

NOTE FOR PUBLIC WORKS SUBCOMMITTEE OF FINANCE COMMITTEE

Expenditure under Capital Works Reserve Fund Block Allocations for the Financial Year 2020-21 (Up to the End of the Fourth Quarter)

Since August 1994, we have been providing quarterly reports to the Public Works Subcommittee on the updated expenditure profile of the various block allocations under the Capital Works Reserve Fund (CWRf).

2. Details of the approved allocation for the financial year (FY) 2020-21 and expenditure up to the end of the fourth quarter of FY 2020-21 (i.e. as at 31 March 2021) for individual CWRf block allocations are set out in **Enclosure 1**.

3. The Finance Committee (FC) approved at its meeting on 22 January 2021 the increase of the financial ceiling of the delegated authority for Category D items from \$30 million to \$50 million for each item in respect of 21 works-related block allocation subheads. In this connection, the FC Members requested the Government to provide the Legislative Council with information on Category D items costing over \$40 million but not exceeding \$50 million each on a half-yearly basis in the following two years. Details of the Category D item each costing over \$40 million are set out in **Enclosure 2**. The Government will provide another half-yearly update on items costing over \$40 million in the information note to be submitted at the end of the second quarter of FY 2021-22.

CWRF Block Allocations - Statement of Expenditure for the Financial Year 2020-21

Head/ Subhead	Description	Approved Allocation for 2020-21 (\$ million)	Cumulative Expenditure (\$ million) and % of Approved Allocation Spent up to the end of			
			1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Head 701 - Land Acquisition						
1004CA	Compensation for surrenders and resumptions : miscellaneous	5.1	- (0%)	- ^[1] (0%)	- (0%)	1.2 (24%)
1100CA	Compensation and ex-gratia allowances in respect of projects in the Public Works Programme	8,968.7	948.2 (11%)	2,400.2 (27%)	3,335.4 (37%)	3,886.0 (43%)
Sub-total for Head 701		8,973.8	948.2 (11%)	2,400.2 (27%)	3,335.4 (37%)	3,887.2 (43%)

[1] The cumulative expenditure up to the end of 2nd Quarter for **Subhead 1004CA** is revised from \$1.2 million to \$0 due to land title issues of the claimants.

Head 703 - Buildings

3004GX	Refurbishment of government buildings for items in Category D of the Public Works Programme	2,394.7	578.6 (24%)	1,132.8 (47%)	1,706.7 (71%)	2,394.5 (100%)
3100GX	Project feasibility studies, minor investigations and consultants' fees for items in Category D of the Public Works Programme	135.1 ^[2]	48.7 (36%)	77.6 (57%)	110.4 (82%)	135.1 (100%)
3101GX	Minor building works for items in Category D of the Public Works Programme	1,387.9	330.3 (24%)	622.0 (45%)	890.9 (64%)	1,385.0 (100%)
Sub-total for Head 703		3,917.7 ^[2]	957.6 (24%)	1,832.4 (47%)	2,708.0 (69%)	3,914.6 (100%)

[2] The Government increased the approved allocation of **Subhead 3100GX** by \$15 million from \$120.1 million to \$135.1 million under delegated authority in November 2020 to meet the increased expenditures in the 2020-21 financial year. The total approved allocation for block allocations under **Head 703** for 2020-21 has therefore increased from \$3,902.7 million to \$3,917.7 million.

Head/ Subhead	Description	Approved Allocation for 2020-21 (\$ million)	Cumulative Expenditure (\$ million) and % of Approved Allocation Spent up to the end of			
			1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Head 704 - Drainage						
4100DX	Drainage works, studies and investigations for items in Category D of the Public Works Programme	695.3 ^[3]	133.9 (19%)	294.2 (42%)	470.9 (68%)	695.3 (100%)
Sub-total for Head 704		695.3 ^[3]	133.9 (19%)	294.2 (42%)	470.9 (68%)	695.3 (100%)
^[3] The Government increased the approved allocation of the only subhead under Head 704 (viz. Subhead 4100DX) by \$15 million from \$680.3 million to \$695.3 million under delegated authority in November 2020 to meet the increased expenditure in the 2020-21 financial year.						
Head 705 - Civil Engineering						
5001BX	Landslip preventive measures	1,110.0 ^[4]	297.9 (27%)	582.4 (52%)	822.3 (74%)	1,109.8 (100%)
5101CX	Civil engineering works, studies and investigations for items in Category D of the Public Works Programme	351.8 ^[5]	129.8 (37%)	189.9 (54%)	256.8 (73%)	347.5 (99%)
5101DX	Environmental works, studies and investigations for items in Category D of the Public Works Programme	94.4	7.6 (8%)	14.5 (15%)	25.5 (27%)	44.0 (47%)
Sub-total for Head 705		1,556.2 ^[6]	435.3 (28%)	786.8 (51%)	1,104.6 (71%)	1,501.3 (96%)

