

立法會
Legislative Council

LC Paper No. PWSC 35/05-06
(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 5th meeting
held in the Conference Room A of Legislative Council Building
on Wednesday, 11 January 2006, at 8:30 am**

Members present:

Ir Dr Hon Raymond HO Chung-tai, S.B.St.J., JP (Chairman)
Hon Alan LEONG Kah-kit, SC (Deputy Chairman)
Hon Fred LI Wah-ming, JP
Hon Mrs Selina CHOW LIANG Shuk-yee, GBS, JP
Hon CHEUNG Man-kwong
Hon CHAN Yuen-han, JP
Hon CHAN Kam-lam, SBS, JP
Hon Jasper TSANG Yok-sing, GBS, JP
Hon LAU Kong-wah, JP
Hon Miriam LAU Kin-yee, GBS, JP
Hon CHOY So-yuk
Hon Andrew CHENG Kar-foo
Hon TAM Yiu-chung, GBS, JP
Hon Abraham SHEK Lai-him, JP
Hon Albert CHAN Wai-yip
Hon LEE Wing-tat
Hon LI Kwok-ying, MH
Hon Daniel LAM Wai-keung, BBS, JP
Hon CHEUNG Hok-ming, SBS, JP
Hon Patrick LAU Sau-shing, SBS, JP
Hon TAM Heung-man

Member absent:

Hon James TO Kun-sun

Public officers attending:

Miss Amy TSE, JP	Deputy Secretary for Financial Services and the Treasury (Treasury) ³
Mr Y C LO, JP	Permanent Secretary for the Environment, Transport and Works (Works)
Mr Robin IP, JP	Permanent Secretary for Housing, Planning and Lands (Planning and Lands)(Acting)
Mr K K KWOK, JP	Permanent Secretary for the Environment, Transport and Works (Environment)
Mr Davey CHUNG	Principal Assistant Secretary for Financial Services and the Treasury (Treasury) (Works)
Mr C K WONG, JP	Director of Drainage Services
Mr K K CHAN	Chief Engineer/Drainage Projects, Drainage Services Department
Mr CHAN Chi-chiu, JP	Acting Director of Water Supplies
Mr LEUNG Mang-chiu , JP	Assistant Director of Water Supplies/New Works
Ms Bernadette LINN	Deputy Secretary for Education and Manpower (2)
Ms Maisie CHAN	Principal Assistant Secretary for Education and Manpower (Infrastructure and Research Support)
Mr John CHAI, JP	Director of Civil Engineering and Development
Mr W Y TANG	Acting Chief Engineer/Land Works, Civil Engineering and Development Department
Mr SHUM Kung-she	Assistant Director of Architectural Services (Quantity Surveying)
Miss Emma LAU, JP	Judiciary Administrator
Mr Augustine CHENG, JP	Deputy Judiciary Administrator (Operations)
Mr C H YUE, JP	Director of Architectural Services
Mr Eddie POON	Principal Assistant Secretary for Home Affairs (Recreation and Sport)
Mr Eddy YAU, JP	Assistant Director of Leisure and Cultural Services (Leisure Services) ³

Clerk in attendance:

Mr Paul WOO	Senior Council Secretary (1) ³
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Staff in attendance:

Ms Pauline NG	Assistant Secretary General 1
Mr Anthony CHU	Council Secretary (1) ²

Ms Caris CHAN
Mr Frankie WOO

Senior Legislative Assistant (1)1
Legislative Assistant (1)2

Action

Head 704– DRAINAGE

PWSC(2005-06)41 112CD Drainage improvement in Northern New Territories – package A

The Chairman advised members that an information paper on the project had been circulated to the Panel on Planning, Lands and Works (PLW Panel) on 12 December 2005.

2. Mr Albert CHAN expressed the view that the Administration should carefully examine the visual impact which the drainage improvement works would create on the environment. He particularly pointed out that overuse of concrete should be avoided in the design of the greening works associated with the project. The Chairman pointed out that during past discussions on civil works proposals, members of the Public Works Subcommittee (PWSC) had given a lot of views on the greening designs. He reminded that the Administration should make careful reference to the opinions expressed. The Administration noted members' views.

