

立法會
Legislative Council

LC Paper No. CB(1)2521/11-12

(These minutes have been seen
by the Administration)

Ref : CB1/PL/DEV/1

Panel on Development

**Minutes of meeting
held on Tuesday, 24 April 2012, at 2:30 pm
in Conference Room 1 of the Legislative Council Complex**

Members present : Prof Hon Patrick LAU Sau-shing, SBS, JP (Chairman)
Hon LAU Wong-fat, GBM, GBS, JP (Deputy Chairman)
Ir Dr Hon Raymond HO Chung-tai, SBS, S.B.St.J., JP
Hon James TO Kun-sun
Hon CHAN Kam-lam, SBS, JP
Hon Mrs Sophie LEUNG LAU Yau-fun, GBS, JP
Hon WONG Yung-kan, SBS, JP
Hon Timothy FOK Tsun-ting, GBS, JP
Hon Abraham SHEK Lai-him, SBS, JP
Hon Frederick FUNG Kin-kee, SBS, JP
Hon LEE Wing-tat
Hon CHEUNG Hok-ming, GBS, JP
Hon KAM Nai-wai, MH
Hon Cyd HO Sau-lan
Dr Hon LAM Tai-fai, BBS, JP
Dr Hon Priscilla LEUNG Mei-fun, JP
Hon IP Kwok-him, GBS, JP
Hon Mrs Regina IP LAU Suk-yee, GBS, JP
Hon Paul TSE Wai-chun, JP
Hon Alan LEONG Kah-kit, SC
Hon Tanya CHAN
Hon Albert CHAN Wai-yip

Member absent : Hon Starry LEE Wai-king, JP

Public officers attending : Agenda item IV

Mrs Carrie LAM CHENG Yuet-ngor, GBS, JP
Secretary for Development

Mr WAI Chi-sing, JP
Permanent Secretary for Development (Works)

Agenda item V

Mrs Carrie LAM CHENG Yuet-ngor, GBS, JP
Secretary for Development

Mr Thomas CHOW Tat-ming, JP
Permanent Secretary for Development
(Planning and Lands)

Mr WAI Chi-sing, JP
Permanent Secretary for Development (Works)

Ms Brenda AU Kit-ying
Principal Assistant Secretary (Planning and Lands)
Development Bureau

Ms Sophia CHIANG Chui-wan
District Lands Officer/North (District Lands Office, North)
Lands Department

Mr IP Kwai-hang
Acting Head of Civil Engineering Office
Civil Engineering and Development Department

Mr Joseph CHAN Chun-shing
Chief Engineer/Boundary Control Point
Civil Engineering and Development Department

Agenda item VI

Mr LIU Chun-san
Principal Assistant Secretary (Works)2
Development Bureau

Mr Norman HEUNG Yuk-sai, JP
Project Manager (Kowloon)
Civil Engineering and Development Department

Mrs Sorais LEE KWAN Siu-kuen
Head (Kai Tak Office)
Civil Engineering and Development Department

Mr IP Wing-cheung
Chief Engineer/Project Management
Drainage Services Department

Agenda item VII

Mr Jimmy CHAN Pai-ming
Principal Assistant Secretary (Works)3
Development Bureau

Mr LEE Kwong-ming
Assistant Director/Finance and Information Technology
Water Supplies Department

Mr CHIN Chu-sum, JP
Assistant Director/Customer Services
Water Supplies Department

Agenda item VIII

Ms Judy CHUNG Sui-kei
Principal Assistant Secretary (Planning & Lands)1
Development Bureau

Mr SIU Wai-ching, JP
Assistant Director/Survey & Mapping
Lands Department

Mr SO Man-cheong
Senior Land Surveyor/Legislation (Atg.)
Lands Department

Clerk in attendance : Ms Connie SZETO
Chief Council Secretary (1)4

Staff in attendance : Ms Sharon CHUNG
Senior Council Secretary (1)4

Miss Lilian MOK
Council Secretary (1)4

Ms Christina SHIU
Legislative Assistant (1)4

Action

I Confirmation of minutes

(LC Paper No. CB(1)1608/11-12

-- Minutes of meeting on
16 January 2012

LC Paper No. CB(1)1609/11-12

-- Verbatim transcript of the
special meeting on
15 March 2012)

The minutes of the meeting held on 16 January 2012 and the verbatim transcript of the special meeting held on 15 March 2012 were confirmed.

II Information paper issued since the last meeting

(LC Paper No. CB(1)1636/11-12(01) -- Issues raised at the meeting between Legislative Council Members and Yau Tsim Mong District Council members on 12 April 2012 relating to unauthorized sub-division of flats)

Action

2. Members noted that the above information paper had been issued since the meeting on 27 March 2012.

III Items for discussion at the next meeting

(LC Paper No. CB(1)1607/11-12(01) -- List of outstanding items for discussion
LC Paper No. CB(1)1607/11-12(02) -- List of follow-up actions)

3. Members agreed that the following items would be discussed at the regular meeting scheduled for 22 May 2012 --

- (a) Planning and engineering study on Development of Lok Ma Chau Loop -- Investigation -- Recommended Outline Development Plan and Stage Two public engagement; and
- (b) PWP Item No. 7752CL -- Planning and engineering study for housing sites in Yuen Long south.

