

**立法會**  
***Legislative Council***

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by the Administration)

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**Public Works Subcommittee of the Finance Committee  
of the Legislative Council**

**Minutes of the 8<sup>th</sup> meeting  
held in Conference Room 1 of the Legislative Council Complex  
on Wednesday, 16 January 2019, at 8:30 am**

**Members present:**

Ir Dr Hon LO Wai-kwok, SBS, MH, JP (Chairman)  
Hon Charles Peter MOK, JP (Deputy Chairman)  
Hon Abraham SHEK Lai-him, GBS, JP  
Hon Starry LEE Wai-king, SBS, JP  
Hon CHAN Hak-kan, BBS, JP  
Dr Hon Priscilla LEUNG Mei-fun, SBS, JP  
Hon Claudia MO  
Hon Michael TIEN Puk-sun, BBS, JP  
Hon Frankie YICK Chi-ming, SBS, JP  
Hon WU Chi-wai, MH  
Hon MA Fung-kwok, SBS, JP  
Hon CHAN Chi-chuen  
Hon CHAN Han-pan, BBS, JP  
Hon LEUNG Che-cheung, SBS, MH, JP  
Hon Alice MAK Mei-kuen, BBS, JP  
Dr Hon Fernando CHEUNG Chiu-hung  
Hon Alvin YEUNG  
Hon Andrew WAN Siu-kin  
Hon CHU Hoi-dick  
Hon Holden CHOW Ho-ding  
Hon Wilson OR Chong-shing, MH

Hon Tanya CHAN  
Hon CHEUNG Kwok-kwan, JP  
Hon HUI Chi-fung  
Hon LUK Chung-hung, JP  
Dr Hon CHENG Chung-tai  
Hon KWONG Chun-yu  
Hon Jeremy TAM Man-ho  
Hon Gary FAN Kwok-wai  
Hon AU Nok-hin  
Hon Vincent CHENG Wing-shun, MH  
Hon Tony TSE Wai-chuen, BBS  
Hon CHAN Hoi-yan

**Members absent:**

Hon Tommy CHEUNG Yu-yan, GBS, JP  
Dr Hon KWOK Ka-ki  
Dr Hon Helena WONG Pik-wan  
Dr Hon Junius HO Kwan-yiu, JP  
Hon HO Kai-ming  
Hon LAU Kwok-fan, MH

**Public officers attending:**

Mr Raistlin LAU Chun, JP	Deputy Secretary for Financial Services and the Treasury (Treasury) <sup>3</sup>
Mr LAM Sai-hung, JP	Permanent Secretary for Development (Works)
Ms Bernadette LINN, JP	Permanent Secretary for Development (Planning and Lands)
Mr Donald TONG Chi-keung, JP	Permanent Secretary for the Environment
Ms Margaret HSIA Mai-chi	Principal Assistant Secretary for Financial Services and the Treasury (Treasury) (Works)

Mr David LAM Chi-man	Principal Assistant Secretary for Development (Planning and Lands)5
Mr Chris FUNG Pan-chung	Principal Assistant Secretary for Food and Health (Health)3
Mr Albert CHEUNG Ka-lok	Assistant Director of Lands (Specialist)3
Mrs Sylvia LAM YU Ka-wai, JP	Director of Architectural Services
Mr LEUNG Kam-pui	Assistant Director of Architectural Services (Property Services)
Mr Edwin TONG Ka-hung, JP	Director of Drainage Services
Mr Ricky LAU Chun-kit, JP	Director of Civil Engineering and Development
Mr WONG Chuen-fai	Assistant Director of Environmental Protection (Environmental Infrastructure)
Mr Tony CHEUNG Wai-hung	Principal Environmental Protection Officer (Waste Management Policy) Environmental Protection Department
Mr CHUI Wing-wah	Deputy Director of Highways
Mr Tony LOK Kim-wa	Deputy Project Manager (Major Works)1 Highways Department
Ms Eugenia CHUNG Nga-chi, JP	Assistant Director of Home Affairs (2)
Mr Martin KWAN Wai-cheong	Chief Engineer (Works) Home Affairs Department
Miss Winnie WONG Ming-wai	Deputy Secretary-General (1) University Grants Committee Secretariat
Mr LEE Sin-wah	Chief Maintenance Surveyor (School Premises Maintenance) Education Bureau

Ms PING Tak-wai	Senior Maintenance Surveyor (School Premises Maintenance) Education Bureau
Mr Alex WONG Kwok-chun	Assistant Director of Social Welfare (Subventions)
Mr TAN Tick-ye	Assistant Director of Social Welfare (Elderly)
Mr NG Yiu-hing	Chief Executive Officer (Planning)1 Social Welfare Department
Mr WONG Chung-leung, JP	Director of Water Supplies
Mr Gavin WAH Kwok-kee	Chief Systems Manager (Governance and Resources) Office of the Government Chief Information Officer
Mr Michael HONG Wing-kit	Chief Civil Engineer (Public Works Programme) Transport and Housing Bureau

**Clerk in attendance:**

Ms Anita SIT	Assistant Secretary General 1
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**Staff in attendance:**

Ms Ada LAU	Senior Council Secretary (1)7
Miss Queenie LAM	Senior Legislative Assistant (1)2
Ms Christina SHIU	Legislative Assistant (1)2
Ms Christy YAU	Legislative Assistant (1)8

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Action

The Chairman advised that there were two funding proposals on the agenda for the meeting. The first proposal was an item carried over from the previous meeting, while the second proposal was a new submission from the Administration. He reminded members that in accordance with Rule 83A of the Rules of Procedure ("RoP") of the Legislative Council ("LegCo"), they should disclose the nature of any direct or indirect pecuniary

interests relating to the funding proposals under discussion at the meeting before they spoke on the proposals. He also drew members' attention to Rule 84 of RoP on voting in case of direct pecuniary interest.