3. The item was voted on and endorsed.

Head 709 – WATERWORKS

PWSC(2005-06)42 330WF Remedial works for the rip-rap at the main dam of Plover Cove Reservoir

4. The Chairman advised members that an information paper on the item had been circulated to the PLW Panel on 13 December 2005.

5. The item was voted on and endorsed.

Head 705 – CIVIL ENGINEERING

PWSC(2005-06)40 688CL Site formation for primary school at Inverness Road, Kowloon City

6. The Chairman advised members that an information paper on the item had been circulated to the Panel on Education on 12 December 2005.

7. Mr Albert CHAN noted that the primary school was scheduled for completion by December 2007. He expressed concern that given the continuous drop in student population and the resultant closing down of schools in recent

years, the demand for primary school places might not be sufficient to justify the construction of the school.

8. Deputy Secretary for Education and Manpower (2) (DS2, EMB) explained that it was the Government's policy to implement whole-day schooling for all primary school students. The need to construct the new school premises was warranted because the purpose was to convert an existing bi-sessional primary school to whole-day operation. The question of whether there would be sufficient number of students to be admitted to the school therefore did not exist. She added that it would not be appropriate to delay the construction of the school premises on the mere assumption that the school might encounter under-enrolment problem in a few years' time. She further informed members that the Administration's review on the School Building Programme had been discussed by the Panel on Education in October 2005. The Panel members generally supported conversion of existing bi-sessional primary schools to whole-day operation, as well as the recommendation to proceed with the relevant school projects which included the one covered in the present submission. She said that a delay in the construction of the school premises would undesirably affect the conversion timetable of the school.

9. Mr Jasper TSANG advised members that the case had been studied by Duty Roster Members in relation to petitions received by the Secretariat to expedite the project. He said that to his understanding, one of the major difficulties was finding a suitable site in Kowloon City for the construction of the new school premises. Mr Fred LI also pointed out that another site in Southeast Kowloon was originally allocated for the building of the school premises, but the project was subsequently put on hold because of the review on the developments in Kai Tak. Mr Jasper TSANG and Mr Fred LI appealed for members' support for this project, which had been awaited for a long time by teachers, students and parents. Mrs Selina CHOW also expressed support for the project.

10. Mr Albert CHAN expressed dissatisfaction that the Administration had not fully explained the detailed historical background in its paper provided to PWSC. He urged the Administration to provide as much information as necessary in future submissions to facilitate members' understanding of the submissions. DS2, EMB explained that the policy on implementation of whole-day schooling had been discussed in detail in various fora. It was on the basis of this policy that the Government recommended the school project for funding approval, not because of the historical background relating to the identification of a suitable site for this project. That said, in response to Mr Albert CHAN's request, the Admin Administration would provide before the relevant Finance Committee (FC) meeting more detailed information on the historical background of the proposed project.

11. Noting that the funding sought for the present proposal only related to site formation and associated infrastructural works for the new school premises, Mr Albert CHAN asked why funding requests for both site formation and the actual construction of the premises were not included under one single submission. He

remarked that the overall costs might be reduced if the site formation and the construction works were carried out at the same time. The time for completion of the school premises could also be shortened.

12. DS2, EMB replied that given the scale of the project, the Administration considered it suitable to undertake the site formation and construction works under two separate works contracts. The Director of Civil Engineering and Development (DCED) supplemented that it was not uncommon that site formation and construction works for large-scale public works projects were covered under separate contracts.

13. Referring to the proposed works plan at Enclosure 1 to the Administration's paper, Mr Patrick LAU said that he was not convinced that there was a need for constructing the massive retaining walls on the site. He further pointed out that the site was located on a slope and it was intended under the present design that a single-level platform would be formed for the construction of the school premises. Mr LAU opined that such design was out-dated and gave no room for proposing a design which would make the best use of the special features of the site. He said that he was not satisfied with the proposed design and would not support the proposal if the design was not improved. The Chairman opined that the Administration should provide PWSC with the detailed design plans of large-scale works projects to assist members' consideration.