IV Proposal to increase the financial ceiling of delegated authority for Category D items in the Capital Works Programme

(LC Paper No. CB(1)1607/11-12(03) -- Administration's paper on proposal to increase the financial ceiling of delegated authority for Category D items in the Capital Works Programme)

4. The Secretary for Development ("SDEV") briefed members on the Administration's proposal to increase the financial ceiling of delegated authority for Category D items in the Capital Works Programme ("CWP") to the Financial Secretary ("FS") from \$21 million to \$30 million per project in order to maintain the real value of the delegation. She said that the last time the Administration submitted the proposal to raise the financial ceiling for Category D items from \$15 million to \$21 million to cater for inflation was in November 2007. In view of the sharp increase in the price of construction works in the past few years, it was necessary to increase the financial ceiling for Category D items to maintain the real value of the delegation and its intended objective of facilitating the implementation of minor CWP items.

Action

Subject to members' views, the Administration planned to submit the proposal for endorsement of the Public Works Subcommittee ("PWSC") in May 2012, and to the Finance Committee ("FC") for approval in June 2012.

5. The Chairman reminded members that in accordance with rule 83A of the Rules of Procedure ("RoP") of the Legislative Council ("LegCo"), they should disclose the nature of any direct or indirect pecuniary interests relating to the subjects under discussion at the meeting before they spoke on the subjects. Under Rule 84 of RoP of LegCo, a member should not vote upon any question in which he had a direct pecuniary interest except under certain circumstances as provided for in Rule 84.

6. Noting the different increases in the percentage of the Civil Engineering Works Index (i.e. an increase of 19%) and the Building Works Tender Price Index ("BWTPI") (i.e. an increase of 64%), Mr KAM Nai-wai sought information on the respective proportions of building and non-building works projects under the ambit of Category D items in CWP subject to the existing financial ceiling of \$21 million in the past several years. He further enquired about the estimated number of Category D capital works items which would not be required to submit for FC's approval with the increase in financial ceiling to \$30 million.

7. In response, SDEV advised that the annual average spending of buildings and non-buildings related projects under the block allocation subheads were around 55% and 45% respectively, which revealed that over half of the minor works items were building works projects. The substantial increase in BWTPI in recent years had led to a sharp increase in building cost and eroded the real value of the delegation to FS in creating Category D items, such as the retrofitting works of the barrier-free access facilities in government premises.

8. As for the proposals on Category D items to be submitted to PWSC and FC for consideration, SDEV said that for the past five LegCo sessions, most of the proposals were above the proposed financial ceiling and only one fell within the range of \$21 million to \$30 million. The average cost of a Category D item was about \$3.8 million, with the lowest cost at \$1,000. Given the above circumstances, it was envisaged that only a few proposals would fall within the range of \$21 million to \$30 million and not be required to submit to PWSC and FC under the new limit of Category D.

9. Mr KAM Nai-wai said that while he had no objection to increasing the financial ceiling of delegated authority for Category D items, he opined

Action

that it was important for LegCo to maintain its role in monitoring the spending of the Government. He stressed that the Administration should ensure that the number of funding proposals to be submitted to PWSC and FC for consideration and approval would not be significantly reduced with the new financial ceiling for Category D items in place.

10. The Chairman concluded that the Panel supported that the proposal be submitted for consideration by PWSC and FC.

V PWP Item No. 5013GB -- Liantang/Heung Yuen Wai Boundary Control Point and associated works

(LC Paper No. CB(1)1607/11-12(04)) -- Administration's paper on Liantang/Heung Yuen Wai Boundary Control Point and associated works -- Site formation and infrastructure works

LC Paper No. CB(1)1607/11-12(05) -- Paper on Liantang/Heung Yuen Wai Boundary Control Point prepared by the Legislative Council Secretariat (Updated background brief)

LC Paper No. CB(1)1646/11-12(01) -- Letter dated 18 April 2012 from a deputation (竹園村居民搬遷委員會) on the implementation of the Liantang/Heung Yuen Wai Boundary Control Point Project)

11. SDEV said that the part-upgrading of PWP Item No. 13GB (Liantang/Heung Yuen Wai Boundary Control Point and associated works) to Category A to carry out site formation and infrastructure works would set a milestone in the implementation of the Liantang/Heung Yuen Wai Boundary Control Point ("the new BCP") serving as the seventh land crossing between Shenzhen and Hong Kong. On the background of the project, SDEV advised that the new BCP was featured in the Framework Agreement of Hong Kong/Guangdong Cooperation and included as one of the seven major cooperation projects under the specific chapter on Hong Kong and Macau in the National 12th Five-Year Plan. It was a strategic

Action

infrastructure for meeting the growing needs of cross-boundary travel. The new BCP, situated in the east of the territory, aimed at facilitating the movements of passengers and vehicles to and from the eastern part of the Guangdong Province and Hong Kong. With the commissioning of the new BCP in 2018, the traffic between Hong Kong and eastern Guangdong could head for Huizhou or Shantou via the Shenzhen Eastern Corridor, without the need to go through the congested Shenzhen city centre. The new BCP was designed to handle 30 000 passengers and 17 850 vehicles trips daily. About 850 vehicles were cross-boundary buses. A new 11-kilometre long connecting road would be constructed to provide direct access from Fanling Highway to the new BCP. With the commissioning of this new road and new traffic interchanges, the existing road network in the North East New Territories would be improved to cater for the future development of the adjacent areas.

