

立法會
Legislative Council

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(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 8th meeting
held in Conference Room 1 of the Legislative Council Complex
on Wednesday, 19 March 2014, at 8:30 am**

Members present:

Ir Dr Hon LO Wai-kwok, BBS, MH, JP (Chairman)
Hon LEUNG Che-cheung, BBS, MH, JP (Deputy Chairman)
Hon James TO Kun-sun
Hon CHAN Kam-lam, SBS, JP
Hon Emily LAU Wai-hing, JP
Hon TAM Yiu-chung, GBS, JP
Hon Abraham SHEK Lai-him, GBS, JP
Hon WONG Kwok-hing, BBS, MH
Hon CHAN Hak-kan, JP
Dr Hon LEUNG Ka-lau
Hon IP Kwok-him, GBS, JP
Hon Albert CHAN Wai-yip
Hon Michael TIEN Puk-sun, BBS, JP
Hon James TIEN Pei-chun, GBS, JP
Hon Frankie YICK Chi-ming
Hon WU Chi-wai, MH
Hon Gary FAN Kwok-wai
Hon MA Fung-kwok, SBS, JP
Hon Charles Peter MOK
Hon CHAN Han-pan
Dr Hon Kenneth CHAN Ka-lok
Hon CHAN Yuen-han, SBS, JP
Hon Alice MAK Mei-kuen, JP
Dr Hon Fernando CHEUNG Chiu-hung

Dr Hon Helena WONG Pik-wan
Dr Hon Elizabeth QUAT, JP
Dr Hon CHIANG Lai-wan, JP
Hon Christopher CHUNG Shu-kun, BBS, MH, JP
Hon Tony TSE Wai-chuen

Members absent:

Hon Cyd HO Sau-lan
Hon Alan LEONG Kah-kit, SC

Public officers attending:

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| Mr YEUNG Tak-keung | Deputy Secretary for Financial Services and the Treasury (Treasury) ³ |
| Mr WAI Chi-sing, JP | Permanent Secretary for Development (Works) |
| Mr Thomas CHOW Tat-ming, JP | Permanent Secretary for Development (Planning and Lands) |
| Ms Anissa WONG, JP | Permanent Secretary for the Environment |
| Ms Jasmine CHOI Suet-yung | Principal Assistant Secretary for Financial Services and the Treasury (Treasury) (Works) |
| Mr Patrick LI Pak-chuen, JP | Deputy Director (1) Home Affairs Department |
| Mr Alan LO Ying-ki, JP | District Officer (Kwai Tsing) Home Affairs Department |
| Mr CHOW Yick-hay, BBS, JP | Member Kwai Tsing District Council |
| Mr Dennis LEUNG Tsz-wing | Member Kwai Tsing District Council |
| Mr YAU Shing-mu, JP | Under Secretary for Transport and Housing |
| Ms Rebecca PUN Ting-ting, JP | Deputy Secretary for Transport and Housing (Transport) ¹ |
| Ms Judy CHUNG Sui-kei | Principal Assistant Secretary for Transport and Housing (Transport) ⁵ |
| Mr HON Chi-keung, JP | Director of Civil Engineering and Development |
| Mr Stephen LI Tin-sang | Chief Engineer (New Territories East (1)) Civil Engineering and Development Department |
| Mr Thomas CHAN Chung-ching, JP | Deputy Secretary for Development (Planning and Lands) ¹ |

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| Mr Michael CHAN Chun-fung | Principal Assistant Secretary for Development (Planning and Lands) ⁵ |
| Mr TANG Wai-leung | Assistant Director (Development) Civil Engineering and Development Department |
| Mr LAW Man-tim | Chief Engineer (Project Division 2) (New Territories North and West) Civil Engineering and Development Department |
| Ms Jacinta WOO Kit-ching | Assistant Director (New Territories) Planning Department |

Clerk in attendance:

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| Ms Sharon CHUNG | Chief Council Secretary (1) ⁶ |
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Staff in attendance:

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| Mr Andy LAU | Assistant Secretary General 1 |
| Ms Connie HO | Senior Council Secretary (1) ³ |
| Mr Fred PANG | Council Secretary (1) ⁶ |
| Mr Frankie WOO | Senior Legislative Assistant (1) ³ |
| Ms Christy YAU | Legislative Assistant (1) ⁷ |

Action

The Chairman reported that eight Capital Works Reserve Fund items of \$33,900.4 million had been endorsed by the Public Works Subcommittee ("PWSC") in the 2013-2014 session so far, of which \$30,149.5 million was related to capital works projects. He further advised that on the agenda for the meeting there were three funding proposals, which if endorsed, would involve a total funding allocation of \$416.80 million. If these three proposals were approved, the cumulative number of items approved by PWSC in the 2013-2014 session would be 11, while the total amount of funding approved would be \$34,317.2 million, of which \$30,566.3 million was related to capital works projects.

2. The Chairman said that, according to the Administration, excluding the three items on the agenda for the current meeting, it was anticipated that 35 more items, involving a proposed funding allocation of about \$50 billion, would be submitted to PWSC for consideration in the current session. In order to deal with these discussion items, the Administration was working out

with the Legislative Council ("LegCo") Secretariat the schedule for additional meetings. The Secretariat would inform members of the relevant arrangements as early as possible.