14. In response, DCED said that the Civil Engineering and Development Department had maintained close communication with the Architectural Services Department, which was responsible for overseeing the construction of the school. The site formation works were decided having regard to the physical location of the site, the actual ground conditions, the optimal use of the space available, as well as the need to match the design of the school.

15. Mrs Selina CHOW accepted that there was an urgent need for the completion of the school. She considered that while the design of the school could be further fine-tuned with more professional input, further delay in proceeding with the site formation works would be uncalled for.

16. Mr Patrick LAU maintained the view that the site formation plan could be modified. He opined that with an improved design, a multi-level platform could be constructed which would be preferable to a single-level platform in terms of costs, visual effect, and the impact on the environment such as felling of trees. Mr Albert CHAN was concerned that the construction of retaining walls of an excessive scale and a large flat platform would not fit in with the design of a presentable school building and would incur high costs unnecessarily.

17. DCED explained that the Administration had considered different options as regards the site formation works. As the site was small and situated on a slope, the proposed design had taken into account the need to provide the required school facilities, including, among others, a playground for the activities of the students. The Acting Chief Engineer/Land Works, Civil Engineering and Development

Department supplemented that the site was on a rather steep slope, with Inverness Road in front and Lok Fu Park behind. There was a level difference of about 15 metres between Inverness Road and Lok Fu Park. It was proposed that a 4 000-square-metre platform would be built about five metres above Inverness Road, extending to the retaining wall near Lok Fu Park. The retaining wall near Inverness Road was a two-stepped retaining wall with a total height of about five metres. Greening areas would be provided as appropriate. The height of the retaining wall near the Lok Fu Park was about seven to 10 metres.

18. The Permanent Secretary for the Environment, Transport and Works (Works) (PS(W)) said that the Administration could provide more information to explain the site formation plan and other infrastructural designs. He added that it was a common approach adopted by the Administration to tender out site formation works and building works under the same works project to separate recognized contractors, each specializing in civil engineering works and general building and construction works.

19. Mr Abraham SHEK said that he supported the early commencement of the project but the Administration should provide more information to address members' concerns. At the request of Mr Abraham SHEK and Mr Albert CHAN, the Administration undertook to provide the following information before the relevant FC meeting –

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- (a) design plans of the proposed school;
- (b) justifications for the site formation of about 4 000 square metres of a single-level school platform instead of a multi-level platform and the proposed retaining walls, and other options explored and their relative pros and cons; and
- (c) explanation on why site formation works and the construction of the school would not proceed at the same time.

20. The item was voted on and endorsed.

Head 708 – CAPITAL SUBVENTIONS AND MAJOR SYSTEMS AND EQUIPMENT

PWSC(2005-06)43 37EC A private independent school (secondary-cum-primary) at Area N4b, Discovery Bay

21. The Chairman advised members that an information paper on the project had been circulated to the Panel on Education on 12 December 2005. The Chairman also drew members' attention to the submissions received from residents in Discovery Bay (DB) on the proposed construction of a private independent school (PIS) in DB. He said that the opinions were mixed as there

were views in support of and against building the school at the proposed location. All the submissions had been forwarded to the Administration for its consideration.

22. Mr Daniel LAM informed members that the Islands District Council (IsDC) considered the proposed construction of the school two years ago and was in full support of the early implementation of the project. He added that in view of the opinions expressed by residents in DB, the Administration should strengthen liaison with them to allay their concerns.

23. Mr LEE Wing-tat noted that some residents in DB had raised various concerns about the construction of the school, including the size and location of the school and road accessibility, etc. He enquired about the measures which would be taken to address the accessibility problem. Miss CHAN Yuen-han pointed out that as the school would admit students from all over the territory, it was likely to impose pressure on the traffic to DB. She asked whether any assessment had been conducted in this regard.