12. With the aid of a powerpoint presentation, SDEV updated the Panel on the progress of the BCP project. She highlighted the following points --

- (a) The new BCP would be designed for direct access by both pedestrians and private cars. A pedestrian subway of 120 metres ("m") would link up the new BCP and the adjacent Lin Ma Hang Road. Three pick-up/drop-off areas, together with a public carpark with no less than 400 car parking spaces, would be provided for private cars. A public transport interchange with pick-up/drop-off points for school buses would be provided at the new passenger terminal building ("PTB") to facilitate the daily travelling of cross-boundary students.
- (b) An International Design Ideas Competition for PTB had been jointly organized by the Governments of the Hong Kong Special Administrative Region and Shenzhen with the results announced in September 2011. Both Governments had agreed that the design of PTB should be people-oriented and make reference to the ideas of the winning design with a view to meeting the functional requirements while unifying the outlook style.
- (c) Since September 2009, FC had approved four public works projects at a total cost of \$800 million in connection with the implementation of the new BCP. These projects were in good progress. The proposed site formation and infrastructure works for BCP was scheduled for commencement in December 2012.

Action

Another two funding proposals relating to Shenzhen River improvement works and PTB and associated facilities would be submitted in 2013 and 2014.

13. In order to make way for the construction of the new BCP and its connecting road for timely commissioning of the new BCP in 2018, SDEV said that the land in Chuk Yuen Village in Ta Kwu Ling would need to be resumed and other structures located along the alignment of the connecting road would be cleared. Since the announcement of the project in September 2008, with the assistance of Heung Yee Kuk, she had met with villagers of Chuk Yuen Village on seven occasions to discuss the rehousing and compensation arrangements. At the meeting of the Panel on 22 November 2011, the Administration had reported the following special arrangements for the resumption and clearance of Chuk Yuen Village --

- (a) The 15 Small House applications submitted by indigenous villagers ("IVs") of Chuk Yuen Village before the announcement of the BCP project would be dealt with under a special arrangement by reserving a site for each of them in the Resite Village at Ta Kwu Ling and requiring them to pay the concessionary land premium without inclusion of the resumption, clearance, site formation and engineering costs associated with the Resite Village.
- (b) Eligible non-IVs residing within the village environs ("VE") of Chuk Yuen Village would be offered a "Cottage House Option" as an alternative to the prevailing rehousing arrangement. Under the "Cottage House Option", the non-IV would be allowed to build in the adjoining area to the Resite Village a two-storey domestic structure with a maximum roofed-over area of 500 square feet on a "structure-for-structure" basis, subject to the condition that he/she was to purchase a suitable piece of agriculture land within the Extended Village Area for an in-situ land exchange to be executed by the Government. This option was provided to satisfy the non-IVs' rehousing needs such that the special circumstances of a closely-knitted village community located in the remote Frontier Closed Area could be preserved.

14. Having regard to the villagers' responses to the "Cottage House Option", SDEV said that the Administration proposed to provide a special ex-gratia allowance, comprising an ex-gratia cash allowance ("special

Action

EGCA") and a domestic removal allowance ("DRA"), exclusively for eligible households affected by the BCP project as follows --

(a) Special ex-gratia cash allowance for Qualified Households

"Qualified Households" affected by the clearance exercise for the BCP project would be offered the special EGCA at a maximum amount of \$600,000 to meet their rehousing needs, subject to their satisfying the eligibility criteria. In gist, a "Qualified Household" should meet the 1982 domestic structure requirement and the 1984/85 occupancy requirement under the prevailing squatter control policy, and reside in an affected structure at the date of the pre-clearance survey, among other criteria.

(b) Domestic Removal Allowance for all affected households

All households affected by the BCP project and covered by the pre-clearance surveys would be eligible for DRA ranging approximately from \$3,000 to \$12,000, depending mainly on the size of the family, to help them to meet the initial cost of moving.

(c) Discretion of the Secretary for Development

To provide flexibility in this clearance exercise to address the rehousing needs of households that did not fully comply with the eligibility criteria, SDEV would be authorized to determine whether such households would be offered a reduced EGCA based on a sliding scale. The amount of the special EGCA granted to these households would range from \$300,000 to \$600,000.