3. The Chairman then reminded members that in accordance with Rule 83A of the Rules of Procedure ("RoP") of LegCo, they should disclose the nature of any direct or indirect pecuniary interests relating to the funding proposals under discussion at the meeting before they spoke on the item. He also drew members' attention to Rule 84 of RoP on voting or withdrawal in case of direct pecuniary interest.

Application for late membership

4. The Chairman referred to Mr James TIEN's letter dated 4 February 2014 putting forward his application for late membership. A copy of the letter had been issued to members vide LC Paper No. PWSC54/13-14 on 12 March 2014. He advised that according to rule 4B of the PWSC procedure, a request for late membership on grounds other than indisposition or absence from Hong Kong should be put to the Subcommittee. The Subcommittee should accept such applications only when sufficient grounds had been provided. The Chairman sought members' views on Mr TIEN's application. Members agreed to accept the application and welcomed Mr TIEN to join the Subcommittee.

(Post-meeting note: The updated membership list was issued to members vide LC Paper No. PWSC56/13-14 on 19 March 2014.)

Head 707 – New Towns and Urban Area Development

PWSC(2013-14)36 284RS Signature Project Scheme (Kwai Tsing District)—Enhancement of Community Healthcare—Installation of Information Kiosks and Fitness Equipment

5. The Chairman advised that the proposal was to upgrade 284RS to Category A at an estimated cost of \$7.7 million in money-of-the-day prices for the procurement and installation of community fitness equipment ("FE") and information kiosks ("IKs") in Kwai Tsing ("K&T") as part of K&T's Signature Project Scheme ("SPS") Project. The Panel on Home Affairs had been consulted on the proposal on 10 January 2014 and Panel members raised no objection to the submission of the proposal to PWSC for consideration. The gist of the Panel's discussion had been tabled at the meeting.

Signature Project of the Kwai Tsing District Council

6. The Subcommittee noted that the K&T District Council ("K&TDC") had proposed to use the funding from SPS, i.e. a total of \$100 million, to undertake "Enhancement of Community Healthcare Service" as K&T's SPS Project. The Project would comprise provision of community health services to the elderly, procurement and installation of FE and IKs, and publicity. Ms Emily LAU sought clarification on whether the proposed SPS Project, including the provision of FE and IKs, was unanimously supported by K&TDC. District Officer (Kwai Tsing), Home Affairs Department ("DO(K&T")), replied in the affirmative. Mr CHOW Yick-hay, Member, Kwai Tsing District Council, said that the proposed SPS Project for K&T had been worked out after thorough discussions among K&TDC members. The development of the "Healthy Cities" project in various districts over the past years had led to a consensus among K&TDC members on the most needed services for K&T residents. Mr CHOW declared that he was the Chairman of the Kwai Tsing Safe Community and Healthy City Association ("the Association"), which was one of the partner organizations of K&T's SPS Project ("SPS partners").

7. In response to Mr TAM Yiu-chung's enquiry about the relationship between K&TDC and the Association, DO(K&T) advised that the Association and Yan Chai Hospital were the two SPS partners of K&TDC. He explained that the selection of SPS partners was conducted by K&TDC in a fair and transparent manner. Invitations for non-profit-making organizations ("NPOs") to submit proposals for providing the community health care services under the SPS Project had been posted in local newspapers. The proposals had been vetted by a committee comprising K&TDC members elected from among themselves and independent health experts. The committee assessed the suitability of the NPOs on the basis of open assessment criteria. A former Director of Health acted as an observer, upon invitation, in the assessment process. The selected NPOs would be required to sign with the K&T District Office ("K&TDO") a service agreement setting out the responsibilities of the two sides as well as the required service scope and level, such as the minimum number of people served per year.

8. The Chairman advised that the Administration would seek the approval of the Finance Committee ("FC") for \$94.5 million to fund the entire SPS Project. The current application to PWSC, for funding of \$7.7 million, concerned only the procurement and installation of FE and IKs. The SPS Project had been discussed by the Panel on Home Affairs. He reminded members that the discussion of PWSC should focus on the current

application.

9. Noting that the proposed funding, i.e. \$7.7 million, for procuring and installing FE and IKs constituted only a small portion of the fund of \$100 million earmarked for the entire SPS Project, Mr LEUNG Che-cheung enquired about the reason for not deploying district minor works funds to finance the proposed works and making use of the fund of \$7.7 million on providing more community health care services to the elderly in K&T. DO(K&T) replied that if part of the fund allocated to the District Minor Works Programme, say \$7.7 million, was used to finance the proposed works, the minors works projects in K&T originally planned to be carried out might need to be shelved or postponed. As regards the possibility of re-channelling the proposed funding of \$7.7 million to providing health care services under the SPS project, DO(K&T) explained that factors other than funding, such as the supply of health care practitioners, would need to be taken into account. K&TDC considered the existing SPS proposal, including both works and service elements, a good package that could meet the need of K&T residents.

10. In response to Mr IP Kwok-him's enquiry about the annual recurrent expenditure of \$0.8 million on the SPS Project, DO(K&T) advised that the expenditure would be used mainly on the regular maintenance of FE and IKs. It would also cover the charges for internet access and electricity supply, and would be absorbed by the recurrent expenditure of the Home Affairs Department and K&TDO.