**Capital Works Reserve Fund Block Allocations**

<b>PWSC(2018-19)35</b>	—	<b>Provision for Capital Works Reserve Fund block allocations in 2019-2020</b>
<b>Head 701</b>	—	<b>Land Acquisition</b>
<b>Head 702</b>	—	<b>Port and Airport Development</b>
<b>Head 703</b>	—	<b>Buildings</b>
<b>Head 704</b>	—	<b>Drainage</b>
<b>Head 705</b>	—	<b>Civil Engineering</b>
<b>Head 706</b>	—	<b>Highways</b>
<b>Head 707</b>	—	<b>New Towns and Urban Area Development</b>
<b>Head 708 (part)</b>	—	<b>Capital Subventions</b>
<b>Head 709</b>	—	<b>Waterworks</b>
<b>Head 710</b>	—	<b>Computerisation</b>
<b>Head 711</b>	—	<b>Housing</b>

2. The Chairman advised that the proposal, i.e. [PWSC\(2018-19\)35](#), sought the approval of an allocation of \$15,094 million for the block allocations under the Capital Works Reserve Fund ("CWRF") for 2018-2019 and 2019-2020.

3. The Chairman also advised that the full list of items proposed to be funded under the block allocations for 2019-2020 (i.e. [LC Paper No. PWSC45/18-19\(01\)](#)) had been provided by the Administration to the Public Works Subcommittee ("the Subcommittee") on 5 December 2018.

4. The Government had consulted the Panel on Development on the funding proposal set out in the discussion paper for the agenda item on 27 November 2018. The Office of the Government Chief Information Officer had consulted the Panel on Information Technology and Broadcasting on the block allocation under Head 710 — Computerisation on 12 November 2018. The Transport and Housing Bureau had consulted the Panel on Transport on the implementation of Subhead 6101TX — Universal Accessibility Programme under Head 706 — Highways on 16 November 2018. A report on the gist of the discussion of the three Panels was tabled at the meeting.

5. Mr Jeremy TAM said that as the Administration's discussion paper contained more than 10 000 funding proposals for public works projects

("PWPs"), he requested the Chairman to allow members a longer speaking time for each round of speaking. The Chairman opined that the Subcommittee should scrutinize the discussion paper according to established speaking arrangements.

Delegated authority of the Financial Secretary

6. Mr CHAN Chi-chuen noted that under the block allocations mechanism, the Financial Secretary ("FS") might exercise the authority delegated by the Finance Committee ("FC") to approve the creation of PWP items, subject to meeting the ambits of the relevant heads and subheads and the cost estimate ceiling of \$30 million (except for those under certain subheads). He enquired about the actions the Administration had to take if the total expenditure of a particular project item created under the block allocations mechanism exceeded the financial ceiling of the subhead. Mr CHAN requested the Administration to provide supplementary information on the number of items under the block allocations proposal for 2019-2020 with a cost estimate exceeding \$25 million among those under the subheads that were subject to the financial ceiling of \$30 million pursuant to the delegated authority.

7. Deputy Secretary for Financial Services and the Treasury (Treasury)3 ("DS(Tsy)3/FSTB") said that if the total expenditure of a particular item funded under the block allocations exceeded the financial ceiling of the relevant subhead, the Administration should submit a request for the supplementary provision required by the item to FC of LegCo for consideration. He undertook to provide the information requested by Mr CHAN Chi-chuen after the meeting.

*(Post-meeting note: The supplementary information provided by the Administration was circulated to members vide [LC Paper No. PWSC94/18-19\(04\)](#) (Chinese version) on 18 January 2019.)*

8. Mr CHU Hoi-dick said that he did not subscribe to the Administration's practice of seeking FC's funding approval for the estimates of Subheads 1004CA and 1100CA under Head 701 by way of block allocations. He would vote against the block allocations proposal for that reason. Mr CHU pointed out that under Subhead 1100CA, the cost estimates of the new items for land resumption in relation to the development of Northeast New Territories alone amounted to \$13.3 billion, whilst the main works concerned were yet to be considered by LegCo. Furthermore, the estimate under Subhead 1100CA for 2019-2020 was over \$3 billion. Mr CHU opined that the funding for those items should not be bundled up for approval.

9. Mr CHU Hoi-dick noted that since the actual expenditure of Subhead 9100WX under Head 709 in 2018-2019 had exceeded the provision expected to be required for the financial year, the Administration had to seek FC's approval for increasing the 2018-2019 approved allocation of the relevant subhead. Mr CHU said that apart from those cases where the actual expenditure of a subhead exceeded the estimate, the Administration had not provided LegCo with information on cases where the actual expenditure was less than the estimate in the same financial year. Mr CHU was concerned how the unspent provision was handled, and requested the Administration to provide supplementary information on the discrepancies between the approved provision and the actual expenditure of the block allocation heads/subheads in the last financial year. Mr CHU also requested the Administration to explain the scope and limit of the delegated authority of FS under the block allocations mechanism.

