

**立法會**  
**Legislative Council**

LC Paper No. CB(1)203/13-14  
(These minutes have been seen  
by the Administration)

Ref : CB1/PL/DEV/1

**Panel on Development**

**Minutes of meeting**  
**held on Tuesday, 25 June 2013, at 2:30 pm**  
**in Conference Room 3 of the Legislative Council Complex**

**Members present** : Dr Hon LAU Wong-fat, GBM, GBS, JP (Chairman)  
Hon Tony TSE Wai-chuen (Deputy Chairman)  
Hon James TO Kun-sun  
Hon Emily LAU Wai-hing, JP  
Hon CHAN Kam-lam, SBS, JP  
Hon Abraham SHEK Lai-him, SBS, JP  
Hon Frederick FUNG Kin-kee, SBS, JP  
Hon Cyd HO Sau-lan  
Hon CHAN Hak-kan, JP  
Hon CHAN Kin-por, BBS, JP  
Dr Hon Priscilla LEUNG Mei-fun, JP  
Hon Alan LEONG Kah-kit, SC  
Hon LEUNG Kwok-hung  
Hon Albert CHAN Wai-yip  
Hon Claudia MO  
Hon Michael TIEN Puk-sun, BBS, JP  
Hon James TIEN Pei-chun, GBS, JP  
Hon WU Chi-wai, MH  
Hon Gary FAN Kwok-wai  
Hon CHAN Chi-chuen  
Hon CHAN Han-pan  
Dr Hon Kenneth CHAN Ka-lok  
Hon CHAN Yuen-han, SBS, JP  
Hon Alice MAK Mei-kuen, JP

Dr Hon KWOK Ka-ki  
Dr Hon Fernando CHEUNG Chiu-hung  
Dr Hon CHIANG Lai-wan, JP  
Ir Dr Hon LO Wai-kwok, BBS, MH, JP

**Member attending** : Hon WONG Kwok-hing, MH

**Members absent** : Hon IP Kwok-him, GBS, JP  
Hon Mrs Regina IP LAU Suk-yea, GBS, JP  
Hon LEUNG Che-cheung, BBS, MH, JP  
Hon Kenneth LEUNG

**Public officers attending** : **Agenda item IV**

Mr Paul CHAN Mo-po, MH, JP  
Secretary for Development

Mr Rex CHANG Wai-yuen, JP  
Deputy Secretary for Development (Planning and Lands)<sup>2</sup>

Ms Winnie SO Chui-ying  
Principal Assistant Secretary for Development (Planning and Lands)<sup>4</sup>

**Agenda item V**

Mr Thomas CHAN Chung-ching, JP  
Deputy Secretary for Development (Planning & Lands)<sup>1</sup>

Mr LAW Kin-wai  
Principal Assistant Secretary for Development (Planning and Lands)<sup>7</sup>

Mr Alan LO Kam-lun  
Assistant Director of Lands (Headquarters) (Acting)

**Agenda item VI**

Mr Jimmy CHAN Pai-ming  
Principal Assistant Secretary for Development (Works)3

Mr LEE Kwong-ming  
Assistant Director/Finance and Information Technology  
Water Supplies Department

**Attendance by  
Invitation : Agenda item IV**

Mr Victor SO Hing-woh, JP  
Chairman  
Urban Renewal Authority

Ms Iris TAM Siu-ying, JP  
Managing Director  
Urban Renewal Authority

Ir Calvin LAM Che-leung  
Executive Director (Operations & Project Control)  
Urban Renewal Authority

Mr Ian WONG Wai-kuen  
Director, Acquisition and Clearance  
Urban Renewal Authority

**Clerk in attendance** : Ms Sharon CHUNG  
Chief Council Secretary (1)6

**Staff in attendance** : Mr Anthony CHU  
Senior Council Secretary (1)6

Mr Fred PANG  
Council Secretary (1)6

Ms Christina SHIU  
Legislative Assistant (1)6

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**I Confirmation of minutes**

- (LC Paper No. CB(1)1152/12-13 -- Minutes of the joint meeting with the Panel on Housing held on 9 November 2012
- LC Paper No. CB(1)1334/12-13 -- Minutes of meeting on 26 March 2013)

The minutes of the joint meeting with the Panel on Housing held on 9 November 2012 and of the meeting on 26 March 2013 were confirmed.

**II Information papers issued since the last meeting**

- (LC Paper No. CB(1)1225/12-13(01) -- Administration's response to the letter dated 15 May 2013 from Hon James TO Kun-sun on HKSAR Government's work in support of reconstruction in the Sichuan earthquake stricken areas (LC Paper No. CB(1)1069/12-13(01))
- LC Paper No. CB(1)1290/12-13(01) -- Letter dated 11 June 2013 from Hon Gary FAN Kwok-wai about setting up a joint subcommittee on issues related to land granted under private recreational leases
- LC Paper No. CB(1)1312/12-13(01) -- Referral memorandum dated 14 May 2013 from the Clerk to the Subcommittee on Frontier Closed Area (Amendment) Order 2013 and Frontier Closed Area (Permission to Enter) (Amendment) Notice 2013 on issues relating to land use planning in the Frontier Closed Area
- LC Paper No. CB(1)1312/12-13(02) -- Administration's response to issues raised in the referral memorandum dated 14 May 2013 from the Clerk to the

Subcommittee on Frontier Closed Area (Amendment) Order 2013 and Frontier Closed Area (Permission to Enter) (Amendment) Notice 2013 on land use planning in the Frontier Closed Area (LC Paper No. CB(1)1312/12-13(01))

LC Paper No. CB(1)1338/12-13(01) -- Letter dated 17 June 2013 from Dr Hon KWOK Ka-ki on regulation of unauthorized structures in "marine reserve" areas

LC Paper No. CB(1)1354/12-13(01) -- Issues raised at the meeting between Legislative Council Members and Islands District Council members on 30 May 2013 relating to protection of the interests of private land owners

LC Paper No. CB(1)1370/12-13(01) -- Administration's response to the letter dated 14 March 2013 from Hon James TO Kun-sun on the regulation of use of land in the rural areas in connection with a recent case involving the construction of two New Territories Small Houses in Shan Pui Village, Yuen Long (LC Paper No. CB(1)718/12-13(02))

2. Members noted that the above information papers had been issued since the last meeting.

3. The Chairman said that he had received a letter dated 11 June 2013 from Mr Gary FAN about setting up a joint subcommittee under the Panel on Development and the Panel on Home Affairs ("HA Panel") to monitor and review Government policies on the grant of land under private recreational leases ("PRLs") and to study the related issues. He sought members' views

on Mr FAN's proposal. Members supported the proposal. The Chairman said that he would convey members' views to the Chairman of the HA Panel for consideration.