^[4] The Government increased the approved allocation of **Subhead 5001BX** by \$15 million from \$1,095 million to \$1,110 million under delegated authority in November 2020 to meet the increased expenditures in the 2020-21 financial year.

^[5] The Government increased the approved allocation of **Subhead 5101CX** by \$15 million from \$336.8 million to \$351.8 million under delegated authority in July 2020 to meet the increased expenditures in the 2020-21 financial year.

^[6] With the increase in the approved allocations of **Subhead 5001BX** and **Subhead 5101CX**, the total approved allocation for block allocations under **Head 705** for 2020-21 has therefore increased by \$30 million from \$1,526.2 million to \$1,556.2 million.

Head/ Subhead	Description	Approved Allocation for 2020-21 (\$ million)	Cumulative Expenditure (\$ million) and % of Approved Allocation Spent up to the end of			
			1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Head 706 - Highways						
6100TX	Highway works, studies and investigations for items in Category D of the Public Works Programme	790.0 ^[7]	180.3 (23%)	351.6 (45%)	550.7 (70%)	789.7 (100%)
6101TX	Universal Accessibility Programme	610.0	139.6 (23%)	263.2 (43%)	395.6 (65%)	529.3 (87%)
Sub-total for Head 706		1,400.0 ^[7]	319.9 (23%)	614.8 (44%)	946.3 (68%)	1,319.0 (94%)

^[7] The Government increased the approved allocation of **Subhead 6100TX** by \$15 million from \$775 million to \$790 million under delegated authority in February 2021 to meet the increased expenditures in the 2020-21 financial year. The total approved allocation for block allocations under **Head 706** for 2020-21 has therefore increased from \$1,385 million to \$1,400 million.

Head 707 - New Towns and Urban Area Development

7014CX	Rural Public Works Programme	150.0	20.2 (13%)	45.8 (31%)	77.0 (51%)	147.4 (98%)
7016CX	District Minor Works Programme	370.6	53.6 (14%)	110.2 (30%)	163.3 (44%)	279.6 (75%)
7100CX	New towns and urban area works, studies and investigations for items in Category D of the Public Works Programme	178.9 ^[8]	29.6 (17%)	63.2 (35%)	96.6 (54%)	178.2 (100%)
Sub-total for Head 707		699.5 ^[8]	103.4 (15%)	219.2 (31%)	336.9 (48%)	605.2 (87%)

^[8] The Government increased the approved allocation of **Subhead 7100CX** by \$8.1 million from \$170.8 million to \$178.9 million under delegated authority in November 2020 to meet the increased expenditures in the 2020-21 financial year. The total approved allocation for block allocations under **Head 707** for 2020-21 has therefore increased from \$691.4 million to \$699.5 million.