10. DS(Tsy)3/FSTB replied that FS was delegated by FC the authority to create individual items under block allocation heads and subheads, on condition that (a) the item to be created should meet the specified ambit of the related head and subhead; and (b) the project estimate of the item to be created should not exceed the financial ceiling of the related subhead in accordance with the delegated authority. Moreover, FS was also delegated the authority to increase the approved allocations of individual block allocation subheads in that financial year, subject to a ceiling of \$15 million for the additional commitment for each subhead. Taking Subhead 9100WX under Head 709 as an example, he explained that since the estimated expenditure of the subhead in 2018-2019 had exceeded the allocation approved by FC for the financial year by \$112.9 million, which meant that the additional provision required had gone above FS's approval ceiling of \$15 million under the delegated authority, the Administration had to seek FC's approval for increasing the approved allocation to the required amount. He added that project expenditure was funded by CWRF, and the unspent provision remained part of the balance of CWRF. After works completion and account finalization, the unspent estimate would be removed from the books. As such, there was no question of unspent estimate being used for other purposes. He undertook to provide the information requested by Mr CHU after the meeting.

*(Post-meeting note: The supplementary information provided by the Administration was circulated to members vide [LC Paper No. PWSC94/18-19\(04\)](#) (Chinese version) on 18 January 2019.)*

Procedures of considering the block allocations proposal and presentation of the discussion paper

11. Mr AU Nok-hin expressed his views on the Subcommittee's procedures of considering the block allocations proposal. Mr AU pointed out that the Administration had included the pre-construction studies for controversial large-scale PWPs in the block allocations, whilst the funding applications for the main works involved had not yet been considered and approved by FC. Mr AU opined that items under the block allocations, if derived from controversial main works, should be taken out for separate consideration by the Subcommittee and/or FC. Mr AU also suggested that the proposed allocations for the various subheads under the block allocations proposal be voted on one by one.

12. The Chairman advised that in response to Mr CHU Hoi-dick's request for a review of the block allocations mechanism under CWRF, FC held a special meeting on 28 November 2017 to discuss the issue, during which no specific recommendations or motions were dealt with. However, the Government had provided supplementary information and response with regard to the views raised by members (i.e. [LC Paper FC165/17-18\(01\)](#)).

13. The Chairman commented that most of the items under the block allocations were small-scale PWPs and pre-construction studies for major PWPs. The purpose of these pre-construction studies was to provide LegCo with the basis of consideration when funding approval was sought for the relevant main works in future.

14. Mr CHAN Chi-chuen expressed concern about the Administration's submission of the block allocations proposal to the Subcommittee in a bundled manner. Mr CHAN noted that the Administration had set out some on-going items and new items for 2019-2020 in the annexes to the discussion paper, and prepared a full list of all items to be funded (i.e. [LC Paper No. PWSC45/18-19\(01\)](#)) separately for depositing with the LegCo Secretariat. Mr CHAN enquired about the criteria adopted by the Administration in selecting individual items from the full list for inclusion in the annexes to the discussion paper.

15. DS(Tsy)3/FSTB said that the on-going key expenditure items and new items for 2019-2020 as set out in the annexes to the discussion paper were mainly PWPs of a larger scale and/or those involving higher cost estimates. He continued that the full list provided by the Government covered items that were expected to commence or required to be implemented on an on-going basis according to the Administration's forecast and evaluation at the time when preparing the discussion paper on the block



allocations for the coming year. However, the Administration might have to create items not found on the list in the light of the prevailing needs of the community after commencement of the new financial year. Items which had to be implemented on an on-going basis in the ensuing financial year would be presented as on-going items in that year's list of items under the block allocations.

Head 701 Subhead 1100CA

Compensation and ex-gratia allowances in respect of projects in the Public Works Programme

*Item 4 of Part I (Central-Wanchai Bypass and Island Eastern Corridor Link)*

16. Mr AU Noh-hin noted that the cost estimate of land acquisition involved in Central-Wanchai Bypass and Island Eastern Corridor Link ("CWB and IECL") was revised upward to \$310 million from the original estimate of \$187 million in 2017-2018. Mr AU enquired about the annual cost estimates of the item for each of the years since it was created, and, for each of those years, the revised cost estimates, the discrepancies between the original and revised estimates, and the reasons for such discrepancies. Ms Claudia MO enquired about the expenses covered by the estimate for 2019-2020 at \$238.63 million.

17. Assistant Director of Lands (Specialist)3 ("AD(S)3/LandsD") replied that under Subhead 1100CA, the funding approval being sought from the Subcommittee and FC in respect of CWB and IECL covered the compensation and ex-gratia allowances payable to land owners for the land acquisition exercise necessitated by the above project. Whether the funding approved was sufficient to meet the costs and ex-gratia allowances payable for the year would depend on the progress of negotiation between the Administration and land owners on the amount of compensation. If the land owner disagreed with the amount of compensation offered by the Administration, the relevant case might even require adjudication by the Lands Tribunal. These factors and the development of each case were out of the Administration's control, which were also the reasons for the discrepancies between the original estimate for the year and the estimate revised at year-end. The Administration could only make use of the information available to work out the best cost estimate for each year. He undertook to provide the information requested by Mr AU Nok-hin and Ms Claudia MO after the meeting.

*(Post-meeting note: The supplementary information provided by the Administration was circulated to members vide [LC Paper No. PWSC99/18-19\(01\)](#) (Chinese version) on 29 January 2019.)*

*Item 2 of Part I (Hong Kong section of Guangzhou-Shenzhen-Hong Kong Express Rail Link)*

18. Ms Claudia MO pointed out that the Hong Kong section of the Guangzhou-Shenzhen-Hong Kong Express Rail Link ("XRL") had already been commissioned. She enquired why there was still an estimate under this item for land acquisition in 2019-2020.