*(Post-meeting note: The HA Panel discussed the proposal at its meeting on 12 July 2013. Members of the HA Panel considered it not necessary to form the above joint subcommittee. They opined that the HA Panel should continue to follow up matters relating to PRLs and request the Administration to regularly report to the HA Panel on the progress of the renewal of PRLs as well as the monitoring of facilities that operated under such leases. Furthermore, HA Panel members agreed that when the aforesaid issues were discussed by the HA Panel in future, members of the Panel on Development should be invited to join the discussion. Members were informed of the development vide LC Paper No. CB(1)1544/12-13 on 17 July 2013.)*

### **III Items for discussion at the next meeting**

(LC Paper No. CB(1)1333/12-13(01) -- List of outstanding items for discussion

LC Paper No. CB(1)1333/12-13(02) -- List of follow-up actions)

4. Members agreed that the next meeting scheduled for Monday, 15 July 2013 would start at 9:00 am, instead of 8:30 am, to discuss "Hung Shui Kiu New Development Area Planning and Engineering Study – Stage 2 Community Engagement", an item proposed by the Administration, and to receive views on "Issues related to the Redevelopment of Civil Servants' Quarters developed under the Civil Servants Co-operative Building Society Scheme", as proposed earlier by members. Members agreed that the meeting would be extended to end at 12:30 pm.

5. Ms Emily LAU asked the Secretary for Development ("SDEV") about the progress of the North East New Territories New Development Areas Planning and Engineering Study ("NENT NDAs Study"). Mr Alan LEONG said that the Public Complaints Office of the Legislative Council Secretariat was following up complaints on the proposed NENT NDAs project. He had made a suggestion to the Development Bureau that the Administration should update the Panel on the latest progress of the project before the summer recess. SDEV advised that the revised proposals for the development of NENT NDAs were undergoing some internal procedures of the Administration and would be announced soon. He would strive to report

the progress to members soonest, and if possible, at the meeting on 15 July 2013. In view of the great controversies on the subject, Ms LAU highlighted the importance that sufficient time should be allowed for members to discuss with the Administration the new proposals. She added that the Panel might need to hold public hearings to receive views on the new proposals.

*(Post-meeting note: At the request of the Administration and with the concurrence of the Chairman, the agenda of the meeting on 15 July 2013 was later changed by including the NENT NDAs Study; while the item "Hung Shui Kiu New Development Area Planning and Engineering Study – Stage 2 Community Engagement" was deferred to a special meeting scheduled for 22 July 2013. Members were informed of these arrangements on 4 July 2013 vide LC Paper No. CB(1)1431/12-13.)*

#### **IV Work of the Urban Renewal Authority**

(LC Paper No. CB(1)1333/12-13(03) -- Administration's paper on work of the Urban Renewal Authority

LC Paper No. CB(1)1333/12-13(04) -- Paper on the work of the Urban Renewal Authority prepared by the Legislative Council Secretariat (Updated background brief)

6. Members noted that a submission from 觀塘仁信里商戶關注組 had been tabled at the meeting.

*(Post-meeting note: The submission was circulated to members by email on 26 June 2013 vide LC Paper No. CB(1)1392/12-13(01).)*

7. With reference to the Administration's paper (LC Paper No. CB(1)1333/12-13(03)), SDEV said that since the promulgation of the new Urban Renewal Strategy on 24 February 2011, the Urban Renewal Authority ("URA") had adopted a "people first, district-based, public participatory" approach in carrying out urban renewal projects. He then highlighted the results of the work of URA in 2012-2013 in four major aspects, namely, the Demand-led Redevelopment Project Pilot Scheme ("the Demand-led Scheme"), the Flat-for-Flat ("FFF") Scheme, building rehabilitation and the Pilot Scheme for the Redevelopment of Industrial Buildings.

8. The Chairman of URA ("Chairman/URA") said that although he had only assumed office for about one week, he already had close communication with Board members and the management of URA on the work of the Authority, and had visited a number of URA projects. In taking forward the mission of improving the living conditions of residents in dilapidated urban areas, URA would accord priorities to redevelopment and rehabilitation, adopt an open attitude to the views of stakeholders, including Members of the Legislative Council, on urban renewal, and exercise due care and diligence in the handling of URA's finances. Chairman/URA stressed that he would work wholeheartedly with URA Board members and staff in the years ahead to expedite the urban regeneration process. With the aid of a powerpoint presentation, the Managing Director of URA ("MD/URA") briefed members on the work of URA in 2012-2013 and its future work plan.

*(Post-meeting note: A soft copy of the powerpoint presentation materials (LC Paper Nos. CB(1)1386/12-13(01)) was circulated to members by email on 26 June 2013.)*

Social responsibilities of the Urban Renewal Authority and approaches to urban renewal

9. Dr KWOK Ka-ki said that some members of the public, including residents affected by redevelopment projects, were disappointed at the appointment of Chairman/URA in view of his past employment with large developers and his tough style towards tenants when he held the top positions at the Hong Kong Housing Society ("HKHS") and the Link Management Limited. Dr KWOK expressed concern about the remarks of Chairman/URA, made in an interview with the media, that URA was a property developer. He queried whether the analogy between URA and property developers made by Chairman/URA implied that URA would continue to maximize its profits from its redevelopment projects by making the prices of the residential units of such projects sky high. As the housing shortage problem was acute and public demand for subsidized housing was strong, he was disappointed that URA's projects were ineffectual in alleviating Hong Kong's housing problem.

10. Chairman/URA explained that URA's redevelopment projects did not necessarily make profits. Some of the projects generated deficits because the acquisition prices were high. Any surpluses from URA's redevelopment projects were retained and then applied to finance further redevelopment projects as well as URA's rehabilitation, revitalization and preservation efforts. The prices of the residential units of URA's projects were

determined in accordance with the market mechanism, since URA tendered out its projects to joint venture partners, who were property developers, based on the same mechanism.

11. SDEV supplemented that the mission of URA was to undertake the regeneration of the older urban areas of Hong Kong and improve the living conditions of residents in these areas. It also supported the Administration's efforts in preserving and revitalizing heritage buildings. He stressed that maximizing profits from redevelopment projects was never URA's objective, nor was it tasked to provide subsidized housing, which was one of the tasks of HKHS and the Hong Kong Housing Authority ("HKHA"). During the redevelopment process, URA acquired private properties and sold redeveloped flats at market prices. When the property market became favourable, it followed that URA would earn profits from its projects.

