立法會 Legislative Council

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Panel on Home Affairs

Updated background brief prepared by the Legislative Council Secretariat for the meeting on 12 April 2016

Signature Project Scheme

Purpose

This paper provides background information on the Signature Project Scheme ("SPS") and summarizes the major views and concerns expressed by Legislative Council ("LegCo") Members on the subject.

Background

Objective and nature of SPS

- 2. To fulfill the aspiration of District Councils ("DCs") for carrying out projects of a larger scale in order to meet the specific needs of their districts, the Chief Executive announced in his 2013 Policy Address that a one-off allocation of \$100 million would be earmarked for each district to initiate one to two SPS projects. All the projects have to be proposed, discussed and agreed by DCs before they are put to implementation. The DC concerned must be satisfied that the project will address local needs or be able to highlight the characteristics of the district, having a visible and lasting impact in the community.
- 3. An SPS project may be works or non-works in nature, or a mixture of both. All SPS projects will be subject to a lower limit of \$30 million and an upper limit of \$100 million. To enhance creativity and flexibility, DCs may partner with relevant non-profit-making organizations ("NPOs"), business organizations, statutory bodies or government departments to implement the SPS projects.

Timeframe and funding approval procedure

4. The Administration has initially set 31 March 2013 as the earliest target for DCs to submit their proposals to the Home Affairs Department ("HAD"), but it appreciates that some DCs may need more time to deliberate on the matter

before submitting their proposal(s) to HAD. DCs will be given a high degree of flexibility to plan and formulate their proposals and can submit their project proposals when considered mature for detailed investigation and planning for implementation. While the Administration did not prescribe that the projects should be completed within the fourth term of DC (2012-2015), it was hoped that the projects could commence or even be accomplished as early as practicable.

5. Regarding the funding approval procedure, DCs are required to follow the established procedures to seek funding approval from LegCo for implementation of individual SPS projects. If an SPS project has a works component, it will be submitted to the Finance Committee ("FC") for funding approval upon obtaining the endorsement of the Public Works Subcommittee ("PWSC"). For projects that are non-works in nature or the non-works components of any SPS projects costing more than \$10 million, they will be submitted directly to FC for funding approval. If the non-works component of an SPS project costs \$10 million or less, the Administration will follow the established mechanism to seek funding approval under delegated authority from within the Government.

Major views and concerns expressed by LegCo Members

6. The views and concerns expressed by LegCo Members on SPS at various committee meetings, including the Panel on Home Affairs ("the Panel"), PWSC and FC, are summarized in the ensuing paragraphs.

Objective and nature of SPS projects

- 7. Some Members considered that individual DCs should be allowed with flexibility in the planning of SPS projects having regard to their unique and special circumstances. However, the Administration should give directions to DCs on what and how SPS projects should be taken forward and provide yardsticks for DCs to evaluate proposals, so as to facilitate DCs to resolve differences on project(s) to be implemented and assist them in identifying the SPS project(s) that could best cater for the overall needs of local communities.
- 8. According to the Administration, the objective of SPS was mainly to provide additional resources to DCs for implementing larger scale and sustainable projects to address the specific needs of individual districts. It was the aim of the Government to make the best use of community wisdom in going for SPS. As DCs would have the full discretion to utilize the fund allocated under SPS, it was for individual DCs to decide on the process of evaluation.

Resources support for implementing SPS projects

- 9. Some Members enquired how the Administration would provide resources to enable DCs to carry out non-works SPS projects. According to the Administration, resources for non-works projects had been earmarked in its annual Estimates of Expenditure. Apart from five time-based civil servant posts created in HAD, additional time-based non-civil servant contract posts would be created in HAD and relevant works departments to support the work of individual DCs.
- 10. Concern was raised about the arrangements for the management and maintenance of the SPS projects initiated by DCs at a number of Panel meetings as well as the FC meeting on 10 May 2013 and the PWSC meeting on 30 June 2015 when discussing the proposed SPS projects submitted by DCs. Administration advised that if DCs partnered with government departments in implementing SPS projects, the partner departments would take up the subsequent management and maintenance. Where DCs partnered with NPOs, they would have to work out the share of responsibilities and the subsequent operation of the project. Moreover, NPO should ensure that all earnings arising from the operation of an SPS project would be ploughed back to the project so as to sustain the operation on a self-financing basis in the long run. Guidelines for the selection of NPO partners would be issued to DCs for reference. management and maintenance responsibilities of SPS projects would have to be agreed upon by the relevant stakeholders before submitting the project proposals to the Panel for consideration. The Administration aimed to encourage tripartite co-operation involving the Government, the community and the business sector in implementing SPS projects. Some Members took the view that the Administration should consider increasing the resources allocated to DCs to facilitate their implementation of larger scale and sustainable SPS projects when the Administration reviewed the way forward for SPS.
- 11. At the Panel meeting on 10 April 2015, some members expressed concern about why funds were earmarked under some SPS projects for the employment of non-civil service contract ("NCSC") staff, as a total of \$200 million had already been set aside for use by the HAD Headquarters and 18 District Offices to, among others, finance the employment of NCSC staff. The Administration advised that the \$200 million provision was reserved for financing preliminary studies and consultancies and employment of NCSC staff for carrying out the requisite preparatory and support work, whereas the additional allocations by individual DCs were for the purpose of employing NCSC staff to oversee the implementation of the SPS projects.