19. AD(S)3/LandsD said that although XRL had been commissioned, agreements were yet to be reached between some land owners involved and the Administration on compensation arrangements. Therefore, the compensation procedures for land acquisition in relation to this item had not been completed.

20. DS(Tsy)3/FSTB supplemented that the land acquisition costs related to both CWB and IECL and XRL as mentioned above were not included as part of the works costs of the projects concerned, and hence had nothing to do with their commissioning. As the Administration needed time to negotiate with some land owners on compensation arrangements and court adjudication was pending, part of the funding reserved for land acquisition might not be used by the expected payment date. The amount of compensation paid out eventually might also be affected by the date on which a compensation agreement was reached or a judgment was handed down by the court.

21. Mr KWONG Chun-yu said that while the Hong Kong section of XRL had already been commissioned, there were no redress avenues for residents living in Ngau Tam Mei Tsuen, Yuen Long, who were affected by the project. Mr KWONG said that the lives of villagers were affected as cracks were found in houses in Ngau Tam Mei Tsuen after the construction works of the project had commenced, and the water level in wells receded significantly. He enquired whether the estimate provided for the item under Subhead 1100CA had taken into account the compensation claims submitted by the villagers of Ngau Tam Mei Tsuen for the implications of the XRL project on their houses and wells; the nature of those claims; and the progress made by the Government in processing such claims.

*(Post-meeting note: The supplementary information provided by the Administration was circulated to members vide [LC Paper No. PWSC99/18-19\(01\)](#) (Chinese version) on 29 January 2019.)*

22. AD(S)3/LandsD said that the estimate under Subhead 1100CA was provided for the compensation and ex-gratia allowances payable for land acquisition in respect of projects in the Public Works Programme, including

the compensation to owners of land reverted to the Government, the rents for leasing private land on a temporary basis, and the compensation to those who engaged in farming and commercial activities on the land. The law stipulated that anyone who deemed their rights in land or properties being infringed upon as a result of a works project could file a claim with the Government within the prescribed timeframe. Those who failed to file the claim within the time limit were required to explain their case to the Administration with relevant justifications. He said that the affected persons might request the Administration to repair the damages caused to their houses by the PWP, or demand compensation in monetary terms. He undertook to provide the claims filed by villagers of Ngau Tam Mei Tsuen in relation to the XRL project and the related information after the meeting

*Item 5 of Part I (Resumption of land for development at Wang Chau, Yuen Long)*

23. Mr CHU Hoi-dick said that the amount of compensation offered by the Government for the land resumed at Wang Chau was calculated on the basis of the land price of Zone B prevailing as at the date of reversion announced by the Administration. For this project, since an agreement had not been reached between individual land owners and the Administration amidst rising land prices, the amount of compensation offered by the Administration was not enough for the land owners (including farmers who owned land titles) to purchase another plot of land with a size comparable to the original. Mr CHU queried why the amount of compensation would not be adjusted upward to align with the rising land prices for cases where an agreement had not been reached.

24. AD(S)3/LandsD said that according to the gazetted notice of the Administration, the land required to be resumed for development at Wang Chau, Yuen Long, was reverted to the Government in August 2017. Under the Lands Resumption Ordinance (Cap. 124), the statutory compensation and ex-gratia land compensation for land acquisition were calculated based on the compensation rate prescribed in respect of the land description prevailing as at the date of reversion. For cases where an agreement was reached or a judgment was made under statutory procedures on a date later than the date of reversion, the Government should pay interest on the amount of compensation for the intervening period in addition to the relevant compensation.

25. Permanent Secretary for Development (Planning and Lands) supplemented that to ensure the proper use of public money, once a compensation offer was made to the owner for land resumption, even if the owner was only willing to accept the offer some time later, the

Administration would not further adjust the amount of compensation according to the compensation rate prevailing as at the date on which the owner accepted the compensation offer.

Head 702 Port and Airport Development

26. Dr CHENG Chung-tai enquired why the Administration intended not to seek funding for the three subheads related to Port and Airport Development Strategy under Head 702 in 2019-2020, and about the total expenditure of the three subheads since 1989.

27. Principal Assistant Secretary for Financial Services and the Treasury (Treasury) (Works) replied that the Financial Services and the Treasury Bureau had consulted the Transport and Housing Bureau and the Development Bureau. The latter indicated that it was not necessary to reserve funding for Port and Airport Development Strategy in 2019-2020. DS(Tsy)3/FSTB supplemented that no new items had been created under the three subheads in the past few years. He undertook to provide the relevant supplementary information after the meeting.

*(Post-meeting note: The supplementary information provided by the Administration was circulated to members vide [LC Paper No. PWSC99/18-19\(01\)](#) (Chinese version) on 29 January 2019.)*

Head 703 Subhead 3100GX

Project feasibility studies, minor investigations and consultants' fees for items in Category D of the Public Works Programme

*Item 3 of Part II (A 24-classroom primary school at Au Pui Wan Street, Fo Tan — minor investigations and consultants' fees)*

28. Mr WU Chi-wai said that primary schools generally had 30 classrooms according to the prevailing standards. He enquired why the proposed primary school under the item had only 24 classrooms. Noting that the Administration appointed consultant(s) to assist in taking forward the school building project, Mr WU enquired about the scope of duties of the consultant(s) and suggested that the Administration should adopt a design which used standardized components, so as to save part of the cost. Moreover, Mr WU was also concerned about the proportion of the cost of minor investigations to consultant fees in the project estimate.