15. SDEV supplemented that the "Cottage House Option" had been extended to eligible non-IVs residing in Chuk Yuen South, which lay outside the VE of Chuk Yuen Village, subject to her discretion on a case-by-case basis, provided that their claim of strong social ties could be established and recognized by the Chuk Yuen Village community. She emphasized that the intention of the special EGCA was not to compensate for the land on which the squatter structures currently stood, but rather to provide ex-gratia assistance having regard to the circumstances surrounding the clearees affected by the BCP project particularly their long-term residence in the

Action

areas. The Administration had also agreed to relax the maximum building height of the Cottage House from 17 feet to 19 feet in response to the villagers' request for installation of ceiling fans. Moreover, for clearees who were owners of agricultural/building land, the applicable ex-gratia zonal compensation rate would be upgraded from Zone C or Zone D rate to Zone A rate. SDEV said that the Chuk Yuen Residents Village Removal Committee welcomed the special EGCA and DRA proposals and the enhancement to the "Cottage House Option". Subject to the Panel's support, the Administration would seek FC's funding approval in June 2012 for granting the special EGCA and DRA at an estimated total cost of \$211 million.

16. With the aid of a powerpoint presentation, Acting Head of Civil Engineering Office/Civil Engineering and Development Department ("Ag Head/Civil Engineering Office/CEDD") briefed members on the major components covered under the part-upgrading of 13GB to Category A, which included site formation of about 23 hectares of land, provision of a 1.8 kilometre ("km") long perimeter patrol road at BCP together with the associated gates and fencing, construction of a pedestrian subway linking BCP to Lin Ma Hang Road, construction of an approximately 11 km long dual two-lane connecting road linking BCP with Fanling Highway, associated diversion/modification works at existing local roads and junctions, provision of sewage collection, treatment and disposal facilities for BCP and the Chuk Yuen Village Resite, and design and construction of four vehicular bridges and one pedestrian bridge crossing Shenzhen River.

(*Post-meeting note:* A soft copy of the powerpoint presentation materials was circulated via email vide LC Paper No. CB(1)1679/11-12(01) on 25 April 2012.)

17. SDEV advised that after the gazettal of the proposed road scheme under the BCP project in 2010 and amendments to the scheme in 2011, the Administration had received 190 objections. Upon the Administration's explanation to the objectors on the details of the projects, 24 objections had been withdrawn. Among the remaining 166 objections, she believed that the enhanced "Cottage House Option" and the proposed special ex-gratia allowance would address the concerns of about 150 objections. SDEV took the opportunity to express gratitude to villagers of Chuk Yuen Village for their patience, cooperation and understanding in working out the rehousing and compensation arrangements with the Administration over the past three years, and to the Shenzhen Municipal Government for its assistance in the planning and implementation of the BCP project. With the support of LegCo, she was confident that the new BCP would commence operation in

Action

2018 as scheduled. She appealed to members for their support on the funding proposal for the part-upgrading of PWP Item No. 13GB, at an estimated cost of \$16,253 million in money-of-the-day prices, to PWSC in May 2012; and the proposal on special ex-gratia allowance, at an estimated total cost of \$211 million, to FC in June 2012.

18. The Chairman reminded members that in accordance with rule 83A of RoP of LegCo, they should disclose the nature of any direct or indirect pecuniary interests relating to the subjects under discussion at the meeting before they spoke on the subjects. Under Rule 84 of RoP of LegCo, a member should not vote upon any question in which he had a direct pecuniary interest except under certain circumstances as provided for in Rule 84.

Rehousing arrangements and special ex-gratia allowance

19. Mr CHEUNG Hok-ming expressed appreciation of SDEV's effort and intensive involvement in working out the resite and rehousing arrangements with villagers of Chuk Yuen Village, which had contributed to the smooth progress in implementing the BCP project. Pointing out that the residents of squatter structures at Chuk Yuen Village and Chuk Yuen South had been requested to move out before March 2013 and some of them would face difficulties in arranging temporary accommodation, he asked whether the Administration would conduct a survey on the housing needs of these residents and consider providing temporary shelters for them similar to the arrangements made for residents in Choi Yuen Village (who were affected by the works of the Hong Kong Section of Guangzhou-Shenzhen-Hong Kong Express Rail Link in 2010) before completion of the Resite Village and the Extended Village Area for Chuk Yuen Village. He opined that without the provision of interim housing, some of the residents might refuse to move out, thus causing delay to the clearance operation.

20. SDEV thanked the assistance of Heung Yee Kuk, in particular from its Chairman and Vice-chairmen, in supporting the Administration's discussions with the villagers for working out mutually accepted rehousing arrangements and the special ex-gratia allowance proposal. She assured members that the Administration would continue to work with the villagers and assist them in the interim housing arrangements as far as possible.

21. Noting that there would be a number of land resumption and clearance exercises in connection with major development projects in the near future, such as the Hung Shui Kiu New Development Area ("NDAs")

Action

and the North East New Territories NDAs, Mr CHEUNG Hok-ming asked whether the "Cottage House Option" and other rehousing arrangements as well as the special EGCA and DRA adopted in the case of Chuk Yuen Village would apply to affected residents of these projects.

22. Mr IP Kwok-him welcomed the proposed special rehousing and EGCA arrangements for villagers in Chuk Yuen Village and Chuk Yuen South and believed that the arrangements would preserve the villagers' closely-knitted community relation. He also expressed concern that residents affected by other public works projects in future would request enhanced compensation and housing arrangements for their cases.