Monitoring of SPS projects

- 12. Some Members considered it of paramount importance for DCs to uphold the principles of transparency and fairness in the initiation, planning, selection of partner organizations, delivery as well as monitoring of all SPS projects. In their view, a mechanism should be put in place to prevent individual DC members from making use of the SPS projects to gain political capital for themselves, such as building up personal reputation or networks with district organizations. The Administration should request all DCs to conduct district consultation before deciding on whether or not a proposal should be pursued under SPS.
- 13. Some other Members, however, pointed out that given the experience gained from the implementation of the District Minor Works Programme, DCs would have the ability to discharge their duties effectively and impartially. To improve district administration, they agreed that a monitoring mechanism should be put in place for compliance by 18 DCs in implementing SPS projects.
- 14. At the PWSC meeting on 13 March 2013, the Administration advised that the SPS projects would be subject to multi-level monitoring, and members of the community might give views on prospective projects by participating in open meetings of DCs and various local consultation forums. Project proposals put forth by DCs would be processed by HAD and subject to LegCo's scrutiny, as DCs were required to follow the established procedures to seek funding approval from LegCo for individual SPS projects. HAD had formulated detailed operational procedures on SPS which set out the rules and principles in respect of the engagement of consultants and contractors as well as the monitoring of project implementation and delivery for compliance by 18 DCs in taking forward signature projects. The SPS projects would be taken forward by DCs with HAD's support and overall coordination to ensure that there was no duplication of work among different government departments during project implementation. DCs would make appropriate arrangements to ensure that public requests for use of the facilities would be handled in a fair and open manner.
- 15. Some Members expressed concern as to whether sufficient district consultations had been conducted by DCs before deciding whether or not a proposal should be pursued under SPS. They suggested that the Administration should enhance support for DCs to improve their websites on SPS. A thematic webpage should be launched by each DC to provide progress updates on its SPS project(s) to facilitate public monitoring and understanding of the relevant SPS projects. In response to Members' concern, the Administration provided information on the number of consultations conducted by the 18 DCs for each of their SPS projects and the mechanism for handling opposing views against individual projects (see **Appendix I**).

Progress of the SPS projects

- 16. Members of the Panel raised concern time and again about the progress and implementation of SPS projects in various districts. Concern was also raised about when the funding applications on these projects would be submitted to LegCo.
- 17. The Administration advised that all the 18 DCs had agreed on their preliminary SPS proposals. HAD and respective District Offices were working closely with DCs, relevant government bureaux and departments and where applicable, partner organization(s) in taking forward these projects, including examining their technical feasibility, before seeking Members' views and FC's funding approval. The Administration would submit the remaining SPS proposals to the Panel in batches for consideration as soon as the necessary procedures were completed.
- 18. There was also concern over the impact of the prolonged proceedings of PWSC and FC meetings on the commissioning of SPS projects proposed by DCs. In some Members' view, it would be desirable that the proposed SPS projects could be commenced or implemented within the fourth term of DC. There was a view that the Administration should delegate the power of approving the funding proposals for SPS projects to DCs, so as to fulfill the Government's promise to delegate more power to DCs upon the abolition of the two former Municipal Councils. Some Members also requested the Administration to consider seeking one-off funding approval from FC to meet the costs for implementing all the SPS projects, so as to expedite implementation of SPS. The Administration advised that all DCs were required to follow the established funding application procedures for implementation of SPS projects. The Administration was also obliged to adhere to the relevant procedures in processing all funding applications in order to ensure prudent use of public funds.
- 19. Members may wish to note that of the 27 SPS projects proposed by 18 DCs, 24 have been considered by the Panel so far. Funding approval from FC has been obtained for 11 of the 24 SPS projects.