24. In response, DS2, EMB said that the school sponsor (English School Foundation (ESF)) had commissioned a consultancy study on the proposed school project which included issues relating to transport and accessibility. The Transport Department considered that the proposed transport arrangements were acceptable. DS2, EMB added that during the construction period, the costs of undertaking minor works on the roads in the vicinity of the school site would be borne by ESF.

25. In response to Mr Albert CHAN's question on road access to the school, DS2, EMB advised that students living outside DB could take a 15-minute bus ride from Tung Chung to DB, and then access the school on foot. Alternatively, they could take a ferry tour from Central to DB and then access the school by using the shuttle bus service which plied around DB. The school was within short walking distance from the nearest buses alighting point. At Mr Albert CHAN's request, DS2, EMB agreed to provide more detailed information on the road network and means of access to the school before the relevant FC meeting.

Admin

26. Miss TAM Heung-man noted that the access road was a narrow one of about 200 metres in length. She expressed concern that the road might not have the capacity to accommodate the daily flow of more than 1 300 students. She also enquired whether the traffic impact study report had been provided and fully explained to the residents. Noting that a meeting with the residents was being arranged by a member of IsDC to discuss the proposed school, she urged the Administration to take the opportunity to explain and address the issues of concern raised by the residents.

27. DS2, EMB said that the developer of DB, the ESF, representatives of the relevant Government departments and IsDC members had met with the residents to discuss the proposed school project on various occasions. The last meeting was held in December 2005. She said that while it was not likely that the project particulars would be drastically changed as the detailed planning had been agreed

and approved by the relevant departments, some minor fine-tuning might be considered. She said that the Administration would liaise with ESF with a view to further strengthening communication with residents in DB to address their concerns, including those relating to requests for relevant information such as reports on transport and environmental impact studies arising from the construction of the proposed school.

28. Mr Patrick LAU agreed that the Administration should as far as possible accede to residents' request for the relevant information to be provided for their consideration.

29. Mr Abraham SHEK expressed support for the proposal. He pointed out that under the lease conditions for the DB development, the subject site was a designated school site, and the planning of the school had already been approved by the Town Planning Board (TPB) and the relevant Government departments. He added that at present, many students on Lantau Island had to spend long time in travelling to schools outside Lantau. Any further delay in the construction of the proposed school would not be to the advantage of students who wished to be admitted to the school. Mr TAM Yiu-chung and Miss CHAN Yuen-han also supported the proposal.

30. Mr Patrick LAU enquired whether the residents had full knowledge of the zoning of the land for the purpose of school development. In response, DS2, EMB said that the proposed school site was included in the Outline Zoning Plan (OZP) for Discovery Bay, the draft of which was subject to planning and consultation procedures which started in 2001, with approval given by the TPB in 2003. Like all statutory town plans subject to the public consultation procedures, the draft OZP had been exhibited for public inspection for two months. Therefore, the public had been given adequate opportunity to air their views during the consultation process. The Administration had also consulted the IsDC and secured the Council members' support for the project. In the detailed planning for the school project, the school sponsor had adjusted the design in the light of public feedback. DS2, EMB further pointed out that the developer of DB had included information on the proposed school in its sales brochure and hence new buyers should be aware of the proposed construction of the school.

31. Mr Albert CHAN said that while he was not in opposition to the construction of the school, he was not satisfied with the design of the school, which, in his opinion, had failed to blend in with the surroundings of DB as a quiet and peaceful residential area, hence causing adverse visual impact on the environment. He particularly pointed out that the roof-top structure of the school building in the form of a canopy as depicted in the Administration's paper would cause an undesirable glaring effect on the environment. He also questioned the necessity to construct a school of a scale as presently proposed. Mr CHAN said that in view of the shortcomings of the design, he would abstain from voting for the project.