29. Director of Architectural Services ("DArchS") said that the Architectural Services Department ("ArchSD") was entrusted by the Education Bureau ("EDB") to implement the project. She undertook to

enquire with EDB about the reasons why the school had only 24 classrooms and provide the supplementary information after the meeting. She said that due to insufficient in-house resources, ArchSD needed to appoint external consultants to assist in taking forward school building projects from time to time. The consultants appointed were required to undertake tasks such as the detailed design of the school premises and management of the works contract. As regards the current project, ArchSD would ascertain the project feasibility with its in-house resources before engaging external consultant(s). As such, funding was proposed to be reserved for minor investigations and appointment of consultant(s) to carry out the detailed design. This would facilitate the submission of the funding request to the Subcommittee and FC for the related main works in future. The proportion of the cost of the proposed minor investigations to consultant fees for the project was roughly 20:80. She said that ArchSD would draw reference from the experience learned from similar projects in the past and share the relevant information with the appointed consultant(s), so that the project could be carried out more efficiently and cost-effectively.

*(Post-meeting note: The supplementary information provided by the Administration was circulated to members vide [LC Paper No. PWSC99/18-19\(01\)](#) (Chinese version) on 29 January 2019.)*

30. DArchS continued that given the different constraints faced by individual school building projects, including the site topography and the requirements of the relevant school-sponsoring bodies, it was actually difficult to adopt one single design for all projects.

#### Head 703 Subhead 3101GX

#### Minor building works for items in Category D of the Public Works Programme

#### *Item 3 of Part II (Alteration and improvement works for Y Loft of Youth Square, Chai Wan)*

31. Ms Tanya CHAN said that according to [LC Paper No. PWSC71/18-19\(01\)](#), the Administration was responsible for the repair of the reception desk and kiosk and the installation of facilities such as the Wi-Fi network. Ms CHAN enquired whether they went beyond the general repair and maintenance responsibilities undertaken by ArchSD for government buildings or buildings of publicly funded organizations. Ms CHAN requested the Administration to clarify which part of the terms and conditions in the contract between the Administration and the operator contained such provisions, and explain why Y Loft of Youth Square, which was completed just a few years ago, already required alteration and improvement works.

Dr CHENG Chung-tai enquired whether the project had any construction or design flaws.

32. DArchS replied that the Home Affairs Bureau ("HAB") was the bureau responsible for the operation of Y Loft of Youth Square, Chai Wan, which was developed with government funding and located at a site zoned for Government, Institution or Community use. As far as she understood, according to the management contract between the Home Affairs Department ("HAD") and the operator responsible for the day-to-day management and operation of Youth Square and its various facilities, the operator should undertake the day-to-day routine servicing, repair and maintenance in order to maintain the serviceability of the facilities of Youth Square. On the other hand, ArchSD was responsible for scheduled refurbishment and large-scale building repair and maintenance works. As it had been eight years since Y Loft of Youth Square began operation in December 2009, in order to enhance the competitiveness of Y Loft in operation, HAD considered it necessary to retrofit it with extremely widely used information technology facilities and improve, integrate and redesign its communal space (e.g. the reception desk), so that Y Loft could better align with the development of society and the latest industry standards. This could further enhance its competitive edges in operation. She added that the improved operation environment would enable Y Loft to generate more income which would in turn benefit the coffers.

*Item 5 of Part II (Replacement of BrandHK LED sign on the rooftop of the Queensway Government Offices)*

33. Dr CHENG Chung-tai believed that the LED sign referred to in the item was the one that featured the "flying dragon" logo on the rooftop of the Queensway Government Offices. Dr CHENG was concerned whether the relevant works involved updating the logo design or replacing the whole LED sign. Dr CHENG pointed out that the design of the flying dragon logo of the LED sign was updated every decade and cost nearly \$10 million each time. He enquired, if the current project involved the replacement of the whole LED sign, how the new sign could enhance the display performance. He queried whether the some \$8.8 million allocated to the project was properly spent.

34. DArchS confirmed that the project involved replacing the "flying dragon" logo on the rooftop of the Queensway Government Offices, which had been in use since the last updating exercise in 2013 and needed to be replaced. The newly installed LED sign would be equipped with more features, including an animated display of the flying dragon logo, features to

complement the light show at the Victoria Harbour, and enhanced capability to accommodate design alterations.

*HQ107 — HKSAR's participation in the 2019 Beijing International Horticultural Exposition — Hong Kong Garden*

35. Mr CHAN Chi-chuen noted that the total project estimate of the item was \$29.5 million, and about \$6.5 million had been paid out between 1 April and 31 August 2018. He enquired about the duration of the Exposition; the area, design and types of proposed exhibits of the Hong Kong Garden; and details of its management. Mr CHAN requested the Administration to clarify the creation of the item, including whether it was listed under the block allocations for 2018-2019.

36. DArchS said that ArchSD was entrusted with the works for the Exposition by HAB. In this connection, ArchSD appointed a contractor to take forward the project, and the project estimate covered the relevant cost of demolishing the Hong Kong Garden after the closing of the Exposition. She undertook to provide the supplementary information requested by Mr CHAN Chi-chuen after the meeting.

*(Post-meeting note: The supplementary information provided by the Administration was circulated to members via [LC Paper No. PWSC99/18-19\(01\)](#) (Chinese version) on 29 January 2019.)*

Head 704 Subhead 4100DX

Drainage works, studies and investigations for items in Category D of the Public Works Programme

*Item 10 of Part II (Upgrading of gasholder No. 2 at Sha Tin Sewage Treatment Works)*

37. Mr Alvin YEUNG pointed out that the Sha Tin Sewage Treatment Works ("STSTW") would be relocated to caverns. He enquired whether the proposed upgrading works were necessary and whether the upgraded gasholder could also be relocated to the new site and continue to be used after the relocation of STSTW in future.