12. Mr Frederick FUNG said that Chairman/URA was known to have adopted a heavy-handed approach in the past in negotiating with tenants of HKHS. He asked if Chairman/URA would adjust the approach in dealing with different stakeholders in the urban renewal process. In his view, URA played a vital role not only in urban renewal, but also in alleviating poverty by giving grassroot-level people a chance to move into public housing units. It was therefore essential for URA/Chairman to adapt himself well to his new role. Separately, he asked whether Chairman/URA would voice out his dissenting views to the Administration when it introduced legislative measures that would affect the progress of urban renewal, such as the proposal to impose Buyer's Stamp Duty on acquisition of residential properties for redevelopment.

13. Chairman/URA said that when he worked for HKHS, he had been in frequent contacts with tenants and adopted an open attitude to their views. His work at that time was monitored by the media, District Councillors and other stakeholders. He would continue to enhance communication with different stakeholders in his tenure as Chairman/URA and strive to resolve disputes in a sensible, reasonable and lawful manner. As regards the Administration's measure to impose Buyer's Stamp Duty on acquisition of residential properties for redevelopment, MD/URA said that URA had discussed it with the Administration. The progress of the projects of URA had not been affected by the measure so far. Chairman/URA added that he would study the impact of the measure on urban renewal. Mr Frederick FUNG expressed regret that Chairman/URA seemed to have little knowledge about the subject.

14. Mr Alan LEONG considered URA an extraordinary property developer, as the Chief Executive-in-Council might, upon URA's application, approve the resumption of land for implementation of redevelopment projects pursuant to the Lands Resumption Ordinance ("LRO") (Cap. 124). He was concerned if Chairman/URA would frequently resort to this option when implementing future projects. He said that LegCo Members had in the past received lots of requests for assistance from property owners and tenants who were affected by URA projects. It was not until 2011 that a new Urban Renewal Strategy had been promulgated, upon years of efforts of Members and the former Secretary for Development, to set the approaches to urban renewal in the right direction. Referring to Chairman/URA's remarks made during a media interview that URA was a property developer and that he would not exclude taking clearance actions in order to ensure that redevelopment projects would not be impeded by individual objecting owners, Mr LEONG was worried that Chairman/URA would adopt a heavy-handed approach to the implementation of urban renewal projects instead of the "people first, district and public participatory" approach as enshrined in the new Urban Renewal Strategy.

15. Chairman/URA reiterated that he would strive to resolve disputes in a reasonable, sensible and lawful manner. He hoped that all relevant parties to a redevelopment project would display goodwill in the handling of disputes and affected clearerees would leave happily with cash compensation or rehousing offers. Mr Alan LEONG said that the Chairman's reply had implied that URA was like other property developers, who would not allow individual owners to delay redevelopment projects. He stressed that URA had a social responsibility in urban regeneration. The new Urban Renewal Strategy was arrived at after an extensive discussion in society. The key words for the Strategy were "people first, district-based, public participatory". He urged that Chairman/URA should not deviate from these principles in leading the work of URA and must not take a coercive or unfriendly approach to the implementation of redevelopment projects.

16. Mr Albert CHAN said that he had bitter experience in the past 30 years in dealing with Chairman/URA in his previous capacities. He was disappointed that when Chairman/URA was working for HKHS, HKHS had sacrificed public interests by abandoning the redevelopment projects in Kennedy Town and Tsuen Wan due to financial reasons. He hoped Chairman/URA, who, in his view, had the capability for the job, would make contributions to urban regeneration in his new position and would not, like some other people, make use of the position to obtain advantages for their personal businesses.

17. Chairman/URA responded that what Mr CHAN had said about the past redevelopment projects in Kennedy Town and Tsuen Wan was not correct. He emphasized that he was fully committed to his work as the Chairman of URA and had no other personal jobs or positions in private companies. SDEV added that when the Administration invited Chairman/ URA to take up the post, he had already retired. He was appointed because of his solid experience in both public and private housing developments.

18. Dr CHIANG Lai-wan declared that she was a non-executive director of URA. She held the view that the negative comments made by members against Chairman/URA were not fair as he had only assumed office for less than two weeks. However, she considered it necessary to review the work of URA against its purposes. Most importantly, URA should expedite urban renewal in view of the housing shortage and urban decay problems in Hong Kong. She pointed out it was stipulated in the Urban Renewal Authority Ordinance ("URAO") (Cap. 563) that one of the major purposes of URA was to improve the standard of housing and the built environment of Hong Kong as well as the layout of built-up areas by replacing old and dilapidated areas with new development which was properly planned and, where appropriate, provided with adequate transport and other infrastructure and community facilities. She considered that URA had not achieved this purpose. With a net asset of \$26.2 billion, URA had only spent a total expenditure of about \$9 billion on redevelopment projects since 2002. She urged URA to deploy more resources to its work on urban renewal and requested the Administration to review the effectiveness of URA's work.

*(Post meeting note: URA clarified that the Authority had spent about \$29 billion on redevelopment projects from 2001 to 31 March 2013.)*

19. SDEV reiterated that urban renewal would continue to be one of the core businesses of URA. As URA's redevelopment projects took considerable time from planning to completion, when the property prices were on the upward trend, it was natural that there would be surplus generated from the sales of the redeveloped properties. Moreover, URA was given land premium waiver for its redevelopment projects. He stressed that URA would apply the existing surplus to finance the estimated expenditure of about \$26 billion, excluding operational overheads, required to meet the costs of all projects contained in its 2013-2014 to 2017-2018 Corporate Plan. So far, URA's redevelopment projects had been undertaken based on

consideration of their merits in improving the living environment of the older urban areas but not on financial gains. For instance, most of the demand-led projects and URA-initiated projects to be completed in the next few years would likely generate little profit, if not incurring a loss, due to the high compensation and operational costs involved. URA had also been requested to study with the Administration the redevelopment of buildings developed under the Civil Servants' Co-operative Building Society Scheme, which would likely incur financial losses.

