

財經事務及庫務局



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**FINANCIAL SERVICES AND THE
TREASURY BUREAU**

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Translation

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電話號碼 Tel. No. : 2810 2232
本函檔號 Our Ref. : TsyB W 00/645-1-15/3 (19-20)
來函檔號 Your Ref. :

10 December 2018

Clerk to Panel on Development
Legislative Council Secretariat
Legislative Council Complex
1 Legislative Council Road, Central
Hong Kong
(Attn: Ms Doris LO)

Dear Ms LO,

**Panel on Development
Follow-up to Meeting on 27 November 2018**

At the Panel on Development meeting held on 27 November 2018, Members requested supplementary information on the agenda item “Provision for Capital Works Reserve Fund (CWRF) block allocations in 2019-20”. The Government’s response, prepared in consultation with relevant policy bureaux/departments, is at **Enclosure**.

Yours sincerely,

(Original signed)

(Margaret HSIA)
for Secretary for Financial Services
and the Treasury

Head 701 Subhead 1100CA

- (a) the scope of expenditure in respect of the item on Hong Kong section of Guangzhou-Shenzhen-Hong Kong Express Rail Link;**

The estimated cashflow requirement for this item in 2019-2020 is \$43.855 million, which covers payment of:

- (i) land compensation;
- (ii) compensation for business loss claims;
- (iii) compensation for creation of rights of temporary occupation of private land; and
- (iv) crop ex-gratia allowance.

Head 703 Subhead 3101GX

- (b) the details of the item on the proposed conversion of the existing vacant school premises for setting up of a new integrated vocational training centre at 1D Oxford Road, Kowloon Tong, including:**

- (i) the age and floor area of the vacant school premises; and**

The building age of the vacant school premises at 1D Oxford Road is 55 years. According to the drawing records available in the Building Department's archive, the total construction floor area is roughly estimated to be 5 300 square metres.

- (ii) a comparison between the vacant school premises and the existing premises of the Shine Skills Centre (Kwun Tong) in terms of age and floor area;**

The building age of the Shine Skills Centre (Kwun Tong) is 50 years. The total construction floor area based on existing records is estimated to be approximately 5 200 square metres.

- (c) the details of the item on the alteration and improvement works for the Y Loft of the Youth Square in Chai Wan, including:**

- (i) the scope of and justifications for the improvement works; and**

The Y Loft, which came into operation in December 2009, is one of the major facilities of the Youth Square. The Y Loft provides 148 guest rooms, targeting overseas and local youth organisations as well as young travellers to Hong Kong.

While there is a management and operation services contractor (the Operator) responsible for carrying out routine repair and maintenance for the Y Loft (as elaborated below), its existing facilities have inevitably shown signs of depreciation as well as wear and tear after more than ten years¹ of operation with high occupancy. There is a need for larger scale renovation works to enhance the competitiveness of the Y Loft in the market. We also plan to improve the facilities of the Y Loft so that they can keep pace with social development and conform to the latest industry standards.

The scope of the proposed works for the Y Loft is as follows:

- (a) improvement and fitting out works for all guest rooms and the ancillary areas of the Y Loft (e.g. the reception counter, workstation, fitness corner, common zone);
- (b) enhancement of building services provisions in all guest rooms and ancillary areas of the Y Loft, such as addition and alteration of power circuits and switches, WiFi re-cabling and installation of related infrastructure, installation of smart living features to allow guests to control in-room devices and installation of energy efficient LED lighting;
- (c) upgrading of finishes, including application of anti-slippery floor finishing and installation of weatherproof louvers at common corridors; and
- (d) supply and installation of furniture and curtain in guest rooms, etc. for improvement of the overall quality of the Y Loft premises.

In short, the proposed works are mainly improvement works. While minor alteration works, such as those involving power circuits and switches, will be included, there will not be any alteration works that will change the building structure or the original intended purpose of the Y Loft premises.

¹ Counted as at the planned commencement date of the proposed improvement works (i.e. early 2020).