Fitness equipment for the elderly

11. Referring to the proposed FE to be installed in K&T as illustrated in Enclosure 2 of the Administration's paper, Mr WONG Kwok-hing cautioned that some of the equipment might not be suitable for the elderly, who needed to exercise their shoulders as well as the joints of their feet. He suggested that, to identify the suitable FE for the elderly, apart from the recommendations of equipment suppliers, the Administration should seek views from professionals with expertise in health care for the elderly. DO(K&T) responded that the illustrations in the paper only served as examples for members' reference. K&TDC would take the lead in the selection and procurement of FE. Mr Dennis LEUNG, Member, Kwai Tsing District Council, noted Mr WONG' views. He assured members that the area committees in K&T would consult the residents on the selection of FE.

12. Mr Albert CHAN cast doubt on the suitability of some of the 29 proposed locations, such as community halls/centres, for installing FE for public use. He opined that the Administration should consider whether the

use of FE at these venues worked in harmony with the environment. Expressing concerns about the future utilization rates of the FE and KIs under the present proposal, Mr CHAN suggested that the Director of Audit should keep in view whether the provision of FE under K&T's SPS Project was value-for-money.

The information kiosks

13. Mr Charles MOK enquired whether the IKs would only provide hyperlinks to health-related websites and whether IKs to be installed at different locations would provide the same information. DO(K&T) replied that other than providing hyperlinks, useful information for users would be prepared and displayed on the IKs. Moreover, IKs would serve as a communication channel to disseminate information on community activities in K&T. K&TDC would determine in due course whether or not the IKs in different locations would provide the same information.

14. Mr MOK further enquired whether the information to be given on the IKs would be politically neutral so that it would not become a platform for individual DC members to disseminate information that would help build up their own reputation or pursue their own political ends. DO(K&T) explained that the information about community activities on the IKs would only be that on the activities organized or funded by K&TDC but not the activities organized by individual DC members or political parties.

Community health care services to be provided under the Signature Project

15. Noting that of the \$100 million earmarked for K&TDC to undertake the SPS Project, K&TDC would allocate \$80 million to meet the cost of the delivery of community healthcare services including dental care, Ms Emily LAU enquired about the scope of the dental service and its sustainability after the funding for the SPS Project was exhausted. DO(K&T) replied that K&TDC had proposed to set aside \$40 million to support Yan Chai Hospital to provide dental care services such as oral examination, tooth extraction, denture, tooth prosthesis, etc., for K&T residents who were aged 60 or above. The services would be provided by two mobile dental clinics. The target service level in the first three years was 16 200 visits of dental services. Mr CHOW Yick-hay, Member, Kwai Ching District Council, added that K&TDC together with the SPS partners would endeavour to ensure the financial viability and sustainability of the SPS Project. The SPS partners would explore alternative funding sources, such as donations.

16. Miss Alice MAK declared that she was a member of K&TDC. She said that the SPS Project was unanimously supported by K&TDC and called

on members to support the relevant funding application when it was submitted to FC. She held the view that if the dental care services under the Project could be implemented successfully, other DCs could follow suit and the Administration would have no excuse for not allocating resources to support the continuation of the services.

17. The Chairman reminded members that the discussion of the Subcommittee should focus on the funding proposal for the works project.

Engaging non-civil service contract staff

18. Expressing support for the proposal to provide community healthcare services to cater for the need of local residents, in particular the elderly, Miss CHAN Yuen-han asked about the reason for allocating \$4 million under the SPS Project to engage non-civil service contract ("NCSC") staff to oversee project implementation. In her view, it would be better to make use of the fund on providing health care services for the elderly. DO(K&T) explained that the NCSC staff would take part in the tendering exercises for procuring FE, perform on-site inspections to monitor the compliance of the service delivery of the two SPS partners with the relevant service agreements, and collect user feedback, etc. He said that prudence had been exercised in the allocation of funds among various uses under the SPS Project. He assured members that the use of project fund would be closely monitored by K&TDC. Miss CHAN said that similar to other DCs, K&TDC already had an established mechanism for monitoring the implementation of its programmes. Only when it was necessary should additional staff be employed.

19. The Chairman reminded members that the discussion of the Subcommittee should focus on the current funding application for the works project.

20. At the request of Miss CHAN Yuen-han and Mr Tony TSE, to facilitate members' consideration of the funding proposal for the SPS Project when it was submitted to FC, the Administration would provide written information on (i) the justifications for expending \$4 million on the relevant NCSC staff; (ii) with a breakdown on the expenditure, how the proposed allocation of \$4 million would be used; and (iii) the scope of the project to be overseen or the work to be done by the NCSC staff.

Admin

21. Mr IP Kwok-him opined that in view of the scale of the SPS Project and the limited staffing resources presently allocated to DCs, the provision of \$4 million to engage NCSC staff was necessary to ensure that the project would be duly monitored. Miss Alice MAK expressed a similar view. She

opined that although Liaison Officers of the Home Affairs Department had all along assisted in taking forward certain ad hoc projects, additional staffing resources were required to cope with the extra workloads generated from the implementation of the SPS Project. At the request of Miss MAK, the Administration would provide information on, in respect of the fund of \$4 million, the scope of work to be taken up by the NCSC staff.

