

# **CAPITAL WORKS RESERVE FUND**

## CAPITAL WORKS RESERVE FUND

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### Memorandum Note

The Capital Works Reserve Fund was established with effect from 1 April 1982 by Resolution of the Legislative Council on 20 January 1982 for the purpose of financing the Public Works Programme and the acquisition of land. The first Resolution was subsequently replaced by a second Resolution on 27 July 1983. For the purpose of giving effect to arrangements for implementing paragraph 6 of Annex III to the Joint Declaration of the Government of the United Kingdom and the Government of the People's Republic of China signed in Beijing on 19 December 1984, the 1983 Resolution was replaced by a third Resolution passed by the Legislative Council on 15 May 1985. On 13 January 1988, the Legislative Council passed an amendment to the Resolution which effected the transfer of the financing of capital subventions and major systems and equipment from the General Revenue Account to the Fund with effect from 1 April 1988. On 6 November 1991, the Legislative Council passed an amendment to the Resolution to include provisions for government borrowings to be credited to the Fund and for repayments, and payment of interest and expenses relating to such borrowings, to be made from the Fund. As consequential amendments to the New Territories Land Exchange Entitlements (Redemption) Ordinance enacted on 12 December 1996, the Resolution was amended to include provisions for the payment of redemption money payable in respect of land exchange entitlements and of interest payable thereon under the New Territories Land Exchange Entitlements (Redemption) Ordinance. These amendments took effect when the Ordinance came into operation on 27 June 1997. Following the handover on 1 July 1997, the Resolution was amended by the Provisional Legislative Council on 17 December 1997 to remove provisions concerning the sharing of land premium under paragraph 6 of Annex III to the Joint Declaration as these provisions had become obsolete. The amended Resolution came into effect on 1 January 1998.

2 The Resolution provides that—

- (a) the Fund be administered by the Financial Secretary, who may delegate his power of administration to other public officers;
- (b) there be credited to the Fund—
  - (i) premium income received from land transactions;
  - (ii) all moneys received arising from works or commitments entered into for the purposes of the Fund;
  - (iii) unclaimed deposits in respect of moneys referred to in subparagraph (ii) which have been unpaid for 5 years;
  - (iv) such appropriations from general revenue as may be approved by the Provisional Legislative Council or Legislative Council;
  - (v) sums borrowed under section 3 of the Loans Ordinance (Cap. 61) where the resolution of the Provisional Legislative Council or Legislative Council approving the borrowing so stipulates;
  - (vi) all moneys received by way of interest or dividends earned in respect of moneys held in the Fund; and
  - (vii) such donations and other moneys as may be received for the purposes of the Fund;
- (c) the Financial Secretary may expend moneys from the Fund for—
  - (i) the purposes of the Government's public works programme;
  - (ii) the purchase and installation of equipment consequential on implementing the public works programme;
  - (iii) the development, purchase and installation of major systems and equipment used by the Government;
  - (iv) capital subventions;
  - (v) the acquisition of land; and
  - (vi) the payment of redemption money payable in respect of land exchange entitlements and of interest payable thereon under the New Territories Land Exchange Entitlements (Redemption) Ordinance (Cap. 495);in accordance with such conditions, exceptions and limitations as may be specified by the Finance Committee;
- (d) the Financial Secretary may—
  - (i) transfer from the Fund to the general revenue any balance in the Fund which is not required for the purposes of the Fund;
  - (ii) repay the principal, interest thereon and expenses incurred in relation to sums borrowed under section 3 of the Loans Ordinance (Cap. 61) where such sums have been credited to the Fund; and
  - (iii) in his discretion, authorise the investment in such manner as he may determine of any moneys held in the Fund at any time; and
- (e) the Director of Accounting Services shall, under the authority of a funds warrant issued by the Financial Secretary, pay from the Fund such sums as may be required to meet expenditure from the Fund.

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3 In accordance with the terms of the Resolution, all revenue from land transactions has been paid into the Fund from 1 January 1998.