20. Ms Claudia MO found Chairman/URA's remarks that URA was a property developer disappointing and disagreeable, taking into account that URA had received capital injection from the Administration and its redevelopment work was backed up by LRO in the resumption of private land. It had a mission to improve the living conditions of residents in old areas. As reflected by the incorporation of the Chinese character "人" (people) in the logo of URA, URA's work was supposed to be people-oriented. Ms MO called on URA not to adopt the purpose of a property developer, which was to pursue maximum profits, in its work. She opined that, as Chairman/URA had used the word "clearance" in replying to members' questions, it implied Chairman/URA considered that URA and the owners affected by URA projects stood on opposing sides. It was wrong for URA to have the mentality that all the requests and actions made by uncooperative owners only aimed at reaping maximum advantages from the Authority. In her view, URA had earlier exerted undue pressure on an owner who was unwilling to accept URA's offer regarding a demand-led project at Pine Street/Oak Street in Tai Kok Tsui by arousing media interest on him. Although the owner finally yielded to URA's acquisition, the act of URA had been unscrupulous and totally unacceptable. She cautioned that URA should never repeat such act.

21. Chairman/URA explained that what he meant by making an analogy between URA and property developers was that URA was involved in the upstream work of property development, i.e. acquiring properties for redevelopment. He reiterated that all profits earned by URA from redevelopment projects would be used on urban renewal. He hoped members would understand that the nature of URA's projects was not subsidized housing, which was the responsibility of HKHS and HKHA. URA acquired properties on private land, redevelop and sell them in the property market with joint venture partners. He preferred not to discuss further the meaning of "clearance" but would like to point out that he aimed at seeing property owners affected by redevelopment projects move out happily as a result of satisfactory rehousing or compensation arrangements.

22. Miss CHAN Yuen-han said that while she would support the efforts of the Administration and URA in undertaking urban renewal projects, she did not consider their work effective. When scrutinizing the Urban Renewal Authority Bill many years ago, she had stressed the importance of conducting economic and social impact assessments for redevelopment projects. She was disappointed to see that URA had made many wrong assessments on such projects, which had led to lots of grievances among affected owners. She cautioned URA that it should not think and act as a property developer, since it had been given the mission to improve the living conditions of residents in old areas. So far URA had given the public an impression that its projects were for making profits, paying little regard to the rehousing need and livelihood of the local communities, in particular the difficulties of the small business operators and the tenants. In most cases, tenants of residential units would be forced by the landlords to move out once URA had announced that the relevant building would be redeveloped. Ms CHAN stressed the importance of reaching a win-win situation for all stakeholders over a redevelopment project and URA should adopt a "people first" approach to its work. She considered that tenants and occupiers were usually victims of redevelopment projects as the law did not provide adequate protection of their rights. She opined that a review of the relevant legislation should be conducted.

23. Mr Michael TIEN said that when he was the Chairman of the Kowloon-Canton Railway Corporation, he was caught between achieving a reasonable financial return and performing social responsibilities, i.e. making the fares affordable by all. He asked whether the Administration had made clear to Chairman/URA the priority between making a reasonable return from public-money investments on redevelopment projects and shouldering social responsibilities by adopting a compassionate approach to helping the affected residents.

24. SDEV replied that he and Chairman/URA had a good discussion about the objectives of URA when the Administration invited the latter to take up the post. Chairman/URA understood well that the main objective of URA was to facilitate and undertake the regeneration of the older urban areas of Hong Kong. According to his observation, despite the difficulties that the staff of URA encountered in the implementation of redevelopment projects, they followed the "people first" approach in addressing the concerns of the affected residents. However, it remained difficult to satisfy every affected resident in the compensation and rehousing arrangements. Responding to Mr TIEN's question on whether URA was a property developer, SDEV said

that as URA's business was related to property development, URA should have some knowledge on this subject. At the same time, it should be aware that it had a special role in redevelopment in the society.

25. Dr Fernando CHEUNG pointed out that as at 31 March 2013, URA had made a return of \$16 billion from the Administration's capital injection of \$10 billion since 2001. While the financial return was substantial, URA should not lose sight of its role in improving the living conditions of residents in dilapidated buildings in old urban areas. He was gravely concerned that during the redevelopment process, the original residents' interests had been scarified. In his view, URA's redevelopment projects followed the same pattern - resuming property interests at residential sites with redevelopment potential, clearing the sites by evicting the residents and developing new luxury properties which were beyond the affordability of the original residents. He queried how this would help to improve the living conditions of residents in dilapidated buildings. His view was shared by Ms Claudia MO.

26. Mr LEUNG Kwok-hung said that when Chairman/URA previously worked for listed companies and organizations like the MTR Corporation Limited, HKHS and the Link Management Limited, he was seen to be working against the interests of the general public. Given the public criticisms about his past performance, he enquired about the justifications for SDEV to recommend Mr Victor SO Hing-woh to the post of Chairman/URA. In his view, Chairman/URA was a "bench for slaughtering pigs" (割豬欖) and he had no confidence that Chairman/URA would do a good job in urban renewal. SDEV requested to put on record that Mr LEUNG's remarks against Chairman/URA were offensive and unacceptable. He said that appointments to public service positions were always made on candidates' merits. Based on the working experience of Chairman/URA, SDEV considered him suitable for the post and so had recommended him to the Financial Secretary and the Chief Executive for appointment.

#### Pilot Scheme for the Redevelopment of Industrial Buildings

27. The Panel noted that the Administration had decided not to proceed with the No. 12P Smithfield project, which had been intended to be the first project under the Pilot Scheme for the Redevelopment of Industrial Buildings, due to the objection of 100% of the owners. Mr WONG Kwok-hing enquired whether the objection had been caused by the low acquisition prices offered by URA, what lessons URA had learnt from this

incident and how it would proceed with the other project under the same pilot scheme at Yu Chau West Street, Cheung Sha Wan.

28. MD/URA clarified that URA had not made any acquisition offers to the owners of the industrial building at No. 12P Smithfield Road as the project was still at the planning stage. The owners had objected to URA's acquisition as they considered that they could redevelop the building by themselves. SDEV had lately declined to authorize URA to proceed with the project. URA would arrange to gazette the notice of withdrawal of the project and inform the relevant owners accordingly. As to the other project at Yu Chau West Street, the progress was satisfactory with only a few objections received. URA had informed SDEV about the progress. It was expected that SDEV would decide to authorize the project soon.

#### Civil Servants' Co-operative Building Society Scheme

29. Mr WONG Kwok-hing pointed out that with the deterioration in the conditions and environment of some buildings developed under the Civil Servants' Co-operative Building Society Scheme ("CBS buildings"), many owners of the units, who were retired civil servants, welcomed the redevelopment of the buildings. Yet, there were many obstacles in the redevelopment process. Given that URA had adopted a "people first" approach to redevelopment, he asked if it would proactively contact these owners to render assistance.

