

立法會
Legislative Council

LC Paper No. PWSC90/10-11
(These minutes have been seen
by the Administration)

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**Notes of the meeting of the Public Works Subcommittee
for briefing members on the public works projects below \$21 million
held in the Conference Room A of Legislative Council Building
on Wednesday, 17 November 2010 at 9:00 am**

Members present:

Ir Dr Hon Raymond HO Chung-tai, SBS, S.B.St.J., JP (Chairman)
Hon Alan LEONG Kah-kit, SC (Deputy Chairman)
Hon James TO Kun-sun
Hon CHAN Kam-lam, SBS, JP
Hon Miriam LAU Kin-ye, GBS, JP
Hon TAM Yiu-chung, GBS, JP
Hon Abraham SHEK Lai-him, SBS, JP
Hon WONG Kwok-hing, MH
Hon LEE Wing-tat
Prof Hon Patrick LAU Sau-shing, SBS, JP
Hon KAM Nai-wai, MH
Hon Cyd HO Sau-lan
Hon Starry LEE Wai-king, JP
Hon WONG Kwok-kin, BBS
Hon IP Kwok-him, GBS, JP
Hon Tanya CHAN
Hon Albert CHAN Wai-yip

Members absent:

Hon Fred LI Wah-ming, SBS, JP
Hon LAU Wong-fat, GBM, GBS, JP
Hon Andrew CHENG Kar-foo
Hon Timothy FOK Tsun-ting, GBS, JP

Hon CHEUNG Hok-ming, GBS, JP
Hon CHAN Hak-kan
Dr Hon LEUNG Ka-lau
Hon Mrs Regina IP LAU Suk-ye, GBS, JP

Public officers attending:

Mrs Pamela TAN	Director of Home Affairs
Ms Mimi LEE	Deputy Director of Home Affairs (1)
Mr Andrew TSANG	Assistant Director of Home Affairs (2)
Mr Frankie CHOU	Chief Engineer (Works) Home Affairs Department
Mr Bobby CHENG	Deputy Director (Leisure Services) Leisure and Cultural Services Department
Mr FONG Siu-wai	Assistant Director (Property Services) Architectural Services Department
Mr Kenneth SHE	Assistant Director/2 Electrical & Mechanical Services Department
Mr NG Kam-chi	Assistant Director/Development Highways Department
Ms Karen CHAN	Assistant Director (Estate Management) (Lands Administration Office/Headquarters) Lands Department
Ms Joyce HO	Principal Assistant Secretary (Treasury) (Works) Financial Services and the Treasury Bureau
Ms Winnie HO	Chief Assistant Secretary (Works) 1 Development Bureau

Clerk in attendance:

Ms Debbie YAU	Chief Council Secretary (1)6
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Staff in attendance:

Mrs Constance LI	Assistant Secretary General 1
Ms Diana WONG	Senior Council Secretary (1)8
Mr Frankie WOO	Senior Legislative Assistant (1)3
Ms Christy YAU	Legislative Assistant (1)1

Action

Briefing on public works projects below \$21 million

PWSCl(2010-11)15

District Minor Works Programme and Rural Public Works Programme

Briefing by the Administration

At the invitation of the Chairman, the Director of Home Affairs (DHA) briefed members on the District Minor Works (DMW) Programme and the Rural Public Works (RPW) Programme funded under two block allocations under Head 707 of the Capital Works Reserve Fund. DHA said that the DMW Programme had been in place since 2008 with an annual provision of \$300 million for district-based works projects implemented by the District Councils (DCs) costing up to \$21 million each. The 18 DCs played a pivotal role in determining the priority, planning and implementation of projects under the DMW Programme in pursuit of the policy initiative of the Chief Executive allowing DCs to have greater involvement in district administration. As regards the RPW Programme, it was established in April 1999 with an annual provision of \$120 million under the RPW block allocation for small scale works projects costing up to \$21 million each.

Discussion

Maintenance of DMW and RPW projects

2. Miss Tanya CHAN declared that she was a member of the Central and Western District Council. She expressed concern about the maintenance work for DMW projects and enquired about the recurrent funding allocated for such purpose. DHA advised that the annual recurrent budget for DMW projects was about \$30 million consisting of expenditure ranging from electricity charges, cleaning fees to emergency repair works. DHA said that the allocated amount was sufficient for the time being as the completed facilities were under warranty for the initial period. However, she expected that the level of allocation would be increased when more projects were completed. In response to the Chairman, Chief Engineer (Works) of Home Affairs Department advised that the defect liability period for these projects was usually one year.