22. The item was voted on and endorsed.

PWSC(2013-14)37 822TH Cross Bay Link, Tseung Kwan O

23. The Chairman advised that the proposal was to upgrade part of 822TH to Category A at an estimated cost of \$68.3 million in money-of-the-day prices for carrying out the detailed design and site investigation works for the proposed Cross Bay Link ("CBL"), Tseung Kwan O ("TKO"). The Panel on Transport had been consulted on the proposal on 28 February 2014 and Panel members in general supported the funding proposal. The gist of the Panel's discussion had been tabled at the meeting.

Works schedule

24. Mr James TIEN said that LegCo Members belonging to the Liberal Party supported the funding proposal. He questioned about the timetable for the commissioning of the proposed CBL. Considering that CBL was designed to connect with the Tseung Kwan O - Lam Tin Tunnel ("TKO-LTT"), he expressed concerns on whether the CBL project would be affected by the slow progress of the construction of TKO-LTT.

25. Under Secretary for Transport and Housing ("USTH") responded that the proposed works for CBL, i.e. detailed design and site investigation works, were expected to commence in August 2014 for completion by end 2016. Upon the completion of the proposed works, the Administration would proceed to seek the funding approval for the construction of CBL, which was expected to be completed by 2020. He advised that in May 2013, FC had approved the funding for the detailed design and associated site investigation works of TKO-LTT. It was the plan of the Administration to tie in the commissioning of CBL with that of TKO-LTT. Director of Civil Engineering and Development ("DCED") supplemented that the CBL project involved the construction of a carriageway of about 1.8 kilometres long across the TKO Bay. The works were complex in nature and would take time. Moreover, it was necessary to conduct site investigation to collect and study the seabed soil samples in the area concerned. The proposed works also included a wind tunnel test.

26. Dr Elizabeth QUAT said that LegCo Members belonging to the Democratic Alliance for the Betterment and Progress of Hong Kong supported the funding proposal and the early implementation of the CBL project. Noting that the link was expected to be commissioned by 2020, she urged the Administration to consider ways to expedite the project. Mr Tony TSE and Mr James TIEN enquired whether some components of the CBL project could proceed in parallel to advance the completion of the whole project. Mr TSE asked about the schedule for the works related to the construction of the proposed connecting roads between TKO-LTT and the area around TKO Town Centre/Tiu Keng Leng.

27. USTH replied that the Administration had adopted a realistic approach in working out the timetable for the CBL project. He advised that the Administration understood the local community's aspiration for the early commissioning of CBL and would strive to expedite the proposed works as far as practicable. DCED added that the construction of the connecting roads between TKO-LTT and the TKO Town Centre was included in the TKO-LTT project. The Administration had commenced the detailed design and associated site investigation works for TKO-LTT and this was in advance of the CBL project.

28. Mr Frankie YICK expressed support for the funding proposal. He opined that it was most desirable for CBL, TKO-LTT and the highway connecting the tunnel with Po Yap Road to be commissioned at the same time. In the event that the TKO-LTT project fell behind schedule, the Administration should tie in the commissioning of the highway with that of CBL, so that a connection linking the southeastern part to other parts of TKO would become available as an alternative to Wan Po Road when the latter was blocked by traffic accidents or congestion.

Environmental and traffic impacts

29. Mr Michael TIEN said that Members belonging to the New People's Party supported the CBL project. Mr TIEN enquired about the assessment of the noise impact to be caused by the future traffic flow at the roundabout at Po Shun Road/Chui Ling Road/Po Yap Road upon the commissioning of CBL on the residents of the housing developments nearby, such as Choi Ming Court, Park Central and Ocean Shores, and the mitigation measures to be taken to reduce the noise nuisances.

30. In reply, DCED advised that the Administration had carried out the relevant Environmental Impact Assessment ("EIA") and Traffic Impact Assessment ("TIA") for the area concerned. It was expected that after CBL

was open to use, while there would generally be more traffic at TKO South as a result of population intake in that area, the traffic congestion at the junction of Po Shun Road/Chui Ling Road/Po Yap Road would however be relieved, as the external traffic to and from the southeastern part of TKO would not need to route through the TKO town centre. He continued that, to reduce the noise nuisances anticipated to be caused by the traffic flow on Po Shun Road to and from CBL or TKO-LTT in future, the Administration would implement noise mitigation measures recommended in the EIA report, including resurfacing the relevant road sections with low-noise materials and submerging a section of the road near Ocean Shores below the ground level. At the request of Mr TIEN, the Administration undertook to provide information, citing the results of the relevant EIA and TIA, on (i) the anticipated increase in the traffic flow at the roundabout at Po Shun Road/Chui Ling Road/Po Yap Road upon the commissioning of CBL; (ii) the noise impact of the increased traffic flow; (iii) the mitigation measures to be taken to reduce the noise nuisances caused by the increased traffic; and (iv) whether noise barriers would be installed near the roundabout; if no, the reasons.

(Post-meeting note: The Administration's supplementary information was circulated to members vide PWSC67/13-14 on 29 April 2014.)

31. Mr Gary FAN declared that he was a member of Sai Kung District Council ("SKDC") and a TKO resident. He said that SKDC, including himself, supported the early construction of CBL. Sharing Mr Michael TIEN's concern about the traffic noise impact upon the completion of CBL, Mr FAN said there were local views that the proposal to resurface the concerned road section with low-noise materials alone was inadequate for reducing the noise to an acceptable level. He considered it necessary for the Administration to install noise barriers along the section of Po Shun Road between Po Yap Road and Tong Ming Street. DCED responded that the Administration understood the concerns of local residents over the traffic noise impact in future. He advised that the Administration would work out suitable mitigation measures in light of the findings of the relevant EIA.