4 Expenditure from the Fund is limited in respect of each subhead by the allocation shown under the column headed 'Estimate 2015–16' in the Fund estimates, and this may not be exceeded in 2015–16 without the prior approval of the Financial Secretary. For all Category A projects, the approved project estimate of each project was that approved by the Finance Committee of the Legislative Council or the Financial Secretary acting under delegated power. Approvals up to 19 December 2014 are included. The total commitment incurred may not exceed the approved project estimate, which in turn may not be altered without the prior approval of the Finance Committee or the Financial Secretary acting under delegated power. For block allocations under the various expenditure heads, the approved allocation for each block allocation for 2014–15 was that approved by the Finance Committee or the Financial Secretary acting under delegated power. Expenditure of any amount in excess of the approved allocation requires prior approval of the Finance Committee or the Financial Secretary acting under delegated power. As at 19 December 2014, the provisions for block allocations for 2015–16 are subject to funding approval of the Finance Committee.

5 The balance available in the Fund as at 1 April 2015 is estimated to be about \$72,203 million. It is estimated that during 2015–16, about \$70,000 million will be paid into the Fund from premium income received from land transactions. In addition, about \$4,271 million is expected to accrue to the Fund from investment income on its balances during 2015–16, and about \$25 million from donations and contributions. The Fund will thus have receipts of about \$74,296 million in 2015–16 which, taken together with the opening balance, will have available about \$146,499 million to meet estimated payments of about \$75,373 million, including about \$77 million of estimated interest and other expenses on government bonds issued in July 2004, during 2015–16. The Fund will have an estimated balance of about \$71,126 million as at 31 March 2016.

6 There are 11 heads of expenditure under the Fund, covering the following—

- (a) Land Acquisition (Head 701),
- (b) Public Works Programme (Heads 702 to 707, 709 and 711),
- (c) Capital Subventions and Major Systems and Equipment (Head 708), and
- (d) Computerisation (Head 710).

### **Head 701—Land Acquisition**

7 The Financial Secretary has delegated to the Director of Lands the power to authorise expenditure from Head 701 of the Fund.

8 The estimate of the allocation required in 2015–16 for expenditure on compensation and *ex-gratia* allowances for the acquisition and associated clearance of all land and property reverting to the Government, *ex-gratia* allowances for clearance of government land for capital works projects and redemption money payable in respect of land exchange entitlements and interest payable thereon under the New Territories Land Exchange Entitlements (Redemption) Ordinance is \$2,340,680,000. *Ex-gratia* allowances for clearance of government land required for projects outside the Capital Works Programme are charged to Head 91—Lands Department.

9 The proposed allocation of \$21,615,000 for *Subhead 1004CA—Compensation for surrenders and resumptions: miscellaneous* is for payment of compensation (including *ex-gratia* allowances) for the acquisition, surrender and clearance of all land and property reverting to the Government, including the costs of resuming and clearing sites in connection with the implementation of statutory outline zoning plans; for projects to be undertaken by non-government or quasi-government bodies, including the Hong Kong Housing Society and the Hong Kong Housing Authority; and for projects undertaken under the Foreshore and Sea-bed (Reclamations) Ordinance and not covered by any other funding arrangements.

10 The proposed allocation of \$2,313,730,000 for *Subhead 1100CA—Compensation and ex-gratia allowances in respect of projects in the Public Works Programme* is to meet all land acquisition costs, other than direct works costs, and all *ex-gratia* allowances in respect of projects in the Public Works Programme.

### **Heads 702 to 707, 708 (Capital Subventions), 709 and 711—Capital Works Programme**

11 As at 19 December 2014, the total approved project estimate for existing projects with estimated expenditure in 2015–16 (excluding block allocations) was about \$631,343 million. The actual expenditure on these projects up to 31 March 2014 was about \$276,152 million. The revised estimate for 2014–15 is about \$59,117 million. The outstanding commitment of existing projects as at 31 March 2015 will be about \$296,074 million. By 31 March 2016, a total value of about \$86,605 million is estimated to be committed on both existing and new projects. After allowing for estimated expenditure of about \$61,079 million for both existing and new projects in 2015–16, the outstanding commitment as at 31 March 2016 is estimated to be about \$321,600 million.

