area (VEA) projects, members noted that the VEA scheme had been evolved from the Small House Policy. Since 1980s, the Government had developed VEAs to enable indigenous villagers, who did not have their own land, to apply for private treaty grant of Government land for building small houses. Members noted the Administration's advice that as the review of the Small House Policy was underway, no new VEA projects would be considered before the completion of the review. As regards those VEAs which were at an advanced stage of planning, the Administration would consider the merits of those cases and see if there was any scope to implement them before the completion of the review.

#### Re-engineering exercise of the Architectural Services Department

26. The Panel, at a joint meeting with the Panel on Public Service, discussed with the Administration and the staff side on the re-engineering exercise of the Architectural Services Department (ArchSD). Members of the two Panels shared the concern of the staff side on the justifications and cost-effectiveness of the proposed outsourcing programme, and noted that the

Administration had not fully consulted the staff side before putting forward the programme. The Administration was requested to provide a detailed cost comparison of the delivery of ArchSD's works projects by in-house resources and outsourcing, and to follow up the following motion carried at the joint meeting:

"The Administration should formally consult staff in respect of the initiative to outsource 90% of public works projects and 80% of maintenance works projects of the ArchSD. Pending the outcome of consultation, the initiative should be shelved."

27. The Panel held a total of 25 meetings from October 2001 to June 2002, including six held jointly with other Panels, to examine all these issues and several other issues.

Council Business Division 1  
Legislative Council Secretariat  
5 July 2002

**Legislative Council  
Panel on Planning, Lands and Works**

**Terms of Reference**

1. To monitor and examine Government policies and issues of public concern relating to lands, buildings and planning matters, works and water supply and Public Works Programme.
2. To provide a forum for the exchange and dissemination of views on the above policy matters.
3. To receive briefings and to formulate views on any major legislative or financial proposals in respect of the above policy areas prior to their formal introduction to the Council or Finance Committee.
4. To monitor and examine, to the extent it considers necessary, the above policy matters referred to it by a member of the Panel or by the House Committee.
5. To make reports to the Council or to the House Committee as required by the Rules of Procedure.

立法會  
規劃地政及工程事務委員會  
Legislative Council  
Panel on Planning, Lands and Works

委員名單  
Membership List

<b>主席</b> Chairman	鄧兆棠議員, JP	Dr Hon TANG Siu-tong, JP
<b>副主席</b> Deputy Chairman	劉炳章議員	Hon LAU Ping-cheung
<b>委員</b> Members	何鍾泰議員, JP	Ir Dr Hon Raymond HO Chung-tai, JP
	涂謹申議員	Hon James TO Kun-sun
	黃容根議員	Hon WONG Yung-kan
	劉皇發議員, GBS, JP	Hon LAU Wong-fat, GBS, JP
	霍震霆議員, SBS, JP	Hon Timothy FOK Tsun-ting, SBS, JP
	譚耀宗議員, GBS, JP	Hon TAM Yiu-chung, GBS, JP
	石禮謙議員, JP	Hon Abraham SHEK Lai-him, JP
	陳偉業議員	Hon Albert CHAN Wai-yip
	黃成智議員	Hon WONG Sing-chi
	葉國謙議員, JP	Hon IP Kwok-him, JP
	(合共：12位議員) (Total：12 Members)	
<b>秘書</b> Clerk	陳美卿小姐	Miss Salumi CHAN Mei-hing
<b>法律顧問</b> Legal Adviser	黃思敏女士	Ms Bernice WONG
<b>日期</b> Date	2001年10月11日 11 October 2001	