30. In response, MD/URA advised that URA had already contacted some owners of units of CBS buildings and was aware of their aspiration for redeveloping their premises. Apart from inviting private developers to redevelop their buildings, these owners might consider applying to URA for redevelopment under the Demand-led Scheme after they had obtained the consent of owners who represented at least 67% of the undivided shares of the respective land lots. Under the Scheme, URA would process all applications received based on a uniform set of assessment criteria, which included the conditions of the building and the residents' living conditions, etc.

31. Mr James TO declared that he was a non-executive director of URA. Taking into consideration that most of the CBS buildings were situated in good locations in the urban areas and there was room to increase the plot ratios of the relevant sites, he held the view that the redevelopment of some of these buildings might help release land resources and alleviate the housing shortage problem. In rendering assistance to the concerned owners to

redevelop their buildings, a principle to follow was that the redevelopment must be initiated by the owners and not by URA or the Administration. It would be controversial to exempt owners of units of CBS buildings from paying land premium for redevelopment. However, if the projects were to be carried out by URA, which undertook such projects on a not-for-profit basis and had a mission to tackle the urban decay problem, it would be acceptable to exempt the payment of land premium. He suggested that the applications for redeveloping CBS buildings should be considered alongside other applications under the Demand-led Scheme but no preferential treatment would be given to CBS buildings. In his opinion, URA might consider assisting in the redevelopment of those CBS buildings of which the conditions were as poor as those of other buildings applying for redevelopment under the Demand-led Scheme, and where the owners were willing to accept URA's compensation based on the value of a 7-year-old replacement flat in the same locality.

32. SDEV said that the Administration's preliminary assessment was that it might be difficult to formulate a policy for redeveloping all CBS buildings across the board. The Administration and URA would consider assisting in the redevelopment of individual CBS buildings based on public interest considerations.

#### Assistance to small business operators and occupiers of rooftop structures

33. In response to Mr WONG Kwok-hing's enquiry about compensation and assistance provided to small business operators and occupiers of rooftop structures during the redevelopment process, Director, Acquisition and Clearance/URA ("D/URA(A&C)") said that URA had adopted a "people first" approach to assist tenants of unauthorized rooftop structures and small business operators. Tenants of unauthorized rooftop structures were entitled to ex-gratia payment. If they met the eligibility criteria for public housing, they might elect for a HKHA or HKHS housing unit. Those tenants who had resided in the rooftop structures before the project's freezing survey but were asked to leave by the landlords would be entitled to a "relocation assistance". As for business operators, all shop tenants affected by URA's redevelopment projects would receive an ex-gratia payment at three times of the rateable value of their premises and an "ex-gratia business allowance", the amount of which depended on the duration of continuous business operation at the premises. URA would also help identify suitable premises in the vicinity of a redevelopment project to enable the affected shop operators to relocate and continue operation in the area.

Amount of compensation to affected owners

34. Ms Cyd HO noted that URA's accumulated operating surplus at 31 March 2013 was \$16.2 billion and this substantial amount was mainly attributable to the low acquisition prices for properties from private owners and selling the redeveloped properties at high market prices. She pointed out that so far no owner had been successful in their appeals to the Lands Tribunal against URA's compensation. She queried if the existing law and mechanism provided adequate protection for the interest of private property owners and urged the Administration to conduct a review so that property owners and URA could negotiate on an equal footing. She added that she had also asked URA to conduct a tracking survey on affected owners so as to understand the impact of URA's acquisition on them. However, URA had not taken her suggestion.

35. Deputy Secretary for Development (Planning and Lands)<sup>2</sup> said that URA had a clear compensation policy for the acquisition of properties for redevelopment. Taking the acquisition of an owner-occupied domestic property for illustration, he advised that URA offered an owner-occupier the market value of the property plus a Home Purchase Allowance ("HPA"), which was based on the value of a seven-year-old flat in a building of comparable quality, situated in a similar locality. The compensation package, endorsed by the Finance Committee in March 2001, had been accepted by many owners who were affected by redevelopment projects. In most projects, some 80% to 90% of the owners had accepted the acquisition prices offered by URA. The good response to the Demand-led Scheme in the past two years also indicated that private property owners had great confidence in URA in undertaking redevelopment projects.

Flat-for-Flat Scheme

36. Ms Cyd HO said that the FFF Scheme was a misnomer as it did not offer replacement flats free of charge to the property owners affected by URA redevelopment projects. It only provided a higher priority for these owners to select flats from a new development for purchase. She suggested that under the FFF Scheme, all property owners whose properties had been acquired by URA should not only be allowed to select a flat from a new development but also be entitled to a discount on the prices. Otherwise, they would not be able to afford the new flats. Only through these measures would the living conditions of the affected owners be improved.

37. The Deputy Chairman declared that he had previously worked for URA and currently owned a consultancy firm which had business contacts with URA on behalf of clients from time to time. Given the expertise and solid working experience of Chairman/URA, he hoped that under Chairman/URA's leadership, URA would achieve better results in its work and adhere to the "people first, district-based, public participatory" approach to urban renewal. In view of the lukewarm response to the FFF Scheme, he asked if URA would consider making enhancements to the Scheme so that it could cater for the need of affected owners in respect of in-situ rehousing.

38. MD/URA acknowledged that at the present stage, the affected owners could use the cash compensation to buy a replacement flat immediately. The flats to be provided under the FFF Scheme at a site for redevelopment would only be available at least seven years after the redevelopment had been approved. She explained that the FFF Scheme had been introduced to address the aspiration of some affected owners who wanted to live in the same district or even at the same site after their properties had been acquired by URA. When the first batch of flats constructed under the FFF Scheme, situated at Kai Tak Development, were completed in 2016 and some more redeveloped flats in old areas became available later under the Scheme, she believed more owners would show interest as they could move directly from an old flat to the new flat.