- (ii) **whether the cost of the improvement works will be borne by the operator of the Y Loft under the tenancy agreement signed between the operator and the Government;**

The Youth Square (YS), including the Y Loft, is a government property. The Home Affairs Bureau (HAB) engages the Operator through open tender for the day-to-day management and operation of the YS and its various facilities by paying a management and service contract fee. Under the contract signed between the HAB and the Operator, the latter is responsible for routine servicing, repair and maintenance of all facilities of the YS, such as repairing or replacing damaged installations, with a view to maintaining the serviceability of the facilities of the YS. The related costs are covered by the above management and service contract fee.

As mentioned above, the proposed works mainly involve the renovation and improvement of the Y Loft facilities in order to enhance its service standard and competitiveness in the market, rather than routine repair and maintenance work to maintain its serviceability. Therefore, under the contract, the costs for such works should be borne by the Government and not the Operator.

Head 705 Subhead 5101CX

- (d) **the details of the item on further studies on climate change with the Hong Kong Observatory, including the scope and timetable of the studies;**

The impact of climate change is a matter of great concern to the Government. The Civil Engineering and Development Department (CEDD) is conducting a number of consultancy studies, including the one on compiling a list of existing critical coastal public infrastructures that are vital for the delivery of essential public services.

With a view to studying further the impact of super typhoons directly hitting Hong Kong, the CEDD will work with the Hong Kong Observatory to commission a new consultancy study. In the study, a data model will be established and sensitivity tests in simulated scenarios where Hong Kong is directly hit by super typhoons along different paths and under different wind speeds will be conducted to assess their impacts on the critical coastal infrastructures and hence provide reference for subsequent development of relevant contingency measures or emergency preparedness. The study is expected to commence in 2019 for completion in 2021.

(e) the outcomes of the Technical Study on Transport Infrastructure at Kennedy Town for Connecting to East Lantau Metropolis;

Taking into account the land use planning as shown in the Kennedy Town and Mount Davis Outline Zoning Plan as well as the existing and planned developments at the Kennedy Town, the study aims to identify transport infrastructure schemes initially assessed as technically feasible with regard to the potential traffic interface between Kennedy Town and the proposed East Lantau Metropolis, and preliminarily assess the impacts of such transport infrastructure on the development of Kennedy Town. Preliminary findings reveal that the possible highway and railway connections included in the proposed transport infrastructure will not have unacceptable impacts on the development of Kennedy Town.

The executive summary of the study has been uploaded to the webpage of the CEDD (https://www.cedd.gov.hk/eng/reports/enhancing_landsupply/index.html) in November 2017 for public viewing. It is worth noting that the transport connection schemes covered in the aforesaid study are only some of the schemes initially assessed as feasible for transport infrastructure connecting the East Lantau Metropolis to Hong Kong Island. Since the transport infrastructure schemes associated with the East Lantau Metropolis at the moment are still preliminary concepts, the transport connections between the East Lantau Metropolis and Hong Kong Island, including other possible alignments and connection points, can only be worked out after conducting further studies.

Head 706 Subhead 6101TX

(f) the details of the item on Pedestrian Subway System in Causeway Bay – Feasibility Study, including the scope and timetable of the study, and whether objections from the local residents would be considered in the study;

Taking into account the latest development in Causeway Bay, the Highways Department commenced a consultancy study in July 2018 to review the feasibility of the proposed pedestrian subway system connecting the Victoria Park to Wong Nai Chung Road and explore various pedestrian crossing improvement measures, such as upgrading at-grade footpaths, providing footbridges and introducing pedestrianisation, thus forming a pedestrian network with a holistic and coherent approach. In formulating the proposal of the pedestrian network, we will gauge public views and consult the Wan Chai District Council. The study is expected to be completed in the first half of 2020.

Head 707 Subhead 7016CX

- (g) whether the Government had conducted value-for-money assessments of the works projects commenced in the last three years under the District Minor Works Programme, and if so, the results of the assessments;**

The District Minor Works (DMW) Programme aims to improve the local facilities, living environment and hygiene conditions in various districts by implementing minor works with project cost up to \$30 million each.

Projects under the DMW Programme are proposed by the 18 District Councils (DCs) or government departments. In putting up proposals to the DCs, DC members will take into consideration the views from local residents. The DCs will consider and deliberate the merits of such proposals, including the number of potential beneficiaries and the needs of the community, and set priorities for various projects. All DMW projects have to be endorsed by DCs before they are taken forward by the relevant departments.

