



YOUR REF 來函檔號： L/M (9) to BD(CR) FIN/12 Pt. 4  
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31 December 2005

Ms Miranda HON  
Clerk to Public Accounts Committee  
Legislative Council  
Legislative Council Building  
8 Jackson Road  
Central  
Hong Kong

(Fax : 2537 1204)

Dear Ms HON,

**The Director of Audit's Report on the  
Results of Value for Money Audits (Report No. 45)**

**Chapter 3 : Development of a site at Sai Wan Ho (SWH)**

Thank you for your letter of 21 December 2005.

As requested, I would like to provide the following information.

- (a) As explained in paragraph 2(b) of the letter from the Secretary for Housing, Planning and Lands to the Public Accounts Committee (PAC) dated 7 December 2005, the figure of around 1,000 residential flats represented the number of flats estimated in the notional scheme worked out by the Planning Department in 1998. The notional scheme was only to provide a rough estimate based on a set of planning assumptions. As there had been no submission of building plans in the SWH case which proposed 1,000 residential units, there is no carparking proposal based on such number of residential units.

The number of residential units proposed by the developer in the SWH case in the first and the latest submission of building plans for approval in 2001 and 2005 is 1,912 and 2,020 respectively. The number of carparking spaces for motor vehicles proposed in the two building plan submissions mentioned above is 478 and 505 respectively, representing an increase of 27 carparking spaces. These carparking spaces are located on L1/F, L2/F and L3/F of the development i.e. on floors above the public transport terminus (PTT) on G/F. Since the provision of the carparking spaces was found acceptable by the Transport Department in the various submissions of building plans, they were disregarded from gross floor area (GFA) calculation under regulation 23(3)(b) of the Building (Planning) Regulations (B(P)R). The increase in the number of carparking spaces had not led to any granting of bonus area to the developer.

(b) the detailed background information of the four cases mentioned in the Annex of my letter dated 16 December 2005 is as follows:

(i) Regarding how the land concerned was granted to the owners, the Lands Department has provided the following information:

<b>Development</b>	<b>Method of Disposal</b>
United Centre, Admiralty	Auction
China Hong Kong City, Tsimshatsui	Tender
Scout Association, Austin Road, Tsimshatsui	Private Treaty Grant
Cheung Sha Wan Plaza	Tender

(ii) The information on the process that had been gone through in arriving at the decisions; who made the decisions and the forums for making the decisions and detailed justifications for the decisions is set out in the Appendix.

(iii) Apart from the information previously provided on the above four cases and the SWH case, the United Centre case is dissimilar from the other cases in that its lease conditions have specified that the maximum plot ratio should not exceed 18 and that bonus GFA of an amount not exceeding five times of the area of the PTT would be granted.

Government would like to make it clear that the records of meetings are provided to the PAC as requested solely to facilitate the hearing of the PAC in this matter. This should not be taken, however, that Government would agree to the disclosure of the same in other circumstances. Furthermore, in view of the fact that leave has been granted for judicial review by Mr C M Leung, Government would also like to make it clear that the disclosure of the records of meetings to the PAC at PAC's request is entirely without prejudice to the Director of Audit's legal position in the said legal proceedings and is without any admission whatsoever of any issues raised by Mr Leung in the said legal proceedings.

Yours sincerely,



( S W HUI )  
for Director of Buildings

cc Secretary for Housing, Planning and Lands  
Director of Lands  
Director of Planning  
Director of Architectural Services  
Secretary for Financial Services and the Treasury  
(Attn. Mr Martin GLASS)  
Director of Audit  
Department of Justice  
Mr LEUNG Chin-man

**Decision-making Process of the Four Cases, in which  
the Building Authority Approved/did not Approve the  
Exclusion of Public Transport Terminus (PTT) from the  
Gross Floor Area (GFA) Mentioned in the  
Annex of BD's Letter dated 16 December 2005**

**Introduction**

Chief Building Surveyors (CBS) and the Principal Government Building Surveyor (PGBS) are authorized among other officers by the Building Authority to carry out the duties and exercise the powers under the Buildings Ordinance, including the approval of building plans and the exclusion/inclusion of the PTT from GFA calculation under regulation 23(3) of the Building (Planning) Regulation (B(P)R). In case of doubt or where complicated issues or appeals were involved, the CBS would refer the case to the Building Committee, the Building Authority Conference or the Building Authority personally to seek a decision.

**1. United Centre, Admiralty**

- The decision to exclude the PTT from GFA calculation was made by the then Director of Public Works who was the Building Authority as described in the paper and minutes of the Public Works Department (PWD) Conference held on 20.4.1978. Copies of the paper and minutes of the PWD Conference are enclosed at Annex 1.
- The PWD Conference agreed that bonus plot ratio should be granted for the surrender of the bus terminus to be completed on the lot in order to make the sale of land more attractive and hence increase the chance of getting the bus terminus.

**2. China Hong Kong City, Tsimshatsui**

- The decision to exclude the PTT from GFA calculation was made by the CBS as Head of the Kowloon Section as recorded in the file minute dated 18.3.1986. A copy of the file minute is enclosed at Annex 2.

- The reason for excluding the PTT from GFA calculation was that the CBS was of the view that the PTT could be discounted from GFA calculation under the then regulation 23(3) of B(P)R (i.e. the existing regulation 23(3)(b)) which provided that floor space constructed or intended to be used solely for the parking, or for the loading or unloading of motor vehicles might be excluded from GFA calculation.

### **3. Scout Association, Austin Road, Tsimshatsui**

- The decision to exclude the PTT from GFA calculation was made by the Chairman of the Building Committee, who was the then PGBS as shown in the record of meeting dated 19.4.1988. A copy of the record of Building Committee meeting is enclosed at Annex 3.
- The reason for excluding the PTT from GFA calculation was that it was considered that the PTT was a facility required by the Government.

### **4. Cheung Sha Wan Plaza**

- The decision to exclude the PTT from GFA calculation was made by the Chairman of the Building Committee, who was the then PGBS as shown in the records of meetings dated 17.3.1987 and 5.5.1987. Copies of the records of Building Committee meetings are enclosed at Annex 4.
- The reason for including the PTT in the GFA calculation was that the Building Committee was of the view that the bus terminus was not a use ancillary to the main office/shop use of the development.

*\*Note by Clerk, PAC: Annexes 1 to 4 not attached.*