23. SDEV emphasized that the special arrangements for Choi Yuen Village and Chuk Yuen Village were made having regard to their special circumstances and the strategic significance of delivering the Guangzhou-Shenzhen-Hong Kong Express Rail Link and the BCP projects on time. These special rehousing arrangements and upgraded compensation rate for agricultural land would not automatically apply to other public works projects. While it was possible to implement the village resite arrangement for Chuk Yuen Village making use of vacant land in the vicinity of the new BCP project site, such arrangement might not be feasible for the future development of NDAs in the New Territories as a much larger number of affected residents would be involved. Nonetheless, the Administration had noted that there was room for improvement of the existing compensation and rehousing arrangements provided for residents affected by clearance of villages and squatters. As such, the Development Bureau had commenced a review in this regard. The Administration aimed at making a clear stance on the arrangements to be adopted for affected residents before the site clearance works for major development projects were initiated. SDEV undertook to report the results of the review to the Panel in due course.

24. Mr Albert CHAN said that while he supported making fair compensation to residents and genuine farmers affected by the BCP project, he considered the ex-gratia compensation for agricultural land, at \$8,460 per square metre, for the project a huge amount as a lot of the agricultural land was already purchased by the developers. He urged the Administration to conduct a review on the rehousing and compensation arrangements as soon as possible and stressed the importance for developing the arrangements in a fair and transparent manner.

25. With major development projects in the New Territories coming on board, Mr KAM Nai-wai urged the Administration to complete the review

Action

on the compensation and rehousing arrangements as quickly as possible. In his opinion, resiting a village to nearby area was the most preferable option for villagers affected by public works projects. As some villagers of Chuk Yuen Village might not find the proposed rehousing arrangements and the special ex-gratia allowance satisfactory, he requested that the Administration should inform the Panel about the dissenting views of these villagers.

26. SDEV believed that the special EGCA and DRA, together with the rehousing arrangements under the existing policy, should provide adequate assistance to all the clearees meeting their different rehousing needs. Those who were owners of agricultural/building land would have the applicable ex-gratia zonal compensation rate upgraded from Zone C or Zone D rate to Zone A rate. IVs would be rehoused in resite houses and/or receive cash compensation under the New Territories Village Removal Policy. Genuine farmers could apply for a short-term waiver to build a two-storey domestic structure on agricultural land purchased on their own under the prevailing agricultural resite policy and might also receive Rehabilitation Allowance under the existing compensation arrangement. Clearees who preferred to live in public rental housing units (provided that they met the Comprehensive Means Test and other criteria), would have priority in rehousing to public housing estates. Qualified Households for the special EGCA who preferred private accommodation in a rural environment could make use of the allowance to rent/buy the accommodation in the private market. Villagers eligible for the "Cottage House Option" and the special EGCA could use the allowance to meet the cost for building the cottage houses. Lastly, for those who did not fully meet the eligibility criteria of Qualified Household for the special EGCA, SDEV would exercise discretion to consider their cases. As a result, virtually all clearees could be covered and there would be no clearees as a category that would not be covered by any of the above options. She re-iterated that in formulating a rehousing/resiting option, the Administration would have to consider land utilization. Resiting a village or a community in a new village or low-density development in the same district might not be the best option from the land use perspective.

27. The Chairman enquired whether the Administration would consider applying the rehousing arrangements for residents affected by urban redevelopment projects to those affected by village/squatter clearance. SDEV advised that whereas the rehousing arrangements for urban redevelopment projects, such as the flat-for-flat option, were targeted at owner-occupiers, most of the occupiers of structures affected by rural development projects were not land owners. It was therefore difficult to

Action

apply the same rehousing arrangements to both urban and rural redevelopment projects. She added that the tenants affected by urban redevelopment projects were also not guaranteed in-situ rehousing in public rental housing units.

28. Referring to a recent clearance incident in Taiwan, Mr IP Kwok-him enquired how the Administration would deal with situations where residents affected by public works projects refused to move out of their homes. SDEV said that the Administration would consider affected clearees' aspiration for local rehousing.

Access to the new Boundary Control Point and construction of the passenger terminal building

29. Mr Albert CHAN welcomed the Administration's decision to design the new BCP for direct pedestrian and vehicular access. He urged that the same arrangement should be made to other existing boundary control points, in particular those at Lok Ma Chau and Shenzhen Bay, so as to enhance user convenience. As regards the connecting road to the new BCP, he pointed out that while he had repeatedly called for a dual three-lane design, the Administration had decided to proceed with the dual two-lane design. To cater for possible housing developments in the vicinity areas of the new BCP, he strongly urged the Administration to reconsider expanding the connecting road to a dual three-lane passageway in future.

30. Noting that the new BCP would adopt a separate-location model, Mr KAM Nai-wai asked whether automated people mover systems would be provided to facilitate users, especially the elderly, as there would be a long walking distance between the control points at the Hong Kong side and the Shenzhen side.

31. Ag Head/Civil Engineering Office/CEDD replied that the distance between the two control points at the new BCP was only 90 m, vis-à-vis that of 250 m at the Lok Ma Chau Boundary Control Point. He added that in designing the facilities at the new BCP, the Administration had adopted a people-oriented approach and Mr KAM's suggestion would be taken into consideration.