The DCs receive feedback on completed DMW projects from local residents and various sectors of the community from time to time. For projects which have attracted negative feedback, the Home Affairs Department (HAD) will take appropriate improvement measures, such as promulgation of guidelines on certain designs. The HAD also conducted surveys to gauge public views on completed DMW projects.

- (h) a list of the minor works projects carried out to repair the public facilities damaged during the onslaught of super typhoon Mangkhut in September 2018;**

Super typhoon Mangkhut caused damage to the facilities in various districts when it hit Hong Kong in September 2018. The HAD plans to carry out the following reconstruction or repair works to be funded under the DMW Programme, subject to the relevant DC's endorsement -

Nature of proposed works	No. of projects
(1) Reconstruction/ repair of access roads/ walking trails/ staircases	10
(2) Repair of water pipes/ solar water heating panels	2
(3) Reconstruction/ repair of building structures	3

(4) Reconstruction of floodwalls/ replacement of railings	3
(5) Repair works for minor works facilities	2

- (i) **the reasons for the significant increase in the project estimate from \$12.82 million under the proposed allocation in 2018-19 to \$14.51 million under the proposed allocation in 2019-20 in respect of the item on the boardwalk underneath the Island Eastern Corridor – detailed design;**

The CEDD intended to commence the detailed design for the proposed boardwalk project in 2018-19. As more time was required to address stakeholders' concerns before detailed design work could be carried out, the proposed project could not be commenced in 2018-19. As a result, no expenditure was incurred in 2018-19. The increase in the estimate in 2019-20 as compared with that in 2018-19 mainly reflects the price adjustment resulting from the deferred commencement of the detailed design work as well as additional work arising from increased design features having regard to stakeholders' views.

Head 708 Subhead 8100EX

- (j) **a list of the projects with the total cost exceeding the subsidy limit of \$30 million, together with the additional amount paid by the universities for each of the projects in respect of the items for alterations, additions, repairs and improvements works to the campuses of the University Grants Committee-funded institutions;**

Head 708 Subhead 8100EX is intended to cover alterations, additions, repairs and improvements works (including slope inspections and minor slope improvement works) to the campuses of the University Grants Committee-funded institutions with a subsidy of not more than \$30 million for each item. Upon approval of the projects, funding will be disbursed to universities on a monthly basis having regard to the actual expenditure incurred. Hence, the final cost for a particular project might eventually be lower than its estimated cost.