32. Considering that the proposed works would take a few years to complete, Dr Elizabeth QUAT enquired whether the Administration had assessed the impact of the works on the traffic condition and the environment, such as air quality, in TKO. DCED replied that the proposed works would be carried out at TKO Bay and should have little impact on the existing traffic in TKO. Different from site formation works, the proposed works mainly comprised the construction of a carriageway across the TKO Bay. They would not have much impact on the environment of the residential areas in TKO. He added that the works contract would include conditions

requiring the contractor to minimize the impact of the proposed works on local residents. Moreover, site supervision would be in place to monitor the impact of the works.

Provision of infrastructural facilities for the data centres in Tseung Kwan O Industrial Estate

33. Mr Charles MOK said that Wan Po Road was currently the only feeder road that connected the TKO Industrial Estate with other areas. According to the companies which had set up data centres in the Industrial Estate, the underground space of Wan Po Road for accommodating public utilities was close to its full capacity. He recalled that, in its reply to a written question raised by him at a Council meeting, the Administration had advised that if public utility companies, including telecommunications companies, needed to install optical cables along CBL and could prove that there were no feasible alternatives, they might submit detailed proposals together with the justifications to the Administration for consideration. He questioned whether it was the appropriate time for these companies to submit such proposals. DCED replied in the affirmative.

34. In response to Mr MOK's view that the Administration should include such public utility facilities as the ducts for optical cables in the design for new road infrastructures proactively and should not only allow the concerned companies to install them when there were no other alternatives, Chief Engineer (New Territories East (1)), Civil Engineering and Development Department, advised that bridges such as CBL were already accommodating a certain amount of infrastructural facilities to facilitate smooth operation of the bridges and hence installation of additional facilities such as cables would have to be considered carefully. Such facilities would impose extra loads on a bridge's building structure. Moreover, to carry out the installation and maintenance works for these facilities, the relevant bridge section might have to be closed. Based on the above considerations, the Administration would only approve the installation of telecommunications cables on bridge structures when there were no feasible alternatives.

35. The item was voted on and endorsed.

PWSC(2013-14)38 747CL Advance site formation and engineering infrastructure works at Kwu Tung North new development area and Fanling north new development area

36. The Chairman advised that the proposal was to part-upgrade 747CL to

Category A at an estimated cost of \$340.8 million in money-of-the-day prices for the "Advance site formation and engineering infrastructure works at the Kwu Tung North ("KTN") new development area ("NDA") and the Fanling North ("FLN") NDA – detailed design and site investigation". The Panel on Development ("DEV Panel") had been consulted on the proposal on 25 February 2014 and the majority of Panel members supported the submission of the proposal to PWSC for consideration. The gist of the Panel's discussion had been tabled at the meeting.

The impact of the development project on existing residents

37. Mr Michael TIEN said that he supported the development of KTN NDA and FLN NDA ("the two NDAs"). He opined that development of new towns would inevitably affect the existing local communities and urged the Administration to fully engage the affectees in working out solutions to address their concerns. Mr Frankie YICK enquired whether the Administration would tackle the various issues arising from the development proposals for the two NDAs, including the request to increase the amount of compensation for the affectees, village resite, etc., before the commencement of the proposed works. Miss CHAN Yuen-han said that the Administration should give due regard to the concerns of the existing residents on the rehousing arrangement, the aspiration of the operators of soy sauce factories for continuation of business, the demand of the residents of the residential care homes for the elderly ("RCHEs") at Dills Corner Garden for "no removal and no demolition", etc., and communicate closely with these affectees to come up with acceptable solutions.

38. Deputy Secretary for Development (Planning & Lands) 1 ("DS(P&L)1/DEVB") responded that the two NDAs were major sources of land supply to meet Hong Kong's medium- to long-term housing, economic and social needs. To ensure timely provision of housing land and adequate infrastructure, the Administration needed to start the proposed works as early as possible. He said that since the draft Outline Zoning Plans ("OZPs") for the two NDAs had been gazetted in December 2013, the Administration had maintained communication with the residents, shop operators, factory owners, agricultural organizations, farming households, operators and residents of the RCHEs at Dills Corner Garden and other relevant stakeholders at the district level. Moreover, the Secretary for Development had visited the villagers in KTN and FLN as well as the operators of factories in KTN, including the soy sauce factory, to understand their situations. DS/DEV(P&L)1 advised that the concerns of the affectees had been noted and their requests were being actively considered by the Development Bureau ("DEVB") together with other relevant policy bureaux. He assured members that the communication with the affected clearerees would continue.

39. Dr Fernando CHEUNG was of the view that in conducting planning studies for the two NDAs, the Administration should have taken into account the adverse impacts of the proposed development on the existing residents, farmers and small business operators and take appropriate actions to solve the problems. However, the Administration had not done so before submitting the present funding proposal.