Latest development

20. The Administration will consult the Panel on the SPS projects of Sai Kung DC at the next meeting on 12 April 2016.

Relevant papers

21. A list of the relevant papers on the LegCo website is in **Appendix II**.

Council Business Division 2
<u>Legislative Council Secretariat</u>
7 April 2016

Appendix I

LC Paper No. CB(2)982/15-16(01)

民政事務總署

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26 February 2016

Ms Joanne MAK
Clerk to Panel on Home Affairs
Legislative Council Secretariat
Legislative Council Complex
1 Legislative Council Road
Central, Hong Kong
[Fax No.: 2509 9055]

Dear Ms Mak,

Panel on Home Affairs Follow up to Meeting on 18 January 2016

The Panel on Home Affairs discussed the Signature Project Scheme (SPS) projects of the Eastern District, Kowloon City District and Tai Po District at its meeting on 18 January 2016. At the meeting, a member requested information on the number of consultations conducted by the 18 District Councils (DCs) for each of their signature projects and the mechanism for handling opposing views against individual projects. Our response is set out in the ensuing paragraphs.

In accordance with the policy regarding SPS, all projects are for the DCs to advocate and decide. DCs are responsible for spearheading their implementation, including conducting district consultations, preparing implementation plans, monitoring the progress and assessing the effectiveness of the projects etc.

With regard to consultation on SPS projects, DCs adopted suitable channels having regard to the local circumstances to consult residents and

organisations and then discussed to select their SPS projects. During project implementation, DCs continue to hold different forms of public engagement and publicity activities to collect the views of residents and enhance their understanding of the projects. Consultation channels include public consultation sessions, briefing sessions, focus groups, questionnaire surveys, DC Members' consultating residents in their respective constituencies, views collection and information dissemination through DC websites.

DCs have considered the public views received and incorporated them in the projects, where appropriate. For instance, DCs have examined the feasibility and potential benefits to the districts of other project proposals before making the selection. In the course of design, DCs will actively discuss and examine local views on project details, such as project planning, operational arrangements, details of services etc., and adopt suitable and viable suggestions as far as possible to refine the design or operation plan, with a view to better addressing local needs. For any concerns or views raised by local residents or organisations on other aspects of the projects such as potential benefits to the residents, adequacy of the proposed facilities, or possible traffic and environmental impacts on the neighbouring areas, DCs would communicate with the residents or representatives of the organisations concerned and elaborate on the objectives, details and operational arrangements to allay their concerns as far as possible. Where appropriate, they would also be invited to attend meetings of the DCs or the relevant committees for direct In addition, with regard to the concerns of the residents or organsiations, DCs may, as appropriate, make available a dedicated session on their websites, issue press release or make media interviews, etc. so as to provide detailed explanation and correct information.

The implementation of SPS serves to achieve the objective of enhancing district administration by enabling DCs to implement projects of a larger scale at the district level with a view to addressing local needs. The 18 DCs will continue to communicate with local residents and organisations and disseminate information on their SPS projects through different suitable channels to promote stakeholders' understanding of the details of the projects.

Yours sincerely,

(Miss Charmaine WONG) for Director of Home Affairs

Appendix II

Relevant papers on Signature Project Scheme

Committee	Date of meeting	Paper
Panel on Home Affairs	18.1.2013 (Item IV)	Agenda Minutes
	18.2.2013 (Item V)	Agenda Minutes
Public Works Subcommittee	13.3.2013 (Item No. 1 - PWSC(2012-13)59)	Agenda Minutes
Finance Committee	10.5.2013 (Item No. 1 - FCR(2013-14)2)	Agenda Minutes
Panel on Home Affairs	10.1.2014 (Item IV)	Agenda Minutes
Finance Committee	11.7.2014 (Item No. 18 - FCR(2014-15)21)	Agenda Minutes
Panel on Home Affairs	23.7.2014 (Item III)	Agenda Minutes
	12.12.2014 (Item IV)	Agenda Minutes
	24.3.2015 (Item V)	Agenda Minutes
	10.4.2015 (Item V)	Agenda Minutes
Finance Committee	17.4.2015 (Item No. 2 - FCR(2015-16)2)	Agenda Minutes

Committee	Date of meeting	Paper
Panel on Home Affairs	11.5.2015	Agenda
	(Item V)	Minutes
	,	
Public Works	30.6.2015	Agenda
Subcommittee	(Item No. 1-	Minutes
	PWSC(2015-16)32 and	
	Item No. 16 -	
	PWSC(2015-16)43)	
	, ,	
Panel on Home Affairs	17.7.2015	Agenda
	(Item IV)	Minutes
Finance Committee	14.7.2015	Agenda
	(Item No. 1 –	Minutes
	FCR(2015-16)29)	
Panel on Home Affairs	18.1.2016	Agenda
	(Item IV)	<u>Minutes</u>
Public Works	16.3.2016	Agenda
Subcommittee	(Item No. 2-	
	PWSC(2015-16)58)	

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