

24 July 2020

Hon Tanya Chan  
 Room 814, Legislative Council Complex  
 Legislative Council Complex,  
 1 Legislative Council Road,  
 Central, Hong Kong

Dear Tanya,

**About the legacy payment to subcontractors previously employed by  
 Hsin Chong Construction Company Limited**

I refer to your letter dated 3 June 2020 noting that a few subcontractors on the M+ project had been in touch with your office over delays in receiving payments.

Further to my previous reply dated 2 December 2019, where we indicated that there were some outstanding cases pending for further submission of documentation so that their claims could be justified, I can now confirm that we have settled every case which can be justified by valid records. The overall current settlement status of reviewed cases is as follows:-

<u>Item</u>	<u>Description</u>	<u>No. of Case</u>
1	Settled cases.	13
2	Cases that have been assessed by the Contract Administrator (CA) based on factual records, but disagreed by the subcontractors; further review/assessment is still required.	3
3	Unjustified case rejected by the CA due to insufficient/invalid records.	3


Regarding your concerned cases, after further assessment by our independent CA, the claimants are not able to provide adequate evidence and proof to warrant a re-assessment of work already done before the termination of the employment of Hsin

Chong Construction Company Limited (HCC) under the contract between that company and the West Kowloon Cultural District Authority (the Authority), where such works were already paid by HCC. As our CA is unable to find justifications to call into question HCC's previous payment certificates, the concerned claims, which are grouped under item 3 of the above table, are considered invalid.

The Authority reiterates that we have used our best endeavours and utmost efforts to ensure that subcontractors originally appointed by HCC, but with which the Authority has no ongoing contractual relations, receive outstanding payments for certified work done. As a public body using public funds, the Authority can only make payments that are contractually entitled against claims that have been verified by records provided in accordance with the terms of their respective sub-contracts, through clear and robust procedures and reviewed by our independent CA.

Should you have any questions, please feel free to contact Judy Kwan, General Manager, Communications and Public Affairs Department at 2200 0018.

Yours sincerely,



Jeremy Stowe  
Chief Projects Officer  
West Kowloon Cultural District Authority

c.c. Mrs Tse Ling Kit Ching, Cherry, JP  
Permanent Secretary for Home Affairs

LegCo Secretariat