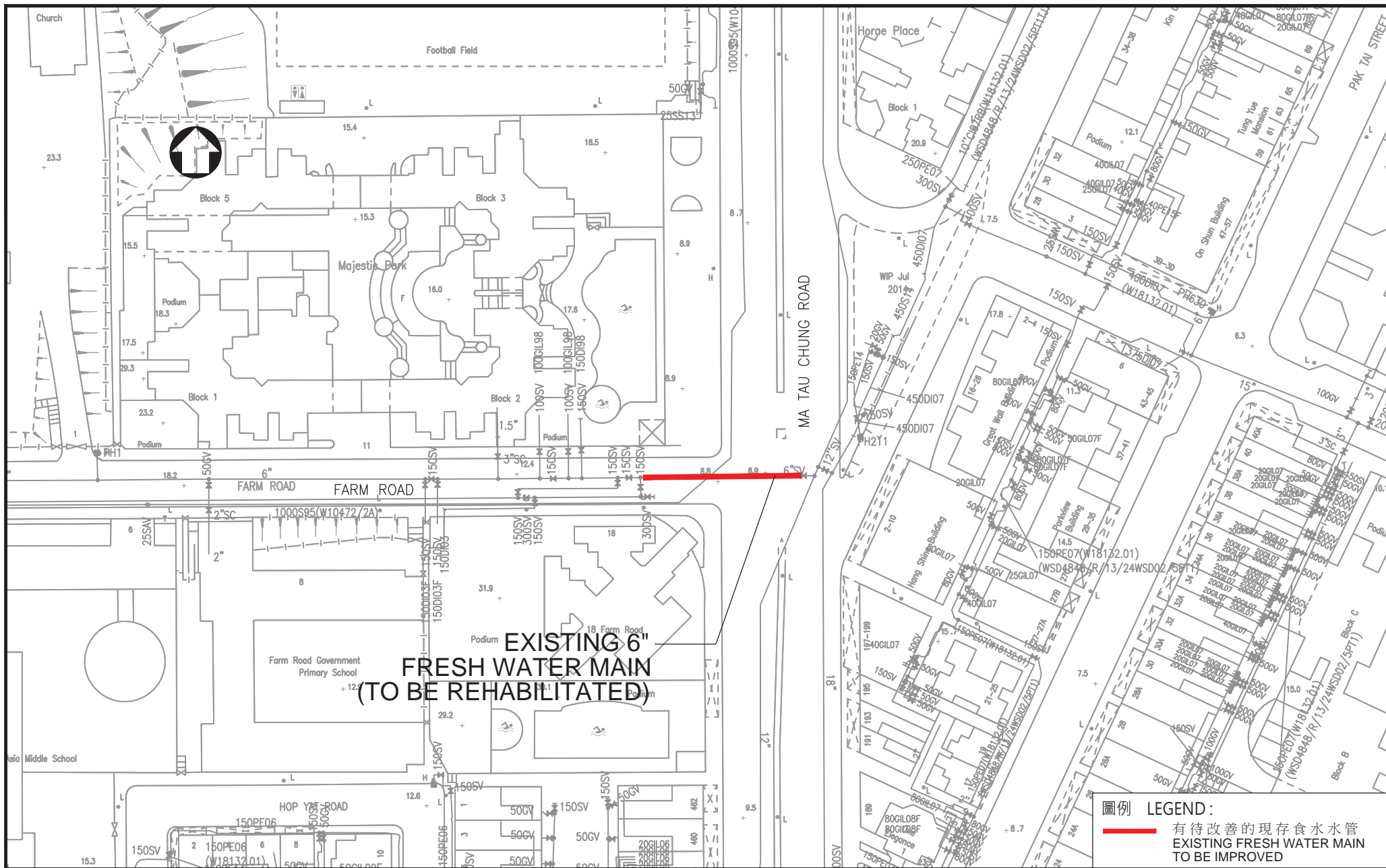
Head 709 Subhead 9100WX

- (k) **the details including the scope and timetable in respect of the item on the improvements to the water meters in Kowloon district, 2019-20 Programme; and**

The improvements to the water meters in Kowloon district, 2019-20 Programme aims to replace the existing meters installed in Kowloon district which are approaching the end of their service lives and with throughputs approaching the specified limits in 2019-20. There are a total of around 900 000 meters in Kowloon, and the estimated number of meters to be replaced in 2019-20 is 42 000. Of the number of meters to be replaced, 47% are in Sham Shui Po, Mong Kok, Yau Ma Tei and To Kwa Wan, and the rest are scattered over the other 23 sub-districts in Kowloon. The Programme is expected to commence in June 2019 for completion in May 2020.

(1) the distribution and locations of the water mains included in the programme for risk-based improvement of fresh water mains along Farm Road and Ma Tau Chung Road, Kowloon City.

The proposed works cover the risk-based improvement works on the existing DN150 fresh water mains at Farm Road near Ma Tau Chung Road, and the existing DN300 and DN450 fresh water mains at the section of Ma Tau Wai Road between Anhui Street and San Lau Street. The locations and alignment of the relevant improvement works are indicated on Sketch Nos. W20224/135 and W20224/202 (see **Appendix**). The proposed works will commence in April 2019 for completion in March 2021.