38. Director of Drainage Services ("DDS") explained that the relocation of STSTW to caverns took more than 10 years. During the period, STSTW still had to maintain its normal operation. The proposed upgrading works would be performed on the gasholder No. 2 which had been in use for 20 years, and one of its components, i.e. the airtight membrane, was not in



good working order. As the gasholder was an indispensable component of sewage treatment works, the relevant works were necessary.

Head 705 Subhead 5001BX  
Landslip Preventive Measures

39. Mr Holden CHOW noted that works funded under the subhead were grouped into different packages. He enquired about the grouping criteria and the locations of these works, and expressed concern as to whether the District Councils ("DCs") of the districts involved in these works were aware of the works programmes and informed of the works progress.

40. Director of Civil Engineering and Development ("DCED") replied that there were many natural hillsides and man-made slopes in Hong Kong. After risk assessments, improvement works would be prioritized and carried out in batches. The packages set out under the discussion paper represented different batches of works. The Civil Engineering and Development Department ("CEDD") would report works progress to the relevant DCs on a regular basis. CEDD staff would also liaise with stakeholders who were affected by the works and promote the importance of slope safety among the public.

Head 705 Subhead 5101CX  
Civil engineering works, studies and investigations for items in Category D of the Public Works Programme

*5H92CL (Technical study on transport infrastructure at Kennedy Town for connecting to East Lantau Metropolis)*

41. Mr Holden CHOW noted that the technical study had been completed. He enquired about the arrangement to publish the study findings, including whether the relevant report and the executive summary had been uploaded on the official website. Mr CHOW was concerned about the traffic congestion in East Lantau, and enquired whether the Administration would take advantage of the East Lantau Metropolis ("ELM") development to take forward the development of transport network connecting East Lantau to Hong Kong Island and Kowloon.

42. Mr AU Nok-hin enquired why the contents of Appendix A, which was related to Chapter 8, were redacted from the full text of the technical study report, and about the information involved. Mr AU was concerned whether the recommendations put forward by the study would be in conflict with the current/proposed planning and land use of the districts concerned, such as the public open space in the vicinity of the Western Wholesale Food Market, the



Western District Public Cargo Working Areas and the proposed reclamation at the site of ex-Kennedy Town Incineration Plant; and whether the proposed reclamation mentioned above violated Section 3 of the Protection of the Harbour Ordinance (Cap. 531).

43. DCED replied that the technical study on transport infrastructure at Kennedy Town for connecting to ELM had been completed and its executive summary had been uploaded onto CEDD's website. The study report (except for sensitive information) was uploaded onto the website recently for Members' and the public's reference.

44. DCED explained that the findings of the technical study revealed a number of technically feasible options on a preliminary basis for the transport infrastructure and their alignment. The contents of Appendix A were related to the possible implications on the districts covered by those options, and the recommended mitigation measures put forward by the consultant of the study. As the information was sensitive in nature, it had been redacted before public release. He said that the Administration would take forward the next stage of work in the light of the study findings, including taking an in-depth study of the feasible options for the transport infrastructure and exploring other options. Public consultation would also be conducted.

Head 705 Subhead 5101DX

Environmental works, studies and investigations for items in Category D of the Public Works Programme

*Item 3 of Part I (Development of organic resources recovery centre phase 3 — feasibility study)*

45. Mr CHAN Hak-kan enquired whether the Administration would consider, in the context of the feasibility study, the many views raised by members of the Subcommittee on the development programme of organic resources recovery centres ("ORRCs").

46. Assistant Director of Environmental Protection (Environmental Infrastructure) ("AD(EI)/EPD") replied that the feasibility study for the organic resources recovery centre phase 3 ("ORRC3") would cover the environmental implications of the relevant facilities, the use of renewable energy and the technologies for treating food waste. The Administration would take into account the different views put forward by members.

*Item 7 of Part I (Development of organic resources recovery centre phase 2 — feasibility study)*

47. Mr CHAN Hak-kan said that a motion to adjourn the discussion on the proposed development of the organic resources recovery centre phase 2 ("ORRC2") was passed at the Subcommittee meeting held on 28 November 2018. He enquired why the Administration still would continue with the feasibility study for the relevant facilities.

48. AD(EI)/EPD replied that the feasibility study was part of the Administration's pre-construction work for taking forward ORRC2, which included tasks such as engineering feasibility studies and environment assessments. The study, which was commenced in 2011, had approached its final stage. However, there was some unfinished work in the contract which required follow-up actions.

49. DS(Tsy)3/FSTB explained that under general circumstances, the feasibility studies conducted by the Administration for major PWPs were aimed at providing Members with more sufficient and comprehensive information on such major projects to facilitate their consideration of the future funding requests of the main works submitted to the Subcommittee and FC for approval. An external consultant was commissioned to conduct the feasibility study related to ORRC2 development. The Administration had to pay the consultant fees for the study completed pursuant to the contract terms even if the main works concerned were yet to secure the general support of the Subcommittee.

*Item 1 of Part II (Food waste pre-treatment facilities for food waste/sewage sludge anaerobic co-digestion trial scheme at Sha Tin sewage treatment works)*

50. Mr CHAN Hak-kan enquired about the exact location of the food waste pre-treatment facilities. As STSTW would be relocated to caverns, Mr Alvin YEUNG enquired about the need to take forward the proposed food waste pre-treatment facilities at this time, and whether the facilities could be relocated and continue to be used at the new site after the relocation of STSTW.