40. Mr Gary FAN opined that members should not endorse the funding proposal given that the Administration had not yet resolved the controversies over the development project. He said that the Administration was in breach of procedural justice and had disregarded the statutory town planning procedure by submitting the funding proposal to LegCo when the relevant draft OZPs for the two NDAs were still under the Town Planning Board's consideration. In order to press ahead with the implementation of the development project, the Administration had divided the project into smaller ones and taken forward the advance works on Government land first so as to avoid strong resistance from the local residents.

41. Dr Helena WONG queried whether it was the plan of the Administration to proceed with the development project without considering the views and concerns of the public, such as the arrangements for agricultural rehabilitation, the suggestions on resumption of the Fanling Golf Course site for housing development, etc.

42. DS(P&L)1/DEVB responded that the Administration acknowledged the importance of addressing the needs and concerns of the affected clearerees and ensuring a smooth implementation of the development project. He reassured members that the Administration would continue to listen to the views of the affected residents and members of the public on the project. The Administration would strive to work out solutions that were reasonable and in line with public interests, while ensuring proper use of public monies. He explained that the purpose of the proposed works was to conduct detailed design and associated site investigation for the site formation and engineering infrastructure in the areas proposed to be covered by the advance works of the two NDAs. The design and investigation would provide useful information for the Administration to prepare funding proposals for carrying out the main works for developing the two NDAs subsequently. In line with the usual arrangements for public works projects, the proposed design works would proceed in parallel with other steps of implementation for the development project, including the statutory town planning process and preparation for land clearance, so as to shorten the implementation time for the project.

43. Mr CHAN Hak-kan remarked that a number of issues arising from the proposed development of the two NDAs, such as the concerns of the operators and residents of the Home of Loving Faithfulness ("HOLF") and the RCHEs at Dills Corner Garden, the provision of a district cooling system in KTN NDA and public transport services in the two NDAs, fell under the purview of different policy bureaux. He requested that apart from DEVB, representatives of other relevant policy bureaux should send representatives to attend future meetings, in particular the meeting of the FC, to respond to Members' questions on the development project.

Tendering of the proposed works

44. Mr Albert CHAN stated that he was opposed to the funding proposal. He opined that as the two NDAs in fact covered two separate areas, the Administration should split the proposed work into two packages of a smaller scale for tender so that not only large engineering consultancy companies, but also the smaller ones, would be eligible for bidding the contracts. Moreover, to separate the proposed work into two consultancy contracts would make it easier to monitor the use of the project funds.

45. Director of Civil Engineering and Development ("DCED") replied that as the two NDAs were geographically close to each other and the first population intake for the two areas would take place in more or less the same period, it was reasonable and more cost-effective to engage a single consultant to carry out the proposed work. Mr Albert CHAN remained of the view that, to allow smaller consultancy companies to bid the consultancy contracts, the Administration should carry out the proposed work under two separate projects.

The residential care homes for the elderly at Dills Corner Garden

46. Recalling that a motion had been passed at the meeting of DEV Panel on 25 February 2014 demanding the Administration to retain or relocate the RCHEs at Dills Corner Garden, Mr CHAN Han-pan enquired about the progress of the Administration's planning on the matter. Mr WU Chi-wai was concerned that the Administration's paper had not given any information about the arrangements to address the concerns of the elderly living at Dills Corner Garden. Mr Gary FAN opined that the proposal in the motion passed by DEV Panel on 25 February 2014 was illogical. He stressed that the elderly living at the RCHEs at Dills Corner Garden demanded "no relocation and no demolition".

47. Mr Michael TIEN considered it pivotal for the Administration to carefully work out the displacement arrangement for the affected elders at

Dills Corner Garden. He opined that the Administration should, first, accord priority to the displacement of 306 of them who had been granted subsidized residential care services ("RCS") places and, secondly, guarantee the provision of RCS places for another some 100 of them who were on the waiting list for such places, which were expected to be available to these elders in around 2016 or 2017. Of the remaining some 500 elderly residents without subsidized RCS places, the Administration should consider leasing out land for the RCHEs concerned to continue their business at a similar rental level and in a comparable environment.

48. DS(P&L)1/DEVB replied that the site of Dills Corner Garden was leased out by the Administration on short-term tenancy to 16 private RCHEs. The site had formerly been used as military officers' quarters. He advised that the Administration had all along paid attention to the need of the elderly residents living at the RCHEs at Dills Corner Garden. The Secretary for Development and the Secretary for Labour and Welfare had visited the RCHEs and met with the operators and the residents. DEVB, the Labour and Welfare Bureau and relevant departments, including the Social Welfare Department, were in ongoing discussion of different possible options to relocate the elderly residents at the RCHEs and to ensure proper care of them.

49. Mr CHAN Han-pan was concerned whether the proposed site investigation works including the associated drilling operation would cause nuisances to the elderly living at Dills Corner Garden. DCED replied that as part of the North East New Territories ("NENT") NDAs Planning and Engineering Study, the Administration had already carried out some preliminary site investigation works in KTN and FLN. Although the works involved the drilling of 38 bore holes and installation of 13 inspection pits, they had not generated any notable nuisance to the local residents. Similar drilling works would be carried out under the present proposal. In the event that the site investigation works had to be conducted in the vicinity of the RCHEs at Dills Corner Garden, the Administration would discuss with the operators how to minimize the nuisance, if any, to the residents.