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### *Head 702—Port and Airport Development*

12 The Financial Secretary has delegated to the following officers the power to authorise expenditure from Head 702 of the Fund—

<i>Officers</i>	<i>In respect of</i>
Director of Architectural Services	Building works
Director of Civil Engineering and Development	Civil engineering and development works, and minor works under block allocations 2001AX (up to \$20 million each) and 2003AX (up to \$20 million each)
Director of Highways	Transport works, and minor works under block allocation 2002AX (up to \$20 million each)
Permanent Secretary for Transport and Housing (Transport)	Minor works under block allocations 2001AX and 2002AX
Permanent Secretary for Development (Planning and Lands)	Minor works under block allocation 2003AX

13 The estimate of the amount required in 2015–16 for expenditure on Port and Airport Development Strategy related projects is \$2,342,000.

### *Head 703—Buildings*

14 The Financial Secretary has delegated to the following officers the power to authorise expenditure from Head 703 of the Fund—

<i>Officers</i>	<i>In respect of</i>
Director of Architectural Services	Building works, and minor works under block allocations 3004GX (up to \$30 million each), 3100GX (up to \$20 million each) and 3101GX (up to \$20 million each for non-fitting out works)
Permanent Secretary for Financial Services and the Treasury (Treasury)	Minor works under block allocations 3100GX and 3101GX
Government Property Administrator	Minor works under block allocation 3101GX (up to \$20 million each for fitting out works)

15 The estimate of the amount required in 2015–16 for expenditure on government building projects is \$7,322,683,000. This does not include provision for building items related to public housing.

16 Significant building projects scheduled to start in 2015–16 include: 13GB—Liantang/Heung Yuen Wai Boundary Control Point and associated works—construction of boundary control point buildings and associated facilities; and 74KA—Construction of West Kowloon Government Offices.

17 The proposed allocation of \$1,811,651,000 for *Subhead 3004GX—Refurbishment of government buildings for items in Category D of the Public Works Programme* is for works estimated to cost \$30 million or less each for the refurbishment of government buildings.

18 The proposed allocation of \$106,495,000 for *Subhead 3100GX—Project feasibility studies, minor investigations and consultants' fees for items in Category D of the Public Works Programme* is for minor investigations, including site investigations, subject to a maximum ceiling of expenditure of not more than \$30 million per Category D item. Items may also be included in Category D to cover the costs of preliminary feasibility studies and investigations to enable new building projects to be included in Category C of the Public Works Programme, and consultants' fees and charges for feasibility investigations and design (including preparation of tender documents) of building works items in Category B or (subject to the Secretary for Financial Services and the Treasury's approval) Category C of the Public Works Programme.

19 The proposed allocation of \$937,082,000 for *Subhead 3101GX—Minor building works for items in Category D of the Public Works Programme* is for minor building works, fitting out works and minor alterations, additions and improvement works including furniture and equipment replacement incidental to such works, and slope inspections and minor slope improvement works, subject to a maximum ceiling of expenditure of not more than \$30 million per item.

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### Head 704—Drainage

20 The Financial Secretary has delegated to the following officers the power to authorise expenditure from Head 704 of the Fund—

<i>Officers</i>	<i>In respect of</i>
Director of Drainage Services	Drainage, sewerage and sewage treatment works, and minor works under block allocation 4100DX (up to \$20 million each)
Permanent Secretary for the Environment	Minor works under block allocation 4100DX

21 The estimate of the amount required in 2015–16 for expenditure on drainage and sewerage/sewage treatment projects is \$4,095,722,000.

22 Significant drainage projects scheduled to start in 2015–16 include: 404DS—Tuen Mun sewerage—Castle Peak Road trunk sewer and Tuen Mun village sewerage; and 406DS—Shek Wu Hui sewage treatment works—further expansion phase 1A—advance works, consultants’ fees and investigation.