32. DS2, EMB responded that the Administration noted the concerns of the residents. She explained that as the proposed school was a PIS, the selected school sponsor would be given considerable flexibility in designing the school. On the acceptability of the external design, different people could indeed have different views. The Administration understood that ESF had consulted the local community with a view to addressing their concerns. In fact, the ESF had agreed to carry out some improvement measures regarding the design of the school. For example, one storey had been removed from the original design, and the top part of the school had been shaped in such a way to minimize view obstruction to some of the neighbouring housing units, and the proposed swimming pool would be shielded by glass to keep down the noise level. She further remarked that any building in Hong Kong might be subject to view obstruction when new developments came in later in the surrounding areas. As far as this proposed project was concerned, ESF and the developer had taken appropriate measures to alleviate residents' concerns. Moreover, many residents in DB in fact supported the construction of the school as presently proposed.

33. Mrs Selina CHOW said that it was understandable that the construction of a new school which would result in more than 1 000 students coming in and out of a residential place like DB daily could not be welcomed by all. However, having considered all the submissions from the residents and the background history, the Liberal Party's stance was that the project should be supported because it was satisfied that there was a genuine and urgent need for the school, as evidenced in the many feedbacks received from parents living in the Islands District. Moreover, the site had all along been earmarked for the construction of a school and the relevant procedures had gone through in a reasonable way. Any further delay in the completion of the project would be highly undesirable. Mrs CHOW further said that she was satisfied that the school sponsor had been positive in addressing residents' concerns and taking appropriate steps to improve the project design, which she found was acceptable. Regarding the concerns raised, particularly about transport and access means, Mrs CHOW said that the Administration and ESF should continue to maintain communication and dialogue with dissatisfied residents with a view to addressing their concerns.

34. Ms Miriam LAU shared Mrs Selina CHOW's views and remarked that she was satisfied with the building design. She added that judging from the submissions, residents in DB acknowledged the need for a new school to be built but considered that technical improvements should be made. She called on the Administration to continue discussion with the residents to allay their concerns.

35. Mr CHEUNG Man-kwong pointed out that two secondary schools in the Islands District would soon be closed due to student enrolment problems. Some new schools in Sai Kung and Tin Shui Wai also experienced similar problems, resulting in the school sponsors withdrawing from operating the schools. He questioned whether it was the opportune time to construct the proposed school of the planned scale (with 30 classrooms in the secondary section and 18 in the primary section), commenting that there might not be sufficient students to take up the school places when the school would be completed, as there was a possibility

that the demand for school places would drop drastically after 2008. Moreover, given the location of DB which was not conveniently accessible from other districts, it was anticipated that not many students would be attracted to fill the school places even if surplus places existed in the school.

36. DS2, EMB said that the proposed school was different from public sector schools in other districts like Yuen Long, where the population had been declining. The proposed school was a through-train PIS offering a curriculum based on the International Baccalaureate programmes that were expanding rapidly around the world. At present, there were six PISs under construction or being planned which would offer non-local curriculum. The school would serve local children as well as offer the expatriate community a choice outside the international school sector and increase the capacity of the school sector in catering for the needs of investors and executives from overseas. She further explained that as the proposed school would be operating on a self-financing basis and would admit students on a territory-wide basis, it would not compete with public sector schools in specific districts for students. The student catchment in the region alone would give rise to reasonable demand given that the proposed school would be the only PIS under planning in New Territories West which covered the fast developing areas of Tung Chung in the Islands Districts.

37. Mr TAM Yiu-chung said that he was aware of report that the contribution made by the families of students at an ESF school being built in Ma On Shan had to be increased because the actual construction costs had exceeded the approved project estimate. He asked whether this was the case. DS2, EMB replied that she was given to understand that the capital subvention of the Ma On Shan school had not exceeded the amount approved by FC. She undertook to clarify the matter with Mr TAM after the meeting.

38. The item was voted on and endorsed. Mr CHEUNG Man-kwong, Mr Albert CHAN and Miss TAM Heung-man requested that their abstention from voting be recorded.