Head/ Subhead	Description	Approved Allocation for 2020-21 (\$ million)	Cumulative Expenditure (\$ million) and % of Approved Allocation Spent up to the end of			
			1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Head 708 - Capital Subventions and Major Systems and Equipment						
8100BX	Slope-related capital works for subvented organisations other than education and medical subventions	4.4	0.1 (2%)	0.1 (2%)	1.3 (30%)	2.5 (57%)
8100EX	Alterations, additions, repairs and improvements to the campuses of the UGC-funded institutions	763.6	9.2 (1%)	64.4 (8%)	156.2 (20%)	737.2 (97%)
8100QX	Alterations, additions, repairs and improvements to education subvented buildings	1,145.2	222.7 (19%)	605.4 (53%)	872.5 (76%)	1,082.6 (95%)
8001SX	Provisioning of welfare facilities	212.8	41.0 (19%)	97.3 (46%)	138.7 (65%)	172.6 (81%)
Sub-total for Head 708		2,126.0	273.0 (13%)	767.2 (36%)	1,168.7 (55%)	1,994.9 (94%)
Head 709 - Waterworks						
9100WX	Waterworks, studies and investigations for items in Category D of the Public Works Programme	1,905.3 ^[9]	603.4 (32%)	1,029.0 (54%)	1,310.2 (69%)	1,904.0 (100%)
Sub-total for Head 709		1,905.3 ^[9]	603.4 (32%)	1,029.0 (54%)	1,310.2 (69%)	1,904.0 (100%)

^[9] The Finance Committee increased the approved allocation of the only subhead under **Head 709** (viz. **Subhead 9100WX**) by \$294.5 million from \$1,610.8 million to \$1,905.3 million in January 2021 to meet the increased expenditure in the 2020-21 financial year.

Head/ Subhead	Description	Approved Allocation for 2020-21 (\$ million)	Cumulative Expenditure (\$ million) and % of Approved Allocation Spent up to the end of			
			1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Head 710 - Computerisation						
A007GX	New administrative computer systems	1,300.0	251.5 (19%)	517.1 (40%)	766.3 (59%)	1,278.9 (98%)
	Sub-total for Head 710	1,300.0	251.5 (19%)	517.1 (40%)	766.3 (59%)	1,278.9 (98%)
Head 711 - Housing						
B100HX	Minor housing development related works, studies and investigations for items in Category D of the Public Works Programme	154.4	22.1 (14%)	42.2 (27%)	61.0 (40%)	93.7 (61%)
	Sub-total for Head 711	154.4	22.1 (14%)	42.2 (27%)	61.0 (40%)	93.7 (61%)
	Total for all Subheads	22,728.2 ^[10]	4,048.3 (18%)	8,503.1 (37%)	12,208.3 (54%)	17,194.1 (76%)
	Total for works-related Subheads (i.e. Excluding Subheads 1004CA, 1100CA and A007GX, which are non-works in nature)	12,454.4 ^[11]	2,848.6 (23%)	5,585.8 (45%)	8,106.6 (65%)	12,028.0 (97%)

^[10] It has increased by \$377.6 million from \$22,350.6 million to \$22,728.2 million as a result of the increases in allocations of \$15 million for **Subhead 3100GX**, \$15 million for **Subhead 4100DX**, \$15 million for **Subhead 5001BX**, \$15 million for **Subhead 5101CX**, \$15 million for **Subhead 6100TX**, \$8.1 million for **Subhead 7100CX** and \$294.5 million for **Subhead 9100WX** approved by the Finance Committee or the Government under delegated authority.

^[11] It has increased by \$377.6 million from \$12,076.8 million to \$12,454.4 million as a result of the increases in allocations of \$15 million for **Subhead 3100GX**, \$15 million for **Subhead 4100DX**, \$15 million for **Subhead 5001BX**, \$15 million for **Subhead 5101CX**, \$15 million for **Subhead 6100TX**, \$8.1 million for **Subhead 7100CX** and \$294.5 million for **Subhead 9100WX** approved by the Finance Committee or the Government under delegated authority.

CWRF Block Allocations - New Category D Items with a Project Estimate Exceeding \$40 Million Created in the Fourth Quarter of 2020-21 Financial Year

Head 705 - Civil Engineering

5001BX Landslip preventive measures ^[1]

Project Code	Project Title	Project Estimate (\$ million)
2.306	Landslip prevention and mitigation programme, 2017, package E, landslip prevention and mitigation works	247.56
2.309	Landslip prevention and mitigation programme, 2018, package D, landslip prevention and mitigation works	203.46
2.307	Landslip prevention and mitigation programme, 2017, package F, landslip prevention and mitigation works	170.03

^[1] The FC delegated the authority to the relevant controlling officer to approve individual items under **Subhead 5001BX** without a financial ceiling.