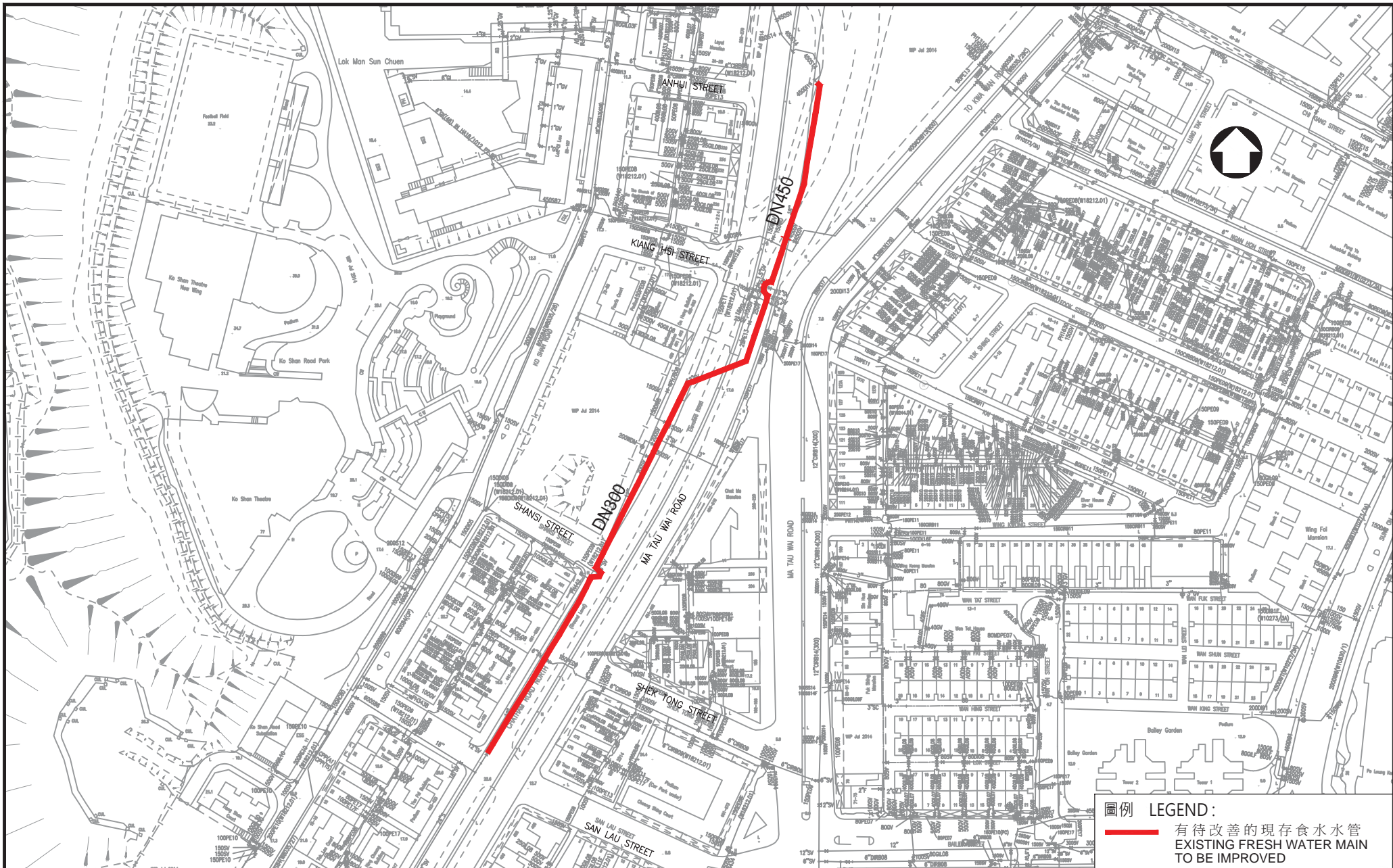


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總工程師 / 設計 CE/DES

日期 DATE

新工務計劃項目 — 九龍九龍城馬頭涌道近農圃道風險為本食水水管改善工程
 P.W.P. NEW ITEM — RISK-BASED IMPROVEMENT OF FRESH WATER MAIN ACROSS
 MA TAU CHUNG ROAD NEAR FARM ROAD, KOWLOON CITY, KOWLOON



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新工務計劃項目 — 九龍九龍城馬頭圍道風險為本食水水管改善工程
 P.W.P. NEW ITEM — RISK-BASED IMPROVEMENT OF FRESH WATER MAIN
 ALONG MA TAU WAI ROAD KOWLOON CITY, KOWLOON

水務署
 Water Supplies Department

圖則編號 W20224/202
 SKETCH NO.