Head 703 – BUILDING

PWSC(2005-06)44 29LJ Relocation of Labour Tribunal to the South Kowloon Law Courts Building

39. The Chairman informed members that the Panel on Administration of Justice and Legal Services (AJLS Panel) was consulted on the proposal at its meeting on 15 December 2005. Members of the Panel agreed that the proposed relocation of the Labour Tribunal (the Tribunal) to the South Kowloon Law Courts Building (SKLCB) would enable better use of the vacant five-storey SKLCB and improve the operation of the Tribunal. Panel members however had stressed that users of the Tribunal should be provided with more comprehensive and convenient facilities after the relocation. Some Panel members had pointed out that the SKLCB was not as conveniently accessible as the present location in Pioneer

Centre. They considered that the resources savings achieved from the relocation must be used to improve the operation and services of the Tribunal. Panel members had also requested the Judiciary Administration to provide supplementary information to explain the benefits to the Tribunal users brought about by the relocation and the new facilities available. The information subsequently provided by the Judiciary Administration was circulated to the Panel on 3 January 2006.

40. While stating support for the proposal, Mr TAM Yiu-chung said that he agreed with the concerns expressed by members of the AJLS Panel about accessibility of the Tribunal after the relocation. He also requested the Judiciary Administration to reconsider the possibility of setting up night courts in the Tribunal to facilitate court users who had difficulties in attending the Tribunal during day-time. The establishment of night courts would also shorten the waiting time for the hearing of cases.

41. The Judiciary Administrator (JA) explained that with the relocation of the Tribunal to SKLCB, the number of courtrooms in the Tribunal would be increased to 13, including two large courtrooms to accommodate group claims. There would be a large conference room for group claims, and three additional discussion rooms to facilitate negotiations and settlements. A reasonably comfortable waiting area would also be available. Regarding setting up night courts in the Tribunal, JA said that the need had yet to be established. She pointed out that the caseload handled by the Tribunal had fluctuated in the past few years. During the peak period in 2002, the cases handled exceeded 12 000. The number had dropped to 6 900 in 2005. She further informed members that during past discussions of the AJLS Panel, Panel members had requested the Judiciary to introduce measures to improve the services provided by the Tribunal. Taking into account the Panel's request, the Chief Justice appointed a Working Party in 2003 to critically review the operation of the Tribunal. The Working Party subsequently released a report which contained a comprehensive range of recommendations to enhance the services of the Tribunal. The progress of implementation of the measures was being followed up by the relevant Panels of LegCo.

42. Ms Miriam LAU stated support for the proposed relocation which she considered would enhance the Tribunal's image and operation. She further opined that the SKLCB, being situated in a location near the Yau Ma Tei and Jordan Stations of the Mass Transit Railway and could be reached by many other modes of public transport, was convenient to the public.

43. In reply to Ms Miriam LAU, JA said that the five vacant storeys of SKLCB, including the basement, would be made available for use by the Tribunal. The new accommodation had sufficient space to cater for future expansion needs. At Ms Miriam LAU's request, JA undertook to reply in writing on the number of parking spaces available at the SKLCB for members' reference.

(Post-meeting note: The information was circulated to members vide PWSC30/05-06 on 13 January 2006.)

44. The item was voted on and endorsed.

PWSC(2005-06)45 242RS Tseung Kwan O Sports Ground

45. The Chairman advised members that an information paper on the Administration's proposal to increase the approved project estimate (APE) for **242RS** from \$293.1 million by \$59.2 million to \$352.3 million in money-of-the-day prices was circulated to the Panel on Home Affairs (HA Panel) in January 2006. The Chairman also drew members' attention to a letter from Sai Kung District Council which was tabled at the meeting. The letter stated the District Council's support for the project.

(Post-meeting note: The letter was circulated to members vide PWSC27/05-06 on 12 January 2006.)

46. Members noted that in February 2005, the FC approved the upgrading of **242RS** to Category A at an estimated cost of \$293.1 million. The project would be delivered by a design-and-build (DB) contract whereby the selected DB contractor would be responsible for both the design and construction works. In September 2005, the Administration received tender returns from three pre-qualified tenderers. According to the most advantageous tender, the total project cost amounted to \$362.9 million, which exceeded the APE by \$69.8 million. As a result, the approved estimate was insufficient for the construction works under the project. Therefore, the Administration proposed to seek approval for additional funding to make up for the shortfall.