32. Referring to the International Design Ideas Competition for PTB held in 2011, the Chairman urged that the winner of the Competition should be allowed to participate in the actual design of PTB. In response, Permanent Secretary for Development (Works) advised that there was a plan

Action

to adopt a "design and build" model for the construction of the new PTB. In the light of the Chairman's suggestion, he would re-visit the plan with the Architectural Services Department to see how the winner could be involved in the design work.

Land development near the new Boundary Control Point

33. Noting the high potential for developing housing in the vicinity of the new BCP which would be served by new transport networks and improved road systems, Mr Albert CHAN urged that the Planning Department should explore the feasibility of developing a new town near the new BCP. Sharing the views, the Chairman opined that the development density in new development areas in the New Territories should be relaxed to help address the shortage of housing land.

34. SDEV responded that the Chief Executive, in his 2011-2012 Policy Address, had set a clear target in expanding land resources to meet the great demand for housing land and to build up a land reserve. While she shared Mr CHAN's view that land development near the new BCP should be explored, she remarked that the planning work for the North East and North West New Territories would need to take into account the views from the environmental groups to conserve the ecological environment.

Submission of proposals to the Public Works Subcommittee and the Finance Committee

35. Members supported the Administration to submit the funding proposals for part-upgrading project 13GB to Category A and for granting the special ex-gratia allowance for consideration by PWSC and FC respectively.

VI Kai Tak Development -- Kai Tak Nullah modification works

(LC Paper No. CB(1)1607/11-12(06) -- Administration's paper on Kai Tak Development -- Reconstruction and upgrading of Kai Tak Nullah)

36. With the aid of a powerpoint presentation, Principal Assistant Secretary (Works)2/Development Bureau ("PAS(Works)2/DEVB") and Project Manager (Kowloon)/Civil Engineering and Development Department ("PM(Kowloon)/CEDD") briefed members on the proposal to

Action

upgrade part of PWP Item No. 469CL to Category A, at an estimated cost of about \$2,400 million in money-of-the-day prices, for reconstruction and upgrading of Kai Tak Nullah and associated works at the north apron of the former Kai Tak Airport.

(*Post-meeting note:* A soft copy of the powerpoint presentation materials was circulated via email vide LC Paper No. CB(1)1679/11-12(02) on 25 April 2012.)

37. PAS(Works)2/DEVB said that the vision for Kai Tak was to develop it into "a Distinguished, Vibrant, Attractive and People-oriented area by the Victoria Harbour" by designing it as Hong Kong's showcase for urban design and landscaping. For the Kai Tak River flowing through the Kai Tak Development ("KTD"), the Administration's vision was to make the River an attractive green river corridor through urban areas, to provide space for leisure and public activities serving the community while meeting the needs for flood protection. A two-stage public engagement exercise on "Building our Kai Tak River" had been conducted in December 2010 and June 2011 to gauge public views on the planning and design for the River. The public were supportive to the plan of keeping the River as a main drainage channel while developing along the River a green corridor and open space for public enjoyment.

38. PM(Kowloon)/CEDD advised that the existing Kai Tak Nullah was about 2.4 km long extending from Po Kong Village Road via Prince Edward Road East to KTD. Implementation of the reconstruction and upgrading of Kai Tak Nullah was being carried out in stages. The works on the upstream of Kai Tak Nullah had started in 2011 and the detailed design for the works on the mid-stream was underway, both being implemented by the Drainage Services Department. The works by CEDD on the downstream portion within KTD would be carried out in two stages: reconstruction and upgrading of the Kai Tak Nullah under this item and landscaping the Kai Tak River at the final stage. The proposal to part-upgrade 469CL to Category A covered the following works --

- (a) reconstruction and upgrading of the downstream of Kai Tak Nullah of about 1 300 m long at the north apron area of the former Kai Tak Airport from Prince Edward Road East to Kai Tak Approach Channel into a combination of a drainage channel and multi-cell box culverts;

Action

(b) construction of two enclosed desilting compounds with vehicular access; and

(c) ancillary works, including landscaping works and environmental mitigation measures and related monitoring and audit works.

39. PM(Kowloon)/CEDD supplemented that the purpose of the construction of the two enclosed desilting compounds was to minimize the environmental nuisances associated with desilting works at Kai Tak Nullah and facilitate the future operation and maintenance of the upgraded nullah and box culverts. As regards the traffic impact of the proposed works, he advised that the majority of the works would be constructed within KTD area, which would have minimal impact on the existing traffic. The proposed works were not designated projects under the Environmental Impact Assessment Ordinance (Cap. 499), and the recommended mitigation measures in the Environmental Impact Assessment report for KTD approved in 2009 would be implemented. Subject to the support of the Panel, the Administration would invite tender for the proposed works in September 2012 and seek the endorsement of PWSC, tentatively in November 2012, for upgrading part of 469CL to Category A, with a view to seeking funding approval from FC in December 2012.