### Individual redevelopment projects

#### *Peel Street/Graham Street Project*

39. Dr Kenneth CHAN noted that under the new Urban Renewal Strategy, URA would help affected business operators identify suitable premises in the vicinity of the redevelopment project to relocate and continue their business operation. URA would also assist affected shop owners to lease or purchase shops in the future redevelopment project in view of the close-knit relationship these shop operators had built up in the area. However, he found that URA had not offered "people first" assistance to the market stall operators affected by the Peel Street/Graham Street Project in Central. The redevelopment site would provide a two-storey retail shop building to accommodate the existing trading activities at the Graham Street Market. Affected operators of wet provisions shops could opt to move into the retail shop building provided they gave up the ex-gratia payment. URA, however, had made the choice for the affected operators very difficult by giving no undertaking about the size and location of the shop at the retail shop building to be allocated to each of them. If in future an operator was not satisfied with

the shop allocated, he/she would not be allowed to go back to the ex-gratia payment option. Given that such difficult choices had forced the affected operators to make a decision under great pressure, Dr CHAN urged Chairman/URA to review the arrangements.

40. MD/URA said that URA had listened to the views and concerns of the shop and stall operators in the Graham Street Market on the redevelopment project and had extended the redevelopment timetable at extra development costs in order to minimize the disruption to their businesses. All operators were aware of the relevant conditions attached to the various options offered to them. When the retail shop building was ready for occupation, operators of wet provision shops who had chosen to relocate to the building would have a priority in renting and selecting the shop spaces. Subject to availability, other operators would also be allowed to rent shop spaces at the building. Dr Kenneth CHAN said that according to the first-hand information gathered from his conversations with the concerned operators, they were not satisfied with URA's arrangements. He invited Chairman/URA to meet the shop operators on-site with him.

#### *Kwun Tong Town Centre Project*

41. Mr WU Chi-wai said that URA was backed up by the power granted under LRO, the Administration's capital injection and the exemption from paying land premium for redevelopment projects. Against this background, it was wrong for URA to consider itself a property developer. He expressed concern about the situation of the stall operators at Yan Shun Lane, Kwun Tong, who were affected by the Kwun Tong Town Centre Project. These operators, having run small retail businesses in the area for nearly 30 years, had been informed by URA that they were not eligible to relocation to the interim hawker bazaar in Kwun Tong as their stalls were located on Government land. URA would only help them move into the markets of the Food and Environmental Hygiene Department ("FEHD"). He urged URA to uphold the "people first" principle and provide them with the assistance similar to that for other stall operators affected by the same project. Alternatively, URA should consider increasing the amount of the ex-gratia compensation for them to facilitate the relocation of their businesses. Mr WU further suggested that URA should allow more flexibility in future in making compensation arrangements for small business operators affected by its redevelopment projects, taking into account the practical difficulties that they faced.

42. Ir Dr LO Wai-kwok said that in Kwun Tong Town Centre, the stalls and shops which had operated there for a long time were part of the memory of the residents. He expressed concern about URA's arrangements for stall operators at Yan Shun Lane and urged URA to listen to their views and requests. Ir Dr LO said that he considered Chairman/URA suitable for the post in view of his past experience in property development in both the public and private sectors. He looked forward to URA's good results in urban regeneration under the leadership of Chairman/URA.

43. Chairman/URA said that he had visited the stalls at Yan Shun Lane and had received petition letters from the operators. URA fully understood their situation and aspiration. He noted members' views and undertook to review the case. D/URA(A&C) added that URA would provide an interim hawker bazaar for temporary accommodation of licensed hawkers who were affected during the redevelopment of the Kwun Tong Town Centre. The situation of the stall operators at Yan Shun Lane was different from that of the licensed hawkers as the former were unlicensed and operated in unauthorized structures on Government land. However, to uphold the "people first" principle, URA would offer them ex-gratia allowances as a special arrangement. As to their requests to adjust the amount of the ex-gratia allowances upward and to receive the ex-gratia allowances without being required to accept the relocation to an FEHD market, URA was reviewing the matter and would provide them with a reply as soon as possible.

#### Demand-led Redevelopment Project Pilot Scheme

44. Noting that only three and four cases had been approved in the first and second rounds of applications under the Demand-led Scheme respectively, Dr CHIANG Lai-wan enquired about the total number of applications for each round. MD/URA replied that there were 25 and 34 applications in the first and second rounds respectively. In the first round, a number of applications had not met the ownership consent threshold of 67% of undivided shares, probably due to the lack of understanding of the relevant requirements. In the second round, more applications had fulfilled the requirement of 67% but they had failed to meet other criteria, such as the minimum site area requirement and building conditions assessment. The Administration would provide the numbers of applications accepted and rejected in each round, and general information about each application, including the reason(s) for acceptance or refusal.

*(Post-meeting note: The Administration's supplementary information*

was circulated to members vide LC Paper No. CB(1)1621/12-13(01) on 26 July 2013.)

45. The Deputy Chairman enquired about the maximum number of demand-led projects that could be accepted by URA in a year. While he noted that the Demand-led Scheme had received good response, he was concerned whether URA had sufficient manpower to handle more of these projects. MD/URA said that URA would consider various factors to determine the number of demand-led projects to be implemented in a year. These included the number of applications which fulfilled the basic requirements, the number of URA-initiated redevelopment projects to be undertaken in the year and URA's manpower resources. She acknowledged that URA would not be able to expand its manpower establishment in a short time to handle a large number of requests. In 2012, URA had undertaken six new redevelopment projects, four of which were demand-led projects.

#### Remuneration of directors of the Urban Renewal Authority

46. Dr Fernando CHEUNG pointed out that the remuneration of MD/URA had risen from \$2 million in 2001 to \$5 million in 2011-2012. For all directors of URA, the variable pay made up around 20% of the total remuneration. He asked if the variable pay was linked to the surplus and financial performance of URA. Mr LEUNG Kwok-hung remarked that while the remuneration of MD/URA had jumped from \$2 million to \$5 million from 2001 to 2011-2012, during the same period, the net asset of URA had also increased by a similar extent. He said there were reasons to believe that the directors' remuneration was pegged to the financial performance of URA.

47. In response, SDEV advised that a Remuneration Committee under the URA Board made proposals on the variable pay of URA Executive Directors (including the Managing Director) and the proposals would be submitted to the Development Bureau for approval. When considering the amount of variable pay payable, the Committee and the Administration would draw reference from URA's work results under various performance indicators as reported in its annual work plans. He emphasized that the financial performance of URA was not a key indicator.