23 The proposed allocation of \$401,492,000 for *Subhead 4100DX—Drainage works, studies and investigations for items in Category D of the Public Works Programme* is for minor works including slope inspections and minor slope improvement works, feasibility studies and site investigations in respect of drainage projects, subject to a maximum ceiling of expenditure of not more than \$30 million per Category D item. Items may also be included in Category D to cover the costs of preliminary feasibility studies and investigations to enable drainage projects to be included in Category C of the Public Works Programme, and consultants’ fees and charges for feasibility investigations and design (including preparation of tender documents) of drainage projects in Category B or (subject to the Secretary for Financial Services and the Treasury’s approval) Category C of the Public Works Programme.

### Head 705—Civil Engineering

24 The Financial Secretary has delegated to the following officers the power to authorise expenditure from Head 705 of the Fund—

<i>Officers</i>	<i>In respect of</i>
Director of Civil Engineering and Development	Civil engineering works, and minor works under block allocations 5001BX (aggregate expenditure up to approved allocation) and 5101CX (up to \$20 million each)
Director of Electrical and Mechanical Services	Electrical and mechanical works
Permanent Secretary for the Environment	Environmental protection works, and minor works under block allocation 5101DX
Permanent Secretary for Development (Works)	Minor works under block allocation 5101CX

25 The estimate of the amount required in 2015–16 for expenditure on civil engineering, electrical and mechanical, and environmental projects is \$6,040,503,000.

26 Significant projects scheduled to start in 2015–16 include: 164DR—Southeast New Territories landfill extension; and 180DR—Development of waste electrical and electronic equipment treatment and recycling facility.

27 The proposed allocation of \$1,045,636,000 for *Subhead 5001BX—Landslip preventive measures* is for landslip preventive works and related studies (other than those directly related to specific development projects in the Public Works Programme).

28 The proposed allocation of \$232,045,000 for *Subhead 5101CX—Civil engineering works, studies and investigations for items in Category D of the Public Works Programme* is for minor works, feasibility studies and site investigations in respect of civil engineering works, including slope inspections and minor slope improvement works, subject to a maximum ceiling of expenditure of not more than \$30 million per Category D item. Items may also be included in Category D to cover the costs of preliminary feasibility studies and investigations to enable civil engineering projects to be included in Category C of the Public Works Programme, and consultants’ fees and charges for feasibility investigations and design (including preparation of tender documents) of civil engineering projects in Category B or (subject to the Secretary for Financial Services and the Treasury’s approval) Category C of the Public Works Programme.

29 The proposed allocation of \$173,521,000 for *Subhead 5101DX—Environmental works, studies and investigations for items in Category D of the Public Works Programme* is for minor works, feasibility studies and site investigations in respect of waste management and environmental works, subject to a maximum ceiling of expenditure of not more than \$30 million per Category D item. Items may also be included in Category D to cover the costs of preliminary feasibility studies and investigations to enable waste management and environmental projects to be included in Category C of the Public Works Programme, and consultants’ fees and charges for feasibility investigations and design (including preparation of tender documents) of waste management and environmental projects in Category B or (subject to the Secretary for Financial Services and the Treasury’s approval) Category C of the Public Works Programme.

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### *Head 706—Highways*

30 The Financial Secretary has delegated to the following officers the power to authorise expenditure from Head 706 of the Fund—

<i>Officers</i>	<i>In respect of</i>
Director of Highways	Transport works, and minor works under block allocations 6100TX (up to \$20 million each) and 6101TX (up to \$50 million each)
Director of Civil Engineering and Development	Minor works under block allocation 6101TX (up to \$50 million each)
Permanent Secretary for Transport and Housing (Transport)	Minor works under block allocations 6100TX and 6101TX

31 The estimate of the amount required in 2015–16 for expenditure on highway projects is \$38,020,745,000.

32 A significant highway project scheduled to start in 2015–16 is 703TH—Dualling of Hiram’s Highway between Clear Water Bay Road and Marina Cove and improvement to local access to Ho Chung.