50. The Chairman remarked that the Panel on Welfare Services would discuss the rehousing matters relating to RCHEs (including the privately-run RCHEs at Dills Corner Garden) affected by the North East New Territories New Development Areas Project at its meeting on 14 April 2014.

(Post-meeting note: The discussion was re-scheduled to 12 May 2014.)

[To allow sufficient time for discussion, the Chairman suggested and members agreed that the meeting be extended to 10:45 am.]

Relocation of existing facilities

51. Noting that the Administration had included in its funding proposal the provision of a resite area at A Kung Kok Shan Road, Sha Tin, for HOLF, Dr Fernando CHEUNG enquired whether all the existing facilities of HOLF would be reprovisioned at the new site. He opined that, as the new site was located on a slope and HOLF's clients were physically handicapped people, to facilitate their access to HOLF in future, it was important for the Administration to ensure that the necessary barrier-free access facilities would be provided at the resite area.

52. Assistant Director (Development), Civil Engineering and Development Department ("AD(D)/CEDD"), responded that the Administration would take into account the need for barrier-free access facilities at the resite area when working out the detailed design and transport arrangements. Dr Fernando CHEUNG said that according to HOLF, although there had been some communication between HOLF and CEDD, the Administration so far had not given any formal undertaking with respect to the details of the reprovisioning arrangements. He opined that apart from CEDD, other relevant departments should take part in working out the resite arrangement given that HOLF provided medical and social services. Considering that the Administration planned to submit the funding proposal to FC shortly, he requested the Administration to provide information timely to respond to his queries and requests, and ensure that Government officials from the departments concerned would attend the relevant meeting of FC to give more information about the reprovisioning arrangements.

(Post-meeting note: The Administration's supplementary information was circulated to members vide PWSC64/13-14 on 28 April 2014.)

53. Noting that the funding proposal covered the reprovisioning of the North District Temporary Wholesale Market, Dr Helena WONG enquired about the products currently sold in the market. Chief Engineer (Project Division 2) (New Territories North and West), Civil Engineering and Development Department, advised that the products sold were vegetables locally grown or imported from the Mainland.

Site investigation for contaminated soil

54. With reference to remediation of contaminated soil in KTN, which was part of the proposed works, Mr WU Chi-wai enquired about the distribution of the contaminated soil between Government and private land and whether the Administration would conduct remediation for such soil on private land. Mr Albert CHAN held the view that KTN NDA was planned

to transfer benefits to a large consortium as most of the sites under its ownership had been earmarked by the Administration for residential development; moreover, the proposed railway station would be located near these residential sites. It would be unacceptable for the Administration to spend public monies on soil remediation on private land.

55. DCED replied that the site investigation carried out during the NENT NDAs Planning and Engineering Study showed that arsenic soil existed naturally in KTN and some of it was found deep underground. Based on a preliminary estimate, about 700 000 m³ of contaminated soil would require remediation. However, the Administration did not have an estimate about its distribution under private and Government land. Of the estimated \$41 million for carrying out the proposed site investigation works in the two NDAs, part of it would finance a detailed survey to ascertain the distribution of contaminated soil in the area and to determine the appropriate remediation methods. He asserted that there was no relationship between the survey and the ownership of the land concerned.

56. DS(P&L)1/DEVB added that in undertaking public works projects in an NDA, it was necessary for the Administration to carry out site investigation for the area as a whole in order to work out a feasible plan for the next stage of engineering and planning works. At Mr Albert CHAN's request, the Administration would provide information on (i) the total amount of fund to be allocated for carrying out the detailed survey on contaminated soil in KTN; (ii) whether the survey would be conducted on the land owned by private developers or land-owners in KTN; and (iii) whether in developing new towns in the past, public funds had been spent on investigations/surveys with respect to contaminated soil on the land owned by private developers or land-owners.

(Post-meeting note: The Administration's supplementary information was circulated to members vide PWSC64/13-14 on 28 April 2014.)

Provision of public transport services

57. Mr Frankie YICK and Mr CHAN Hak-kan enquired whether a railway station would be provided in FLN NDA. While a railway station had been planned in KTN NDA and there would be an additional population of about 73 300 in FLN NDA, Mr CHAN opined that a railway station should also be provided in FLN NDA as well. He cautioned that the mere provision of bus and minibus services connecting FLN NDA with the existing Fanling railway station could not cater for the future external transport demand. Mr YICK opined that in view of the future population increase in FLN NDA, the Administration should seriously consider the provision of a

railway station in the area. To alleviate the traffic congestion in Fanling, consideration should also be given to widening Sha Tau Kok Road to improve the vehicular flow in Sha Tau Kok, Ta Kwu Ling and the proposed tunnel which would form part of the connecting road linking the Liantang/Heung Yuen Wai boundary control point with the Tolo Highway.

58. In reply, AD(D)/CEDD advised that assessments had been conducted on the future transport demand of the new population of the two NDAs. Public transport interchanges ("PTIs") would be set up in FLN NDA and feeder bus services would be provided for future residents to travel to urban areas via nearby railway stations.