#### **V Regulation of use of public open space in private developments** (LC Paper No. CB(1)1333/12-13(05) -- Administration's paper on public open space in private developments)

LC Paper No. CB(1)1333/12-13(06) -- Paper on public facilities in private developments prepared by the Legislative Council Secretariat (Updated background brief)

Other relevant paper

(LC Paper No. CB(1)1069/12-13(02) -- Letter dated 15 May 2013 from Dr Hon KWOK Ka-ki and Dr Hon Kenneth CHAN Ka-lok on the Administration's monitoring of use of public open space in private developments)

48. Deputy Secretary for Development (Planning & Lands) 1 ("DS/DEV(P&L)1") briefed members on the Administration's latest position with regard to management of public open space ("POS") in private developments ("POSPD"), the details of which were given in the Administration's paper (LC Paper No. CB(1)1333/12-13(05)). He highlighted the following points:

- (a) In response to public concerns over a number of cases of POSPD, the Administration had undertaken a policy review of the subject matter in 2008 and briefed the Panel on the refined administrative arrangements in relation to the provision and management of POSPD in January 2010. The Administration commissioned a consultancy study in 2009 for drawing up a set of design and management guidelines for POSPD for reference by property owners, management agencies and the general public. The "Design and Management Guidelines for Public Open Space in Private Developments" ("POSPD Guidelines") were promulgated in January 2011. The Administration provided an update on the implementation of the refined administrative arrangements and the Guidelines to the Panel vide an information paper in May 2011.
- (b) As part of the refined arrangements, the Administration had taken steps to enhance dissemination of information to facilitate the public's access to POSPD. Since March 2008, the Administration had been compiling information on POSPD and made it available through the websites of the Lands

Department ("LandsD") and the Buildings Department ("BD"). The information included the locations, areas, opening hours, as well as the site plans. As at end-May 2013, there were 62 POSPD listed on the two websites.

- (c) To promote good practices on the use and various operational issues of POSPD, such as permissible activities, opening hours, dissemination of information, as well as responsibilities of owners and management agencies, among stakeholders, the POSPD Guidelines had been distributed to the owners/owners' corporations, management agencies of all POSPD, the Real Estate Developers Association of Hong Kong and the District Councils.
- (d) Owing to the large number of POSPD provided in Hong Kong, public monitoring remained the most effective way to ensure POSPD owners fulfil the responsibilities of managing and maintaining such POS, as well as permitting the public to access these facilities in accordance with the requirements of the relevant contractual documents (e.g. land leases or deeds of dedication). The Administration would take timely follow-up actions, including lease enforcement actions as necessary, on receipt of complaints or enquiries about owners' non-compliances.

#### The public open space outside Cheung Kong Centre

49. Dr KWOK Ka-ki said that immediately after the container terminal workers' protest in the POS outside Cheung Kong Center in Central had been over in May, the building management office of the building placed large movable planters within the POS. He opined that instead of being a place for public enjoyment, the POS had been managed as a private backyard. He enquired about the follow-up actions taken by the Administration to rectify the situation.

50. Assistant Director of Lands (Headquarters) Acting ("AD(Headquarters)/LandsD") replied that upon receiving the complaint regarding the placing of six large movable planters within the POS outside Cheung Kong Center in mid-May, LandsD immediately wrote to the owner of the property ("the Owner") requesting a response to the complaint. In reply, the Owner explained that the planters were placed for landscaping purposes on a trial basis and was temporary in nature.

AD(Headquarters)/LandsD advised that LandsD was seeking legal advice and the views of landscape architects on the matter. The Administration's concern was whether the Owner's conduct in question had impeded the public's access to and enjoyment of the POS. He assured members that once legal advice and landscape architects' views were available, LandsD would take follow-up action as appropriate. DS/DEV(P&L)1 added that in the event that there was a breach of lease conditions by the Owner, the Administration could consider taking appropriate lease enforcement actions, including requiring the Owner to remove the planters. In response to Dr KWOK's request, DS/DEV(P&L)1 undertook to provide information after the meeting about the follow-up/enforcement actions to be taken by the Administration on the case and the time required to complete the handling of the case.

*(Post-meeting note: The Administration's supplementary information was circulated to members vide LC Paper No. CB(1)27/13-14(01) on 10 October 2013.)*

51. Stressing the importance for the Administration to safeguard the public's right to access and use POS, Dr KWOK Ka-ki queried why the Administration had not reserved the power to require the Owner to seek its prior approval before undergoing any activities, such as placing large planters, at the POS. He opined that in determining whether public access to POS had been hindered, the Administration should take into account public needs rather than seeking legal and landscaping experts' advice. DS/DEV(P&L)1 responded that as far as the case was concerned, the Administration would examine whether the placing of the large movable planters within the POS had constituted a failure by the Owner to fulfill his responsibilities of making the POS accessible to the public under the concerned lease conditions.

#### Enforcement actions

52. The Panel noted that for serious cases of non-compliance by POSPD owners with the requirements of properly managing and maintaining the POSPD, the Administration could take enforcement actions, including serving reminders or warnings, and, as a last resort, re-entering the lot. Mr CHAN Chi-chuen asked the Administration to provide information on the types and number of the lease enforcement actions that had been taken, including the issuance of reminders and warnings, and the particulars of the POSPD involved.

*(Post-meeting note: The Administration's supplementary information was circulated to members vide LC Paper No. CB(1)27/13-14(01) on 10 October 2013.)*

### Responsibilities for management of POSPD

53. Dr Kenneth CHAN considered that the Administration should review whether it had effectively performed its role as a gatekeeper in safeguarding the public's right to use and enjoy POSPD. He criticized the Administration's existing approach of giving POSPD owners a free hand and taking remedial actions only after non-compliances were found. Dr CHAN continued that it had come to his attention that some POSPD owners, in particular those being owners' corporations of private residential buildings, had requested to return the POS to the Government. He enquired about the Administration's position in respect of such requests.

54. Dr KWOK Ka-ki opined that the Administration's proposal to implement the refined arrangements for the provision of POSPD in 2010 indicated that the Administration had acknowledged the irregularities associated with the policy requiring developers to incorporate POS into private developments. In view of the POS management problems, he enquired whether the Administration would take over the management responsibilities of all POSPD including the POS outside Cheung Kong Center.

55. In reply, DS/DEV(P&L)1 advised that one of the refined arrangements promulgated by the Administration in 2010 was to refrain from requiring the provision of POS on private land in new private residential developments, unless there was a shortfall of open space in the district concerned or there were special circumstances justifying the provision of such. He reiterated that POSPD owners had the responsibilities to manage and maintain POS according to the relevant land leases or deeds of dedication. They were also encouraged to follow the POSPD Guidelines as far as practicable. In case individual owners requested to make certain arrangements with respect to POSPD, which required modifications or waiver of the relevant lease conditions or deeds of dedication, the Administration would consider the requests based on the relevant criteria.