33 The proposed allocation of \$679,730,000 for *Subhead 6100TX—Highway works, studies and investigations for items in Category D of the Public Works Programme* is for minor works covering highways, railways and railway development, bridges, subways and other structures, footways, vehicle parking, street lighting, roadside slopes, road resurfacing (including joint replacement), road reconstruction and rehabilitation, traffic engineering, etc. as well as feasibility studies and site investigations in respect of highway projects, subject to a maximum ceiling of expenditure of not more than \$30 million per Category D item. Items may also be included in Category D to cover the costs of preliminary feasibility studies and investigations to enable highway projects to be included in Category C of the Public Works Programme, and consultants’ fees and charges for feasibility investigations and design (including preparation of tender documents) of highway projects in Category B or (subject to the Secretary for Financial Services and the Treasury’s approval) Category C of the Public Works Programme.

34 The proposed allocation of \$803,980,000 for *Subhead 6101TX—Universal Accessibility Programme* is for projects costing up to \$75 million each to provide universal accessibility facilities (i.e. retrofitting of lifts or ramps, demolition of existing ramps and associated works) to existing public walkways (i.e. footbridges, elevated walkways and subways) to improve the accessibility for the public. It covers various costs to be incurred in the planning, design and construction of the projects, including consultants’ fees and charges for project management, feasibility studies, investigation, design, contract procurement and construction supervision, as well as the construction cost.

### *Head 707—New Towns and Urban Area Development*

35 The Financial Secretary has delegated to the following officers the power to authorise expenditure from Head 707 of the Fund—

<i>Officers</i>	<i>In respect of</i>
Director of Civil Engineering and Development	Territorial development works, and minor works under block allocation 7100CX (up to \$20 million each)
Director of Home Affairs	Works under the territory-wide category, and minor works under block allocations 7014CX and 7017CX (up to \$20 million each)
Permanent Secretary for Home Affairs	Minor works under block allocations 7014CX, 7016CX and 7017CX
Director of Home Affairs/Director of Leisure and Cultural Services	Minor works under block allocation 7016CX (up to \$20 million each)
Permanent Secretary for Development (Planning and Lands)	Minor works under block allocation 7100CX (for non-Energizing Kowloon East-related items)
Permanent Secretary for Development (Works)	Minor works under block allocation 7100CX (for Energizing Kowloon East-related items)

36 The estimate of the amount required in 2015–16 for expenditure on new towns and urban area development is \$2,731,258,000. Of this amount, \$400,000 is for improvement to rural areas, \$435,541,000 is for Hong Kong Island and Islands development, \$1,197,012,000 for Kowloon development, \$237,718,000 for New Territories East development, \$213,361,000 for New Territories West development and \$647,226,000 for block allocations. Setting aside block allocations, the estimate of \$2,084,032,000 includes \$1,693,800,000 for civil engineering projects, \$123,764,000 for transport projects, and \$266,468,000 for community projects.

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37 Significant projects scheduled to start in 2015–16 include: 711CL—Kai Tak development—infrastructure works for developments at the southern part of the former runway; and 790CL—Infrastructure works for West Kowloon Cultural District, phase 1—construction (package one).

38 The proposed allocation of \$140,000,000 for *Subhead 7014CX—Rural Public Works Programme* is for small scale works projects costing up to \$30 million each to upgrade the infrastructure and improve the living environment of rural areas in the New Territories.

39 The proposed allocation of \$340,000,000 for *Subhead 7016CX—District Minor Works Programme* is for district-based works projects implemented by District Councils costing up to \$30 million each to improve local facilities, living environment and hygienic conditions in the territory. It covers minor building works, fitting out works and minor alterations, additions and improvement works including furniture and equipment replacement incidental to such works, and slope inspections and minor slope improvement works in respect of all the district facilities under the purview of the District Councils. It also covers all costs to be incurred in the planning of the above projects, such as consultant fees, feasibility studies, site investigations and other studies.

40 The proposed allocation of \$30,000,000 for *Subhead 7017CX—Signature Project Scheme* is for items costing up to \$30 million each to support implementation of Signature Project Scheme projects by District Councils. It covers the costs to be incurred in planning and design of works-related components of Signature Project Scheme projects, such as site investigations and consultants' fees for feasibility studies, design, preparation of tender documents and contract procurement.

