

香港特別行政區政府
The Government of the Hong Kong Special Administrative Region

工務局的信頭
Letterhead of WORKS BUREAU

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來函檔號 YOUR REF.:

20 November 1999

Tel : 2848 2439

Fax : 2537 1961

Secretary General
Legislative Council Secretariat
Legislative Council Building
8 Jackson Road
Central
Hong Kong

(Attn: Miss Odelia Leung)

Dear Miss Leung,

**LegCo Panel on Planning, Lands and Works
1999 Policy Address**

Arising from the discussion at the Panel meeting held on 12.10.99, S for W undertook to provide in writing information about the difference between the Approved Project Estimate (APE) and the actual cost of construction of public works projects.

A survey has been conducted by Works Bureau on 103 public works contracts substantially completed from January 1998 to September 1999. The total provisions within the relevant APE for these contracts is \$16.7 Bn while the total cost of substantial completion is \$15.2 Bn, or about 89% of the total provisions within the relevant APE. The expenditure figure is considered reasonably close to the provision, bearing in mind that some outstanding works

are still required to be done after substantial completion, and that a contingency allowance has to be set aside to settle outstanding contractual claims.

Yours sincerely,

(CHENG Ting-ning)
for Secretary for Works

c.c. S for Tsy (Attn: Miss Elizabeth Tse)