47. Mr Andrew CHENG pointed out that the sports ground was intended to be built with facilities up to international standards for holding large-scale athletics competitions. More importantly, it was a project the timely completion of which was critical for holding athletic events of the East Asian Games (EAG) in 2009, which the Secretary for Home Affairs had pledged to put in every effort to make it a success. He expressed concern that the tenderer might take advantage of the importance and urgency of the project and the high requirements for the facilities to deliberately push up the tender price. He sought the Administration's explanation on the increased revised project estimate.

48. The Director of Architectural Services (D Arch S) said the DB mode was a common approach adopted by the Administration in implementing works projects. He explained that in preparing project estimates, the Administration would make reference to the tender price of similar projects. Given that the current tender exercise was for the construction of a sports ground which would be the very first in Hong Kong suitable for holding major athletic events, tenderers might have adopted a more conservative pricing strategy in their bid, especially the overhead costs. He added that the Administration had reviewed the tender exercise and concluded that the tenderer's proposal as appropriate and in line with the stipulated requirements. A further analysis revealed that the bidding prices on

works items were within estimate, except those on overhead costs which were higher-than-expected, leading to the overall bid being in excess of the original budget. He further explained that the tenderer had also made some innovative proposals as regards the facilities of the sports ground which the Administration agreed would be conducive to the successful holding of large-scale sports and athletic events.

49. In reply to Mr Andrew CHENG's enquiry on precedent cases of requests for additional funding for projects exceeding the original APE, D Arch S said that such cases were not common insofar as the Architectural Services Department was concerned. He recalled that there was a precedent case in which additional funding was sought for the provision of enhanced medical and infection control facilities in the public hospital system following the outbreak of the Severe Acute Respiratory Syndrome in 2003.

50. Mr Andrew CHENG said that while the Democratic Party supported the hosting of the 2009 EAG, it considered that the Administration must fully observe the need for prudent use of public money in taking forward the present project. He cautioned that the Administration should guard against excessive spending to prevent the proposed sports ground from becoming a big "white elephant", with over-provision of facilities which would not be optimally used after they had been constructed.

51. The Principal Assistant Secretary for Home Affairs (Recreation and Sport) (PAS(R&S), HAB) said that the Administration would ensure that high-quality but not "lavish" facilities would be provided. He added that despite that the project's funding estimate had increased, the nature and scope of the project had not changed. The Administration had consulted the Hong Kong Amateur Athletic Association, which was satisfied that the scope represented the basic necessary requirements for constructing a sports ground conforming to the International Association of Athletics Federations standards and suitable for the holding of EGA and other major athletic events.

52. Mr Albert CHAN shared similar concerns with Mr Andrew CHENG. He pointed out that the average government spending on leisure, recreation and sports facilities from 2000 to 2005 was about \$680 million each year, while the present project alone required funding of more than \$352 million. Mr CHAN said that he would not support the proposal. He requested the Administration to provide information on the funding proposals relating to the 2009 EAG to be submitted to the PWSC/FC before 2009, which might have the effect of reducing funding for other community recreation, culture and sports facilities.

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53. Mr Daniel LAM stated support for the proposal and considered that the project should proceed as soon as possible in view of the tight time schedule for completion. Miss CHOY So-yuk said that she supported the construction of the sports ground because, apart from for the hosting of the 2009 EAG, the facilities could be used by the local public on a long-term basis. However, she agreed that the Administration should fully account for the reasons for the increase in the

project estimate, as there was general impression that the costs of works projects commissioned by the Government were usually substantially higher than that of comparable works carried out by the private sector.