59. DCED added that the Transport and Housing Bureau ("THB") was undertaking a review on the Railway Development Strategy 2000, which included a review of the railway development in New Territories North. The results of the review would be available shortly. He remarked that the Administration had all along paid heed to the transport needs of the future population in FLN NDA. Apart from providing PTIs, the proposed Fanling Bypass was also intended to connect FLN NDA with the Fanling Highway. According to the relevant traffic and transport assessments, the Bypass would help ease the traffic congestion in the area. At Mr CHAN Hak-kan's request, the Administration undertook to provide specific information on the locations of the proposed PTIs in FLN NDA, the results of the demand assessment on the external transport for the new population in FLN NDA, and whether a railway station would be provided at FLN NDA.

(Post-meeting note: The Administration's supplementary information was circulated to members vide PWSC64/13-14 on 28 April 2014.)

Agricultural rehabilitation

60. Mr WU Chi-wai was concerned whether the Administration had put in place measures to cater for the demand of the existing farmers in KTN and FLN for agricultural rehabilitation. Miss CHAN Yuen-han said that although the Administration had identified fallow farmland in Kwu Tung South that might be suitable for agricultural rehabilitation/resite, the affected farmers might not consider it practicable to relocate their farms to the area as the landlords might not be willing to lease out the farmland.

61. DS(P&L)1/DEVB replied that the Agriculture, Fisheries and Conservation Department ("AFCD") would take a proactive stance in liaising with the land owners in Kwu Tung South to match up those who were willing to rent out/sell their farmland with these farmers. He advised that in view of the concerns raised by farming households and relevant organizations about

the supply of farmland to cater for the requests for agricultural rehabilitation, DEVB was actively discussing with the Food and Health Bureau and AFCD on the matter.

[To allow sufficient time for discussion, the Chairman suggested and members agreed that the meeting be extended to 11:00 am.]

District cooling system

62. Pointing out that the project to provide a district cooling system ("DCS") at Kai Tak Development ("KTD") had involved a significant cost overrun, Mr CHAN Hak-kan urged the Administration to ensure the cost-effectiveness of the DCS to be provided in KTN NDA.

63. Mr WU Chi-wai cautioned that the cost of providing a DCS was substantial. Considering that the Administration so far had not proposed a feasible cost recovery plan with respect to the provision of a DCS in KTN NDA, and, unlike KTD, KTN NDA was far away from the waterfront, Mr WU was concerned that the cost of providing such a system at KTN might even be higher than that at KTD.

64. DCED responded that DCS could bring significant environmental benefits. The Administration understood the concerns over the cost-effectiveness of the system and had included in the funding proposal a provision to conduct an investigation study, including financial analysis, to examine the case of constructing a DCS in KTN NDA.

65. The Chairman put the item to vote. At the request of Dr Helena WONG, the Chairman ordered a division. Of the 26 members present, 25 members voted. 17 voted for, 8 voted against the proposal and 0 abstained from voting. The voting results were as follows:

For:

Mr CHAN Kam-lam
Mr WONG Kwok-hing
Dr LEUNG Ka-lau
Mr Michael TIEN
Mr Charles MOK
Miss CHAN Yuen-han
Miss Alice MAK
Dr CHIANG Lai-wan
Mr Tony TSE
(17 members)

Mr TAM Yiu-chung
Mr CHAN Hak-kan
Mr IP Kwok-him
Mr Frankie YICK
Mr CHAN Han-pan
Mr LEUNG Che-cheung
Dr Elizabeth QUAT
Mr Christopher CHUNG

Against:

Mr James TO
Mr Albert CHAN
Mr Gary FAN
Dr Fernando CHEUNG
(8 members)

Ms Emily LAU
Mr WU Chi-wai
Dr Kenneth CHAN
Dr Helena WONG

Abstain:

(0 member)

66. The Chairman declared that the item was endorsed by the Subcommittee.

67. Members noted that the Administration planned to submit the funding proposals endorsed at the meeting to FC on 2 May 2014. The Chairman consulted members on whether any of the three items endorsed by the Subcommittee at the meeting would require separate discussion and voting at the FC meeting. Ms Emily LAU requested that 747CL be voted on separately at the FC meeting.

(Post-meeting note: The discussion on the recommendation of the Subcommittee on PWSC(2013-14)36 was re-scheduled to the FC meeting on 30 May 2014.)

Any other business

Special meetings

68. The Chairman said the Administration had indicated that it would submit some 35 items to the Subcommittee for consideration before the end of the current legislative session. As such, there might be a need to convene special meetings to deal with the items. The Secretariat would liaise with the Administration and inform members about the special meetings in due course.

69. The Chairman said that it was undesirable for the Administration to put forward a substantial number of items to the Subcommittee for consideration towards the end of a legislative session. He reminded the Administration to spread out the items to be considered by the Subcommittee in future.

Questions on policy matters

70. In order to ensure the smooth conduct of meetings, the Chairman reminded members that questions on a proposal had to be directly related to the agenda item. For the wider questions on policy matters, members should raise them at an appropriate Panel.

Meeting on 8 April 2014

71. The Chairman said that members had been informed vide LC Paper No. PWSC55/123-14 issued on 13 March 2014 that an additional meeting would be held on Tuesday, 8 April 2014 from 10:45 am to 12:45 pm. He advised that since some members would conduct a duty visit to Hung Shui Kiu in the morning of 8 April 2014, he would defer the commencement time for the meeting to 11:00 am and the ending time would be 1:00 pm. Members raised no objection.

72. There being no other business, the meeting ended at 10:52 am.

Council Business Division 1
Legislative Council Secretariat
29 April 2014