41 The proposed allocation of \$137,226,000 for *Subhead 7100CX—New towns and urban area works, studies and investigations for items in Category D of the Public Works Programme* is for minor works, minor landscaping, feasibility studies and site investigations in respect of new towns and urban area development projects, subject to a maximum ceiling of expenditure of not more than \$30 million per Category D item. Items may also be included in Category D to cover the costs of preliminary feasibility studies and investigations to enable new towns and urban area development projects to be included in Category C of the Public Works Programme, and consultants' fees and charges for feasibility investigations and design (including preparation of tender documents) of works projects in Category B or (subject to the Secretary for Financial Services and the Treasury's approval) Category C of the Public Works Programme.

### Head 709—Waterworks

42 The Financial Secretary has delegated to the following officers the power to authorise expenditure from Head 709 of the Fund—

<i>Officers</i>	<i>In respect of</i>
Director of Water Supplies	Waterworks, and minor works under block allocation 9100WX (up to \$20 million each)
Permanent Secretary for Development (Works)	Minor works under block allocation 9100WX

43 The estimate of the amount required in 2015–16 for expenditure on waterworks projects is \$4,499,614,000.

44 A significant waterworks project scheduled to start in 2015–16 is 358WF—In-situ reprovisioning of Sha Tin water treatment works (South Works)—advance works.

45 The proposed allocation of \$720,000,000 for *Subhead 9100WX—Waterworks, studies and investigations for items in Category D of the Public Works Programme* is for minor works including slope inspections and minor slope improvement works, feasibility studies and site investigations in respect of waterworks items, subject to a maximum ceiling of expenditure of not more than \$30 million per Category D item. Items may also be included in Category D to cover the costs of preliminary feasibility studies and investigations to enable waterworks projects to be included in Category C of the Public Works Programme, and consultants' fees and charges for feasibility investigations and design (including preparation of tender documents) of waterworks projects in Category B or (subject to the Secretary for Financial Services and the Treasury's approval) Category C of the Public Works Programme.

### Head 711—Housing

46 The Financial Secretary has delegated to the following officers the power to authorise expenditure from Head 711 of the Fund—

<i>Officers</i>	<i>In respect of</i>
Director of Architectural Services	Building works
Director of Civil Engineering and Development	Civil engineering works
Director of Highways	Transport works
Director of Water Supplies	Waterworks
Permanent Secretary for Transport and Housing (Housing)	Minor works under block allocation B100HX

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47 The estimate of the amount required in 2015–16 for expenditure on housing-related infrastructure is \$577,104,000.

48 Significant projects scheduled to start in 2015–16 include: 197SC—Reprovisioning of Pak Tin Community Hall and special child care centre-cum-early education and training centre in Pak Tin Estate redevelopment site, and construction of footbridge link at Nam Cheong Street, Sham Shui Po; and 81TI—Public transport interchange and associated works at Kiu Cheong Road East, Ping Shan.

49 The proposed allocation of \$155,773,000 for *Subhead B100HX—Minor housing development related works, studies and investigations for items in Category D of the Public Works Programme* is for minor works, feasibility studies and site investigations in respect of housing related works, subject to a maximum ceiling of expenditure of not more than \$30 million per Category D item. Items may also be included in Category D to cover the costs of preliminary feasibility studies and investigations to enable housing related projects to be included in Category C of the Public Works Programme, and consultants' fees and charges for feasibility investigations and design (including preparation of tender documents) of housing related projects in Category B or (subject to the Secretary for Financial Services and the Treasury's approval) Category C of the Public Works Programme.

### Head 708—Capital Subventions and Major Systems and Equipment

50 Subheads under Head 708 were originally funded by the General Revenue Account. They were transferred to the Fund under a new expenditure head—Head 708 with effect from 1 April 1988.

51 Capital subventions subheads make provision for expenditure on new buildings, extensions and reprovisioning of existing facilities, and provide funding for refurbishment costing more than \$2 million. Starting from the legislative session in 1996–97, capital subventions works projects have been subject to examination by the Public Works Subcommittee, in the same way as other projects under the Public Works Programme, prior to submission to the Finance Committee.