54. D Arch S responded that having taken all considerations the Administration was satisfied that the prices quoted by the tenderer were not excessive, and the proposal was in line with the Administration's requirements. He explained that the sports ground would be constructed by way of a DB contract so as to tap the private sector's expertise and inject more innovation and diversity into the project. He reiterated that the tenderer had proposed innovative ideas for the construction of some of the facility items which would result in higher costs. For example, the tenderer's proposal included a paved entrance plaza with a fully openable boundary fence wall. The Administration considered the proposal appropriate and worthwhile on security and safety grounds as it would not only enable an effective segregation and smooth circulation of spectators, athletes and disabled persons, but also offer a more effective means to discharge the crowds within a short time. Other proposed facilities which the Administration found of good value for money included high quality scoreboards and timekeeping machines of internationally renowned brand names.

55. Mrs Selina CHOW said that the Liberal Party supported the proposal to provide a sports ground that would meet international standards. She accepted that professional expertise should be sought to achieve this end, and the project should not be delayed. She asked how the newly designed facilities had been reflected in the revised estimate.

56. D Arch S replied that for instance there was an increase of \$5 million in the design cost for the project, which was one of the reasons leading to the higher-than-expected overhead costs. Referring to the cost breakdown provided at Enclosure 2 to the Administration's paper, he explained that for the external works, which included the paved entrance plaza and the fully openable boundary fence wall mentioned above, the increase was \$13.7 million. For building services, the increase was about \$16 million.

57. While stating support for the construction of the sports ground, Mr Abraham SHEK said that the additional funding requested was significant. He requested the Administration to explain the difference in cost if the project was not delivered by a DB project. With the prevailing unemployment rate of the local construction sector staying at about 13%, he considered that the reason of rising trend of construction and overhead costs in the local market put forward by the Administration unconvincing.

58. D Arch S responded that the higher-than-expected overhead costs were attributable, to a significant extent to, increases in the costs of insurance, site supervision and other overheads. He added that in comparison with the Sai Kung Tang Shiu Kin Sports Ground (SKTSKSG) and Siu Sai Wan Sports Ground (SSWSG), the construction unit cost of Tseung Kwan O Sports Ground, represented by building and building services costs, was about \$16,800 per square

metre, while that of SKTSKSG and SSWSG was about \$15,900 and \$16,300 respectively. The unit cost of Tseung Kwan O Sports Ground was reasonable, taking into account its improved facilities. If the design were to be carried out by the Administration in-house, or the project to be re-tendered, there was no certainty that a better result could be achieved. On the contrary, it would delay the whole project for at least four to six months. Subject to the approval of FC, the present project was scheduled to commence in February 2006 for completion by February 2009. This would ensure a sufficient lead time to enable the Leisure and Cultural Services Department to perform the necessary testing and commissioning works.

Admin 59. Mr Andrew CHENG requested the Administration to provide the following information –

- (a) with regard to Enclosure 2 to the Administration's paper, reasons for the increased project estimate over the approved project estimate, particularly in relation to the items of spectator stand, building services and external works; and
- (b) a comparison between the proposed Tseung Kwan O Sports Ground and the Ma On Shan Sports Ground in terms of costs and facilities.

60. Mr LAU Kong-wah, Miss CHOY So-yuk, Mr Andrew CHENG and Mr Albert CHAN considered that in view of the substantial amount of additional funding requested by the Administration, the proposal should be referred back to the HA Panel for further detailed discussion.

61. Mrs Selina CHOW questioned whether it was necessary for the proposal to go back to the HA Panel as an information paper had been circulated to the Panel. Mr Albert CHAN pointed out that the said Administration's information paper was only circulated to the HA Panel on 5 January 2006, when the Administration had already placed the item on the agenda and submitted papers for this PWSC meeting. The Panel members therefore did not have time to discuss and raise questions on the matter at the Panel level.

Admin 62. In response to the Chairman's enquiry, the Deputy Secretary for Financial Services and the Treasury (Treasury)³ said that in view of members' concerns, the Administration would withdraw this proposal. The Administration would arrange for the item to be further considered by the HA Panel before re-submitting it to PWSC.

(Post-meeting note: The HA Panel discussed the item at a special meeting held on 23 January 2006.)

63. The item was withdrawn by the Administration.

64. The meeting ended at 11:00 am.

Council Business Division 1
Legislative Council Secretariat
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