51. DDS and AD(EI)/EPD explained that the project was a trial carried out jointly by the Drainage Services Department and the Environmental Protection Department. The food waste pre-treatment facilities would be located within the existing site of STSTW. The food waste collected and the sewage sludge in STSTW would undergo anaerobic digestion by a suitable method. The trial had to commence as early as possible because its results

would have significant implications on enhancing Hong Kong's food waste treatment capability in future. The trial was expected to take no more than 10 years.

Head 706 Subhead 6100TX

Highway works, studies and investigations for items in Category D of the Public Works Programme

*Item 3 of Part I (Electronic road pricing pilot scheme in Central and its adjacent areas — feasibility study)*

52. Mr CHAN Han-pan said that electronic road pricing ("ERP") was a controversial policy, and enquired why the Administration still conducted a study on the subject. He was concerned whether members' endorsement of the funding request for the study would be taken as supporting the principal policy.

53. Deputy Director of Highways replied that the Administration had garnered some support during the consultation on ERP in 2016. Based on the results of the public consultation and reference drawn from overseas experience, the Administration planned to conduct trials in Central and its adjacent areas under the ERP pilot scheme and created the item under the subhead in 2017 for the proposed feasibility study. As the study covered various technologies, options and charging arrangements, funding would have to be sought for the coming year in the light of the study progress. He continued that the feasibility study was expected to be completed in mid-2019. The study findings and recommendations, on which another round of public consultation was intended to be conducted, would be published at the same time.

*Item 1 of Part II (Widening of Tsuen Wan Road, extension of existing vehicular bridge at Texaco Road and the associated junction improvement works — investigation)*

54. Mr CHAN Han-pan said that Tsuen Wan District had been plagued by traffic congestion for many years. Noting that the feasibility study on improving the traffic facilities in the vicinity of Tsuen Wan Road had been completed many years ago, he questioned the present need for further investigations instead of implementing works to solve the local traffic problems.

55. Deputy Project Manager (Major Works)1, Highways Department ("DPM(MW)1/HyD"), replied that with regard to the widening of Tsuen Wan Road, HyD had consulted and secured the support of the Traffic

and Transport Committees of Tsuen Wan and Kwai Tsing DCs in the fourth quarter of 2017. HyD appointed a consultancy firm to study the widening of Tsuen Wan Road, extension of the existing vehicular bridge at Texaco Road and the associated junction improvement works with a view to commencing the investigation in the second quarter of 2019.

Head 706 Subhead 6101TX  
Universal Accessibility Programme

56. Mr HUI Chi-fung opined that the Universal Accessibility Programme ("UAP") had been dragging on for many years and the progress left much to be desired. Mr HUI, declaring himself as a member of the Central and Western DC, commented that the project of "Provision of universal access facilities for footbridge no. HF135 in Central and Western District" under the subhead, which had not been completed despite being carried out for four years, had caused nuisance to local residents. As regards the 10 on-going key items under the subhead, Mr HUI enquired —

- (a) about the existing and expanded projects under the initial UAP and those under the second phase;
- (b) whether there was any delay or lag in individual projects; if so, the number of months/years of delay or lag; and
- (c) whether cost overruns and/or breach of contract by contractors had been involved.

57. DPM(MW)1/HyD replied that the timetables of various projects under UAP might be affected by the time required to address different public views and the need to relocate underground utilities. As for information on individual projects, he would provide a supplementary information paper after the meeting.

*(Post-meeting note: The supplementary information provided by the Administration was circulated to members vide [LC Paper No. PWSC99/18-19\(01\)](#) (Chinese version) on 29 January 2019.)*

58. Regarding the Administration's response at the meeting, Mr HUI Chi-fung was disappointed that the Administration was unable to give a clear account of the progress of the above projects at the meeting while seeking the funding approval of the Subcommittee and FC for their on-going implementation and having them listed as key items in the discussion paper.

Head 707 Subhead 7100CX

New towns and urban area works, studies and investigations for items in Category D of the Public Works Programme

*Item 3 of Part I (Technical study on potential sites for relocation of wholesale markets and for other industrial uses in North West Tsing Yi)*

59. According to Mr Gary FAN, the Administration had indicated earlier that the technical study concerned would be completed in 2020. Mr FAN enquired whether the \$9.42 million being sought for the technical study under the block allocations proposal for 2019-2020 was the last installment payable under the item. Moreover, Mr FAN enquired whether public consultation would be conducted if the study ascertained the feasibility of the policy concerned, and about the lead time from the conduct of public consultation to the actual relocation. He said that the study also covered a number of existing wholesale markets in Cheung Sha Wan, Kwun Tong and the Western District. He enquired about the amount of land that was expected to be released as a result and the use of such land.

60. DCED replied that the estimated cash flow of the technical study on the potential sites for relocation of wholesale markets and for other industrial uses in North West Tsing Yi in future would depend on the progress of the technical study. He explained that the technical study was expected to be completed in 2020, after which the item account would be finalized and the remaining consultant fees would be paid. As such, the Administration considered that funding would still have to be sought for the technical study for 2020-2021 and/or the year(s) that followed. He continued that the Administration would communicate with the stakeholders of the wholesale markets in the course of the technical study. As the study was aimed at ascertaining the technical feasibility of relocating the wholesale markets to the potential sites in North West Tsing Yi, it did not cover the future use of the current sites of those wholesale markets.