40. The Chairman reminded members that in accordance with rule 83A of RoP of LegCo, they should disclose the nature of any direct or indirect pecuniary interests relating to the subjects under discussion at the meeting before they spoke on the subjects. Under Rule 84 of RoP of LegCo, a member should not vote upon any question in which he had a direct pecuniary interest except under certain circumstances as provided for in Rule 84.

Continuous water flow at Kai Tak River

41. Ms Cyd HO welcomed the building of a green river corridor in the urban area. She was concerned about possible back-flow of sea water from Victoria Harbour to Kai Tak River causing flooding to the adjacent areas. Referring to Cheonggyecheon in Seoul, a famous successful heritage conservation and urban beautification park, which maintained its water flow artificially during the dry season with a large amount of energy, Ms HO enquired whether Kai Tak River would adopt a similar practice with water pumped into the river during the dry season, thereby consuming a large

Action

amount of energy. She did not support maintaining the landscape and environment at Kai Tak River in such an environmentally-unfriendly way.

42. PM(Kowloon)/CEDD replied that in designing the drainage system for Kai Tak River, CEDD had taken into account the impact of tidal water back-flow. He assured members that the drainage capacity of the River would meet the current flood prevention standard. As regards concern about dry-up of the River in the dry season, he said that this would not happen and hence it would not be necessary to pump water into the River. PAS(Works)2/DEVB explained that the Kai Tak River collected not only natural rainwater, but also the treated effluent from Tai Po and Sha Tin sewage treatment works before it was discharged to Victoria Harbour. Therefore, even in the dry season, the water flow on the River would continue.

43. Ms Cyd HO said that it was the Administration's plan to upgrade treatment facilities at Sha Tin sewage treatment works upon relocating the plant to the caverns in Sha Tin. In this connection, she queried the need for conveying treated effluent from Tai To and Sha Tin to Kai Tak River through tunnels for discharge to Victoria Harbour, instead of discharging it direct to the Tolo Harbour.

44. PAS(Works)2/DEVB advised that the export of the treated effluent from Tai To and Sha Tin sewage treatment works to Victoria Harbour instead of discharging to Tolo Harbour was an existing scheme as the former had a stronger current so that the treated effluent could be better flushed. The feasibility study on the relocation of Sha Tin sewage treatment works would cover aspects including upgrading the sewage treatment system and improvement in the discharge of the treated effluent. After relocating the treatment works, the existing drainage tunnels would continue to deliver the treated effluent to the Kai Tak River.

45. Ms Cyd HO re-iterated her concern about consumption of large amount of energy and hence high operation cost in conveying the treated effluent from Tai Po and Sha Tin over a long distance to the Kai Tak River for discharge to Victoria Harbour. She requested the Administration to provide information about the conveyance, including the routing and length of the ducts, the annual operation/maintenance cost and expenditure on energy consumption for members' reference before submitting the funding proposal to PWSC and FC.

Action

(*Post-meeting note:* The Administration's supplementary information was circulated to members on 10 July 2012 vide LC Paper No. CB(1)2334/11-12(01).)

Construction and operation of the desilting compounds

46. Mrs Sophie LEUNG enquired about the effectiveness of the two proposed desilting compounds to be constructed at Road D1 and Road D2 in the KTD area. PM(Kowloon)/CEDD advised that the function of the desilting compounds was to clear and dry the sediment accumulated along the drainage channel. The two locations for the compounds were selected having regard to availability of land along the River and the possibility that sediment would stay there. The compounds were situated at the lower course of the drainage channel, where sediment was expected to accumulate, and where the water flow slowed down. The compounds would be fully enclosed so that all desilting works could be conducted in an enclosed environment without causing nuisance to the nearby areas.

Submission to the Public Works Subcommittee

47. Members supported the Administration to submit the funding proposal for the reconstruction and upgrading of Kai Tak Nullah to PWSC for consideration.

VII Revision of fees and charges under the purview of the Water Supplies Department

(LC Paper No. CB(1)1534/11-12(01) -- Administration's paper on revision of fees and charges under the purview of the Water Supplies Department)

48. Principal Assistant Secretary (Works)3/Development Bureau ("PAS(Works)3/DEVB") briefed members on the Administration's proposal to revise 24 items of fees and charges prescribed in Schedule 1 to the Waterworks Regulations (Cap. 102A) under the Waterworks Ordinance (Cap. 102). He said that these items of fees and charges were related to services provided by the Water Supplies Department to developers, contractors, plumbers, etc. The increases of these charges would not directly affect people's livelihood or general business activities. The details about each of the 24 items of charges, including the existing charge level, cost

Action

recovery level and proposed amount of increase, were given in the Annex to the Administration's paper.

49. PAS(Works)3/DEVB added that a review of the cost of providing the relevant services had shown that the present cost recovery levels ranged from 14.4% to 89.5%. In line with the "user pays" principle, it was Government's policy that fees and charges should in general be set at levels sufficient to recover the full cost of providing the services. In order to achieve full cost recovery gradually and avoid a steep fee increase, the Administration had proposed to revise the charges with upward adjustments of 8.3% to 20.1%. After implementation of the proposed revision, the cost recovery rates would range from 17.2% to 98.7%. The Administration would continue to enhance efficiency and streamline procedures so as to contain the costs of providing these public services. The estimated increase in revenue as a result of the revision was about \$1.4 million per annum. The Administration planned to proceed with the necessary legislative amendments in May 2012 and implement the adjustments with effect from 1 August 2012.

