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By Fax: 2840 0716

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Council Business Division
Legislative Council Secretariat
Legislative Council Complex
1 Legislative Council Road, Central, Hong Kong
(Attn: Ms Sophie Lau)

Dear Ms Lau

Panel on Transport Subcommittee on Matters Relating to Railways Meeting on 3 March 2020 - Supplementary Information on the Shatin to Central Link Project

Regarding the follow-up actions raised at the meeting of the Subcommittee on Matters Relating to Railways on 3 March 2020 in relation to the "Progress Update of the Construction of Shatin to Central Link (SCL)", please find below the supplementary information on the "Hung Hom Incidents Related Costs":-

In order to provide assurance to the public's concerns on the quality and structural safety of the Hung Hom Station Extension and adjacent structures, the Corporation has carried out the holistic assessment strategy and verification study and submitted the final reports to the Government, in which suitable measures at and near the Hung Hom Station Extension have been recommended, targeting for completion in mid-2020. Since it would take time to complete the suitable measures, the Corporation recommended and Government agreed that phased opening of Tuen Ma Line should be implemented. Tuen Ma Line Phase 1 opened on 14 February 2020.

The Corporation notes Government's position on this matter, on an interim and without prejudice basis, the Corporation agreed to fund the costs associated with the verification and assurance exercises and other related works affected by the incident at the Hung Hom Station Extension and adjacent structures, as well as the costs for the preparation and implementation of phased opening, other related costs include the additional related project management cost, the costs of all custodianship activities to protect and maintain the completed works in the Tai Wai to Hung Hom section, the costs for the prolongation and delays caused by the Hung Hom Station incidents, estimated to be around HK\$2 billion in total as listed below. These costs are not included within the revised Cost to Complete and are not included in the recent funding application in Legislative Council for the SCL project. The actual expenditures for the Hung Hom Incidents will be dealt with in accordance with relevant SCL contracts.

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Hung Hom Incidents Related Costs

Item	Budget (\$ million)
Investigation, design & implementation of work and delay costs, including contracts not yet complete	~1050
Phased opening and maintenance of completed contracts	~650
On-cost, including potential legal costs for claims settlement	~300

Yours sincerely



Horace Leung
Acting Senior Manager – Projects and Property Communications

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Transport and Housing Bureau
Railway Development Office of Highways Department