*Item 5 of Part II (Feasibility study for the development of sites at Diamond Hill upon relocation of service reservoirs)*

61. Mr Jeremy TAM said that the item of "Investigation study, design and associated site investigation works for relocation of the Diamond Hill service reservoirs to caverns" was discussed by the Panel on Development on 27 March 2018. The proposed "Feasibility study for the development of sites at Diamond Hill upon relocation of service reservoirs", on the other hand, was aimed at exploring the future use of the current sites of the Diamond Hill service reservoirs. Mr TAM enquired why the above two studies were not combined into a single study, so that the benefits of

relocating the service reservoirs could be examined in the light of the findings of the feasibility study for the development of the sites. Mr TAM urged that the Administration should complete the feasibility study for the development of the current sites of the Diamond Hill service reservoirs before submitting the funding application to the Subcommittee and FC for the main works of relocating those reservoirs, and provide the study findings together with the funding submission for members of the Subcommittee and FC to assess the overall benefits of relocating the Diamond Hill service reservoirs.

62. DCED said that the "Investigation study, design and associated site investigation works" and the proposed "Feasibility study for the development of sites at Diamond Hill upon relocation of service reservoirs" had different scopes of study. The former examined the technical feasibility of relocating the Diamond Hill service reservoirs to caverns, while the latter looked into the development options of the current reservoir sites. Director of Water Supplies ("DWS") supplemented that the investigation study and the design and associated site investigation works also included a preliminary assessment of the future development of the current reservoir sites, which confirmed that the relocation would bring about overall benefits. The "Feasibility study for the development of sites at Diamond Hill upon relocation of service reservoirs" being proposed currently would take a more in-depth look into the preliminary assessment. He said that the Administration was undertaking the preparation work for the funding submission to the Subcommittee and FC for the main works of relocating the Diamond Hill service reservoirs. Findings of the study on the future development of the current reservoirs sites would be provided at that time as supporting information for members' consideration.

*Item 7 of Part II (Modification of existing seawater intake at the former runway for the district cooling system)*

63. Mr Gary FAN noted that FC had approved on 4 January 2019 the funding for the District Cooling System ("DCS") at Kai Tak Development proposed under FCR(2018-19)68 - PWSC(2018-19)30, while this proposed project was also related to the DCS at Kai Tak Development. Mr FAN enquired why the Administration did not include the proposed project under the relevant funding proposal mentioned above, and whether it split the project deliberately in order to break up the cost estimate so that it could circumvent the monitoring of LegCo.

64. DCED said that the proposed project was independent from the project proposed under FCR(2018-19)68 approved by FC earlier. He said that the proposed project was mainly for supporting the enhancement works

to improve the water quality of Kai Tak Nullah. He undertook to provide a supplementary information paper after the meeting.

*(Post-meeting note: The supplementary information provided by the Administration was circulated to members vide [LC Paper No. PWSC99/18-19\(01\)](#) (Chinese version) on 29 January 2019.)*

Head 709 Subhead 9100WX

Waterworks, studies and investigations for items in Category D of the Public Works Programme

*Item 6 of Part II (Risk-based improvement of fresh water main along Farm Road and Ma Tau Chung Road, Kowloon City)*

65. Mr Jeremy TAM enquired about the risk that was referred to in the proposed risk-based improvement of fresh water mains in Kowloon City District and the criteria adopted by the Administration in assessing the risk; whether the construction works of Shatin to Central Link ("SCL") was a risk factor given the proximity of the scope of the proposed works to SCL's alignment; and which department(s) determined the scope of road closure to make way for the waterworks and the criteria concerned. Mr TAM said that many commercial establishments had suffered financial losses due to frequent road closures necessitated by waterworks.

66. DWS said that the risk-based improvement of fresh water mains, which was based on the "underground asset management strategy" of the Water Supplies Department ("WSD"), assessed the risk levels of water mains having regard to their conditions, years of service, pipe materials, burst or leak history, surrounding environment, etc., so that high-risk pipes could be replaced in an orderly manner. Under the proposed project, WSD would replace three fresh water mains along Farm Road and Ma Tau Chung Road in Kowloon City which had shown signs of ageing and were subject to higher risks of bursting. There was no information to show that the construction works of SCL posed risks to the mains involved in the proposed project although they were located in the vicinity of SCL's alignment. DWS continued that WSD had to discuss with the respective traffic formations of the Hong Kong Police Force and the Transport Department the scope of road closure and the associated temporary traffic measures in relation to the water mains improvement works. WSD would do its best to reduce the scope of road closure as required by the works, so as to minimize the inconvenience caused to the public.

*Item 1 of Part II (Water supply to remote villages — Mui Tsz Lam Village, Sha Tin)*

67. Mr Alvin YEUNG noted that the estimate of the proposed item was \$28 million. Mr YEUNG enquired about the Administration's timetable for project implementation and the estimated cash flow.

68. DWS replied that WSD planned to commence the project in the second half of 2019, and anticipated that 18 months were required for its completion. The project included the connection of fresh water mains from Chevalier Garden, Ma On Shan, to Mui Tsz Lam Village; building one pump house and one water tank; and the associated waterworks. The estimate provided for 2019-2020 was used mainly on site clearance and the geotechnical investigation works for the project. The main works would be carried out in 2020-2021, and the cost of works incurred in that financial year would account for a large portion of the overall project estimate.

69. The Chairman advised that the Subcommittee would continue to discuss this item at the next meeting. The meeting ended at 10:30 am.