### Public monitoring

56. Noting that the Administration regarded public monitoring as a practicable way to help ensure owners' fulfillment with the responsibilities of

managing POSPD, Mr CHAN Chi-chuen enquired about the number of public complaints or enquiries received by the Administration about POSPD. To make the public monitoring mechanism more effective, he considered that members of the public should be given adequate information about their right with respect to the use of POSPD, the locations and opening hours of POSPD, etc. Dr KWOK Ka-ki suggested that notices should be put up at conspicuous locations within POSPD giving useful information to the public, including the telephone number for lodging complaints about mismanagement.

57. AD(Headquarters)/LandsD advised that since March 2008, LandsD had received 178 enquiries and 47 complaints relating to public facilities including POSPD as at June 2013. The Administration had made public a list of information on private developments containing POS, including their locations, sizes and opening hours, on LandsD's and BD's websites. He assured members that the Administration would continue to enhance the transparency of information about POSPD. In response to Mr CHAN Chi-chuen's concern about the ease of access to the webpage where the information was provided, AD(Headquarters)/LandsD referred to LandsD's website as an example and advised that a pop-up window as well as an icon embedded with a hyperlink to the relevant webpage were provided on the website's homepage. The information about the areas within private properties dedicated for public use was also available on BD's website. Moreover, officers in LandsD and BD would answer public enquiries about POSPD. DS/DEV(P&L)1 undertook that the Administration would continue to examine whether there was room to enhance the websites' design to make the relevant information more readily accessible to the public.

#### Other issues

58. Mr Michael TIEN pointed out that, in some private residential developments, such as Discovery Park in Tsuen Wan and Greenfield Garden in Tsing Yi, the property owners found it unfair to require them to bear the management and maintenance costs for the provision of pedestrian footbridges which were seldom used by them but were open to the public. In the absence of regular maintenance, these footbridges were left deteriorating faster than the normal rate. In the cases where half of the footbridge was maintained by private property owners and the other half by the Government, there was a big contrast between the conditions of the two sections of the footbridge. He opined that this phenomenon had not only spoiled the cityscape but was also a "lose-lose situation" for both property owners and facility users. He urged the Administration to consider either

taking over the management and maintenance of the public passage in private developments or requiring the developers concerned, instead of the property owners, to bear the management and maintenance costs.

59. DS/DEV(P&L)1 responded that as a means to facilitate pedestrian connectivity, the requirement of providing and maintaining public passage had been included in the land leases of some private developments. The owners concerned were required to comply with the requirement. Mr Michael TIEN held the view that the Administration should pay due regard to the adverse impact of the requirement in question on property owners and the general public. He said that he would consider requesting the Panel to discuss the issues related to the management of public passage in private developments in due course.

60. Dr Kenneth CHAN said that some residents in Wan Chai suggested that part of the underground passage of a private development at Lei Tung Street should be designated as POS, which was in shortage in the area. In response, DS/DEV(P&L)1 said that the Administration would obtain more information about the suggestion from Dr CHAN after the meeting and follow up.

## **VI Revision of fees and charges under the purview of the Water Supplies Department**

(LC Paper No. CB(1)1264/12-13(01) -- Administration's paper on revision of fees and charges under the purview of the Water Supplies Department)

61. With reference to the Administration's paper (LC Paper No. CB(1)1264/12-13(01)), Principal Assistant Secretary for Development (Works)3 ("PAS/DEV(W)3") briefed members on the proposal to revise 24 Government fees and charges for services under the purview of Water Supplies Department ("WSD") which did not directly affect people's livelihood or general business activities in line with the "user pays" principle. The proposed upward adjustment ranged from 5.9% to 20.1%. The estimated increase in revenue was about \$1.9 million per annum if the proposals were implemented. Subject to members' views, the Administration would make amendments to Schedule 1 to the Waterworks Regulations (Cap. 102A) to give effect to the revision and the relevant amendment regulation would be tabled to LegCo.

62. Taking in view that the Administration had adopted the "user pays" principle with the aim of full cost recovery, and in anticipation of the rising trend of the costs in the coming years, Dr Kenneth CHAN asked if the revision of fees and charges would be frequent and regular. Ir Dr LO Wai-kiwok noted that the cost recovery rates after the proposed fee adjustment for services relating to making a connection to the water main would range from 20% to 44%, still far from achieving full cost recovery. He asked if further fee revision would be made annually.

63. PAS/DEV(W)3 said that it was the Administration's policy to conduct regular review on the costs of providing the relevant services. In considering whether to make any fee revision, the Administration would take a number of factors into account, such as the tender prices for those services provided by contractors and the material costs for WSD. There were internal guidelines that if the change in the cost was less than 5%, no adjustment to the service fee would be made. Furthermore, the Administration would consider the impact of the revision on the relevant users. Despite the adoption of the "user pays" principle, the Administration retained certain flexibility on the time span to achieve full cost recovery. On whether there would be further revision of the relevant fees and charges in the coming years, PAS/DEV(W)3 advised that it would be subject to the outcome of future reviews.

64. Noting that the Administration aimed to achieve full cost recovery but it would also consider the affordability of the fees, Dr Kenneth CHAN asked how the Administration could strike a balance between these two opposing factors. In reply, PAS/DEV(W)3 said that each charge item would be reviewed individually with reference to the relevant circumstances. For example, when considering whether to increase the charge for making a connection to the water main of a new property development, the Administration would take into account the prevailing operating environment of the construction industry.

65. Dr Kenneth CHAN further enquired whether the Administration would adjust the charges for the supply of fresh water with a view to recovering the cost in arrears under the "use pays" principle. PAS/DEV(W)3 said that in determining the water charges, the Administration would consider various factors, such as the affordability and acceptance of the public, the fiscal conditions of the Government and other policy objectives to be pursued.

66. Noting that the last revision of the fees and charges covered in the present proposal took effect on 1 August 2012, which was less than one year ago, Ir Dr LO Wai-kwok enquired about the intended effective date for the present proposal and how it was set.

67. PAS/DEV(W)3 replied that in general, the fees and charges were reviewed once every year while the exact timing might vary. For the present proposal, the Administration planned to amend the relevant subsidiary legislation so that the revision would take effect by the end of 2013. The amendment regulation would be subject to negative vetting by LegCo.

## **VII Any other business**

68. There being no other business, the meeting ended at 5:29 pm.

Council Business Division 1  
Legislative Council Secretariat  
31 October 2013