3. Miss Tanya CHAN noted that DCs at present would apply for funding one project at a time. She enquired whether the Administration would consider earmarking a sum out of the provisions for DMW or from the RPW block allocation for individual DCs to implement projects in a coherent manner. DHA advised that DCs had been encouraged to implement projects

which highlighted the characteristics of the district concerned for the enjoyment of the public. The Deputy Director of Home Affairs (1) (DDHA) supplemented that feedback gathered from a recent regional forum pointed to the dual needs for enhancing the overall planning for district facilities and ensuring their sustainability. In this regard, consideration should also be given to recurrent expenditure for the associated works. In response to Mr IP Kwok-him's concern on proper maintenance to ensure safety, DHA further advised that the Home Affairs Department (HAD) was in discussion with the Financial Services and the Treasury Bureau on the recurrent expenditure in DMW and RPW block allocations.

4. Mr Albert CHAN considered the management and maintenance of DMW/RPW projects a policy matter and the respective bureau should set out the management responsibility for district and rural facilities before their commissioning. He requested the Administration to provide information on the mechanism in assigning management and repair responsibility for such facilities funded under the DMW and RPW Programmes.

(Post-meeting note: The requested information provided by the Administration has been circulated to all Members on 13 December 2010 vide LC Paper No. PWSC19/10-11.)

5. DDHA responded that the works sections of HAD's nine District Offices in the New Territories were responsible for the maintenance of facilities arising from the RPW Programme. As regards the DMW Programme, DDHA said that the Leisure and Cultural Services Department (LCSD) was responsible for the maintenance of facilities at parks and sitting-out areas, whereas the Architectural Services Department (ArchSD) and the Electrical and Mechanical Services Department were involved in the maintenance of community halls/centres. In respect of other types of projects, such as Pai Lau, Pai Fong and sculptures, the maintenance responsibility would be sorted out case-by-case by relevant departments before project implementation. Addressing the Chairman's concern, DHA clarified that the management responsibility for individual projects would have been agreed before project commencement and there had not been any case of completed works being left unattended.

Design and implementation of DMW and RPW projects

6. Prof Patrick LAU commented that the district facilities had fallen short of public expectation as they had adopted environmental unfriendly and substandard designs. He enquired about the procedure in selecting the project designers. Mr Albert CHAN also opined that most of the DC facilities, such as the rain shelters and benches, were of unattractive designs

despite the high design fees. Noting that some of the designs had been re-used for more than a decade, Mr CHAN urged the Administration to consider hosting open competition for district facilities with a view to selecting more stylish and environmental friendly designs for public facilities at different districts. The Chairman shared the concern about the lack of variety in the design for facilities at different districts and requested the Administration to improve the situation.

7. DHA pointed out that district projects in the past were generally completed within a short timeframe with a small budget to meet the urgent and practical needs of the districts. In recent years, however, the Administration had spent efforts to enhance the aesthetic value and environment-friendliness of the district facilities, such as using wood-like or bamboo-like railings for pedestrian paths in the rural areas to blend with the environment. Referring to Annexes 1 and 2 of PWSCI(2010-11)15, DHA added that more aesthetically pleasing designs for pavilions and rain shelters had been introduced in recent years with professional inputs from the architect-led consultants. The Administration would strive to balance the practical needs of the residents and the enhancement of aesthetic value.

8. Mr Abraham SHEK considered the designs of the pavilions and rain shelters presented in PWSCI(2010-11)15 displeasing and a waste of taxpayers' money. He urged the Administration to draw references from the district facilities in Zhuhai and Zhongshan and incorporate more greening to the projects. DHA stressed that professional inputs from consultants as well as DC members' views had been incorporated in the designs of district facilities. The Assistant Director of Home Affairs (2) (ADHA) supplemented that DC members, who had received views and suggestions from local residents, played a pivotal role in the conceptual design of DMW and RPW projects. Moreover, DCs would take into account various factors such as cost, schedule, design process, choice of materials, and traffic impacts before finalizing the design and inviting tender for the works. Mr SHEK considered that ArchSD should take the lead in project design while making reference to the views of DCs.

9. Ms Starry LEE and Mr IP Kwok-him declared that they were DC members and remarked that the opinions of DC members were important and should be respected in the design process, as these represented the views of the local residents who were users of the facilities. Prof Patrick LAU requested to put on record that he fully respected the views of DC members but he considered it necessary to brief them on the general concept of project design and the need to adhere to original designs. In this connection, Prof LAU expressed concern that no additional fee was paid to contracts involving additional design works. Mr IP requested Prof LAU to share with

DCs information about architectural planning and design. Mr IP added that the need to amend the project design during works progress involved only a few isolated projects. DHA advised that the contractors under DMW and RPW Programmes had on many occasions exchanged views with DC members on project designs. To stimulate ideas and foster appreciation of new designs, HAD would organize a sharing session for the DCs in the first quarter of 2011. Prof LAU urged DCs to host design competitions and allow DC members and residents to participate in selecting the best design before inviting tenders for the works.