50. Members noted the Administration's proposal on the revision of the fees and charges and had no objection to the Administration tabling the relevant subsidiary legislation to LegCo.

VIII Revision of fees and charges under the purview of the Lands Department

(LC Paper No. CB(1)1534/11-12(02) -- Administration's paper on revision of fees and charges under the purview of the Lands Department)

51. Principal Assistant Secretary (Planning & Lands)1/Development Bureau briefed members on the Administration's proposal to increase seven items of fees and charges prescribed under the Land Survey (Fees) Regulation (Cap. 473A) for services provided by the Lands Department ("LD") under the Land Survey Ordinance (Cap. 473) ("the Ordinance"). She added that the fees items subject to the proposed increase were last revised in 2009 and were not directly related to people's livelihood or general business activities. She explained that according to the "user pays" principle, fees should in general be set at levels sufficient to recover the cost of providing the services. The proposed fee increase was about 10% in order to achieve full cost recovery gradually and avoid a steep fee increase. The proposed increase in fees and charges would be implemented through the Land Survey

Action

(Fees) (Amendment) Regulation 2012 ("the Amendment Regulation") to be gazetted in May 2012, and it would be subject to negative vetting of LegCo. It was proposed that the new fees and charges would take effect on 1 August 2012.

Fees for inspection of land boundary record

52. In response to Mr IP Kwok-him's enquiry about the fees charged for inspection of land boundary records, Assistant Director/Survey & Mapping, Lands Department ("AD/S&M, LD") advised that the costing exercises at the 2012-2013 price level, which had been carried out recently based on the guidelines issued by the Financial Services and Treasury Bureau to bureaux/departments, had revealed an increase in the costs for providing the services under the seven fee items including the inspection of land boundary record. In line with the "user pays" principle, it was necessary to increase the fees charged for inspection of land boundary record in order to recover the costs of manpower deployed to provide the services, which included rendering assistance to persons making request for inspection of land boundary record, locating the land boundary plans/survey record plans as requested, checking whether the land boundary plans/survey record plans were submitted in compliance with the Ordinance and the Code of Practice approved by the Land Survey Authority, etc. It was noted that the proposed fee increase was not related to any copyright issue. AD/S&M, LD added that amongst the different disciplines of the surveying profession, authorized land surveyors ("ALSs") were qualified professionals engaged in land boundary surveys. The Hong Kong Institute of Surveyors was the authority responsible for granting professional qualifications to surveyors in Hong Kong and ALSs were required to seek registration with LD.

Fees charged for registration/renewal of registration as an authorized land surveyor

53. Mr CHAN Kam-lam enquired about the procedures for seeking registration/renewal of registration as an ALS under the Ordinance. AD/S&M, LD advised that applicants for registration as ALSs were required to provide details of their land boundary survey experiences in Hong Kong and relevant qualifications for consideration and verification by LD. The processing of the registration/renewal of registration of ALSs involved a team of senior government officials and professional staff of LD in order to ensure the professional standards of the applicants. In view of the rising costs of manpower and the time required to certify the land boundary plans/survey record plans submitted by the applicants, it was necessary to

Action

increase the registration fees with an aim to achieve full cost recovery gradually.

54. AD/S&M, LD explained that the registration of an ALS would be valid for 12 months. For renewal of the registration, ALSs were required to submit documents to demonstrate their land boundary survey experiences and practices in Hong Kong. As renewal of ALSs' registration was less complicated, the fee for renewal of registration was lower than that for new registration.

55. Mr CHAN Kam-lam asked whether there would be room for reduction in the fee for renewal of ALS registration, AD/S&M, LD advised that the fee had been increased from \$1,053 in 1995 to \$1,150 in 1996, and reduced to \$715 in 2007. As the latest costing exercises revealed that the existing fee had not met full cost recovery, the proposed increase in the fee was considered appropriate.

56. Mr CHAN Kam-lam re-iterated his views and called on the Administration to explore more cost-effective means in processing applications for and renewal of registration as ALSs, such as developing a computerized system to handle applications received. Noting that the registration of Authorized Persons and Registered Structural Engineers was renewed once every five years, the Chairman suggested the Administration to make reference to the registration's renewal mechanisms of other professionals in reviewing the registration's renewal regime for ALS. In his view, the administrative costs could be lowered if the renewal interval was longer. AD/S&M, LD assured members that LD would keep in view the fees for various services and take into account members' views. Legislative amendments might be required if a registration renewal mechanism for ALS different from the one as stipulated in the Ordinance were to be introduced.

57. The Chairman concluded the discussion on the item. He said that members in general supported the Administration's proposal to submit the Amendment Regulation for negative vetting by LegCo.

Action

IX Any other business

58. There being no other business, the meeting ended at 4:50 pm.

Council Business Division 1
Legislative Council Secretariat
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