52 Major systems and equipment subheads provide funding for non-administrative computer systems, communication systems and mechanised systems costing more than \$2 million. Major systems and equipment items, which do not form part of the Public Works Programme, continue to follow the procedures which govern items funded under the General Revenue Account.

53 The Financial Secretary has delegated to the controlling officers of the relevant procuring departments the power to authorise expenditure for major systems and equipment projects from Head 708 of the Fund. As for capital subventions and minor works, the following officers have been delegated the power to authorise expenditure—

<i>Officers</i>	<i>In respect of</i>
Permanent Secretary for Education	Capital Subventions—Education Subventions, Technical Education and Industrial Training, and minor works under block allocation 8100QX
Director of Architectural Services	Capital Subventions—Medical Subventions, and minor works under block allocation 8100BX (up to \$20 million each)
Secretary-General, University Grants Committee	Capital Subventions—Universities, and minor works under block allocation 8100EX
Permanent Secretary for Development (Works)	Capital Subventions—Miscellaneous, and minor works under block allocation 8100BX
Permanent Secretary for Commerce and Economic Development (Commerce, Industry and Tourism)	Capital Subventions—Miscellaneous
Permanent Secretary for Commerce and Economic Development (Communications and Technology)	Capital Subventions—Miscellaneous
Permanent Secretary for Home Affairs	Capital Subventions—Miscellaneous
Director of Highways	Capital Subventions—Miscellaneous
Director of Social Welfare	Minor works under block allocation 8001SX
Permanent Secretary for Food and Health (Health)	Minor works under block allocation 8100MX

54 The estimate of the amount required in 2015–16 for expenditure on capital subventions and major systems and equipment is \$7,902,698,000.



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55 The proposed allocation of \$5,000,000 for *Subhead 8100BX—Slope-related capital works for subvented organisations other than education and medical subventions* is for slope inspections and minor slope improvement works for subvented organisations other than those covered by education subventions and medical subventions to the Hospital Authority, subject to a maximum ceiling of expenditure of not more than \$30 million for each project.

56 The proposed allocation of \$615,573,000 for *Subhead 8100EX—Alterations, additions, repairs and improvements to the campuses of the UGC-funded institutions* is for alterations, additions, repairs and improvements including slope inspections and minor slope improvement works to the campuses of the University Grants Committee (UGC)-funded institutions requiring a subsidy of not more than \$30 million each; and for studies for proposed UGC-funded building projects, including consultants' design fees and charges, preparation of tender documents, site investigation costs and major in-house investigations costing up to \$30 million for each project.

57 The proposed allocation of \$433,651,000 for *Subhead 8100QX—Alterations, additions, repairs and improvements to education subvented buildings* is for alterations, additions, repairs and improvements including slope inspections and minor slope improvement works to education subvented buildings (other than those funded through UGC) requiring a subsidy of not more than \$30 million each; and for studies for proposed education subvented building projects, including consultants' design fees and charges, preparation of tender documents and site investigation costs and major in-house investigations costing up to \$30 million for each project.

58 The proposed allocation of \$160,517,000 for *Subhead 8001SX—Provisioning of welfare facilities* is for provisioning of welfare facilities in Housing Authority's Public Housing Estate Development, subject to a ceiling of \$30 million for each project.

### **Head 710—Computerisation**

59 On 14 December 1990, Finance Committee approved the creation of Head 710—Computerisation to meet expenditure on administrative computer systems and consultancies for feasibility studies and system development with effect from 1 April 1991. Items under Head 710 do not form part of the Public Works Programme and are administered according to procedures which govern items funded under the General Revenue Account.

60 The Financial Secretary has delegated to the controlling officers of the relevant procuring departments of major computerisation projects exceeding \$10 million each the power to authorise expenditure from Head 710 of the Fund. In addition, he has delegated to the Government Chief Information Officer the power to authorise expenditure under block allocation A007GX.

61 The estimate of the amount required in 2015–16 for expenditure on computerisation is \$1,762,221,000.

62 The proposed allocation of \$940,000,000 for *Subhead A007GX—New administrative computer systems* is a block allocation for administrative computer systems and consultancies for feasibility studies and systems development each costing between \$150,001 and \$10 million.