10. Miss Tanya CHAN referred to a recent incident where trees were removed to make way for the maintenance of a slope but there was no resource to re-plant trees after the works. She urged the Greening, Landscape and Tree Management Section established under the Development Bureau to look into the matter. The Deputy Director (Leisure Services), Leisure and Cultural Services Department advised that while greening and landscape works had been funded by the DMW Programme all along, consideration would be given to using the resources more cost-effectively.

11. Mr TAM Yiu-ching expressed concern about the priority set for DMW projects and asked whether any of these were works proposed by DCs but delayed for implementation. DHA responded that there had been some delay when the DMW Programme was first implemented in 2008. Nonetheless, after the teething stage, co-operation between the Administration and the project consultants had become smoother and the overall works progress was satisfactory.

12. Mr WONG Kwok-hing noted that among some 2 400 DMW projects that had been endorsed, only about 1 600 of them had been completed. Similarly, for RPW projects, only about 1 500 out of the 1 700 or so RPW projects endorsed had been completed. He enquired about the reasons for delay and the works which remained outstanding.

13. ADHA clarified that the outstanding projects included those which were taken forward but not yet completed as of time. DHA added that there were also some projects which were still under the preliminary planning phase and not yet endorsed by DCs.

Consultancy fee and administrative fee

14. Mr TAM Yiu-ching noted that the consultancy fee constituted 15% of the project total and questioned whether such arrangement was indeed value-for-money. Sharing similar views about the high consultancy fee, Ms Starry LEE and Mr IP Kwok-him queried whether ArchSD could be

involved in DMW and RPW projects with a view to reducing the consultancy fee. DHA said that there were many DMW and RPW projects and ArchSD would not have the capacity to take up all of them. The consultants for these projects were led by architects who provided important inputs to the design and implementation. DHA added that the consultants were hired through a competitive tendering process at market price. The Assistant Director (Property Services) Architectural Services Department supplemented that at present, ArchSD had been liaising closely with HAD and LCSD to improve the existing facilities at various districts.

15. Miss Tanya CHAN noted that the administrative fee for district projects was rather substantial despite the limited financial provisions for individual items. She enquired whether there was any cap imposed on the administrative fee, and whether various projects could be grouped for tender to achieve economy of scale. DHA responded that DCs were encouraged to invite tender for the projects together so as to reduce cost, produce a more coherent design and benefit from the economy of scale. DHA added that the consultancy fee was included in the contract sum and no additional fee would be paid. Furthermore, an independent quantity surveying consultant, instead of project consultants, was responsible for estimating the project cost to ensure that works would be priced at a reasonable level.

Tun Fu fees

16. Mr Albert CHAN pointed out that contractors had been blackmailed by villagers in rural areas to pay them a sum in the name of Tun Fu fees. Moreover, it had been a common practice that the contractor awarded the contract did not actually carry out the works for the project. Mr CHAN suggested the Administration to consider adding an explicit clause in the tender document and the works contract prohibiting the payment of Tun Fu fees by the contractors without the prior consent of the Government, and that violation of the contract terms would lead to penalty or even suspension of the contractor's licence.

(Post-meeting note: The requested information provided by the Administration has been circulated to all Members on 13 December 2010 vide LC Paper No. PWSC19/10-11.)

17. The Assistant Director (Estate Management) (Lands Administration Office/Headquarters) Lands Department responded that in general, projects under the RPW Programme would not involve land acquisition. For some projects, some indigenous villagers might claim for Tun Fu fees in connection with the implementation of public works projects in their areas. All claims for Tun Fu fees had to be fully justified and a list of itemized costs

in respect of Tun Fu ceremonies had to be submitted for approval. Typical itemized costs included Tun Fu master's fee, purchase of joss-papers and sticks, and food to be offered in the ceremony etc, and a maximum limit had been imposed for each claim. While taking note of Mr Albert CHAN's suggestion for consideration, DHA added that if bribery was involved under the name of Tun Fu fees, the Independent Commission Against Corruption would follow up and investigate the matter.

18. There being no other business, the meeting ended at 10:15 am.

Council Business Division 1
Legislative Council Secretariat
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