

立法會

Legislative Council

LC Paper No. FC220/20-21

(These minutes have been
seen by the Administration)

Ref : FC/1/1(24)

Finance Committee of the Legislative Council

Minutes of the 25th meeting
held at Conference Room 1 of the Legislative Council Complex
on Friday, 21 May 2021, from 3:00 pm to 5:29 pm

Members present:

Hon CHAN Kin-por, GBS, JP (Chairman)
Hon CHAN Chun-ying, JP (Deputy Chairman)
Hon Abraham SHEK Lai-him, GBS, JP
Hon Tommy CHEUNG Yu-yan, GBS, JP
Hon Jeffrey LAM Kin-fung, GBS, JP
Hon WONG Ting-kwong, GBS, JP
Hon Starry LEE Wai-king, SBS, JP
Hon CHAN Hak-kan, BBS, JP
Dr Hon Priscilla LEUNG Mei-fun, SBS, JP
Hon Mrs Regina IP LAU Suk-yee, GBS, JP
Hon Paul TSE Wai-chun, JP
Hon Michael TIEN Puk-sun, BBS, JP
Hon Steven HO Chun-yin, BBS
Hon Frankie YICK Chi-ming, SBS, JP
Hon YIU Si-wing, BBS
Hon MA Fung-kwok, GBS, JP
Hon CHAN Han-pan, BBS, JP
Hon LEUNG Che-cheung, SBS, MH, JP
Hon Alice MAK Mei-kuen, BBS, JP
Hon KWOK Wai-keung, JP
Hon Christopher CHEUNG Wah-fung, SBS, JP
Hon Elizabeth QUAT, BBS, JP
Hon Martin LIAO Cheung-kong, GBS, JP
Hon POON Siu-ping, BBS, MH

Dr Hon CHIANG Lai-wan, SBS, JP
Ir Dr Hon LO Wai-kiwok, SBS, MH, JP
Hon CHUNG Kwok-pan
Hon Jimmy NG Wing-ka, BBS, JP
Dr Hon Junius HO Kwan-yiu, JP
Hon Holden CHOW Ho-ding
Hon SHIU Ka-fai, JP
Hon Wilson OR Chong-shing, MH
Hon YUNG Hoi-yan, JP
Dr Hon Pierre CHAN
Hon CHEUNG Kwok-kwan, JP
Hon LUK Chung-hung, JP
Hon LAU Kwok-fan, MH
Hon Kenneth LAU Ip-keung, BBS, MH, JP
Dr Hon CHENG Chung-tai
Hon Vincent CHENG Wing-shun, MH, JP
Hon Tony TSE Wai-chuen, BBS, JP

Members absent:

Hon WONG Kwok-kin, SBS, JP

Public officers attending:

Ms Alice LAU Yim, JP	Permanent Secretary for Financial Services and the Treasury (Treasury)
Mr Raistlin LAU Chun, JP	Deputy Secretary for Financial Services and the Treasury (Treasury) 1
Miss Jennie CHAN Cheuk-yin	Principal Executive Officer (General), Financial Services and the Treasury Bureau (The Treasury Branch)
Mr Edward MAK Chun-yu	Deputy Secretary for Transport and Housing (Transport) 3
Ms Vivien LI Chim-wing	Principal Assistant Secretary for Transport and Housing (Transport) 2
Mr HONG Wing-kit	Chief Civil Engineer (Public Works Programme), Transport and Housing Bureau
Mr Frankie CHOU Wing-ping	Regional Highway Engineer (New Territories), Highways Department
Mr Eddie LEUNG Siu-kong	Assistant Commissioner for Transport (Task Force), Transport Department

Mr Eric WAN Pak-yan	Principal Transport Officer (New Territories 2), Transport Department
Mr Max WONG Chi-chung	Chief Architect 3, Housing Department
Mr Sherman YIP Shing-lam	Chief Architect (Development and Standards), Housing Department
Mr Joe LEUNG Bing-man	Acting Chief Civil Engineer 2, Housing Department
Mr KAN Chun-yuk	Chief Project Manager 303, Architectural Services Department
Mr Chris LIU Chi-ho	Senior Project Manager 340, Architectural Services Department
Mr HO Kai-ming, JP	Under Secretary for Labour and Welfare
Mr KOK Che-leung	Deputy Director of Social Welfare (Administration)
Ms Barbara CHU Wing-chee	Assistant Director of Social Welfare (Planning and Development)

Clerk in attendance:

Ms Anita SIT	Assistant Secretary General 1
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Staff in attendance:

Miss Bowie LAM	Council Secretary (1)1
Mr Terence LAM	Council Secretary (1)4
Mr Frankie WOO	Senior Legislative Assistant (1)3
Miss Yannes HO	Legislative Assistant (1)7

Action

The Chairman reminded members of the requirements under Rule 83A and Rule 84 of the Rules of Procedures.

2. In respect of the public works items to be considered at this meeting, the Chairman declared that he was a Director and the Chief Executive Officer of Well Link Insurance Group Holdings Limited, and a Director of Well Link General Insurance Company Limited and Well Link Life Insurance Company Limited under Well Link Insurance Group.

Item 1 — FCR(2021-22)14

**RECOMMENDATION OF THE PUBLIC WORKS
SUBCOMMITTEE MADE ON 28 APRIL 2021**

PWSC(2021-22)5

HEAD 705 — CIVIL ENGINEERING

Transport — Ferry Piers

58TF — Improvement works at Kau Sai Village Pier

59TF — Improvement works at Lai Chi Chong Pier

3. The Chairman advised that this item sought the approval of the Finance Committee ("FC") for the recommendation made by the Public Works Subcommittee ("PWSC") at its meeting on 28 April 2021 regarding PWSC(2021-22)5, i.e. the upgrading of 58TF "Improvement works at Kau Sai Village Pier" and 59TF "Improvement works at Lai Chi Chong Pier" to Category A at estimated costs of \$77.8 million and \$108.8 million in money-of-the-day ("MOD") prices respectively.

4. The Chairman advised that no member had requested that the item be voted on separately at the FC meeting.

Voting on FCR(2021-22)14

5. At 3:01 pm, the Chairman put item FCR(2021-22)14 to vote. The Chairman declared that the majority of the members present and voting were in favour of the item. The item was approved.

Item 2 — FCR(2021-22)15

**RECOMMENDATION OF THE PUBLIC WORKS
SUBCOMMITTEE MADE ON 28 APRIL 2021**

PWSC(2021-22)6

HEAD 706 — HIGHWAYS

Transport—Roads

766TH — Retrofitting of noise barriers on Po Lam Road North

817TH — Retrofitting of noise barriers on Po Ning Road

6. The Chairman advised that this item sought FC's approval for the recommendation made by PWSC at its meeting on 28 April 2021 regarding PWSC(2021-22)6, i.e. the upgrading of 766TH "Retrofitting of noise

barriers on Po Lam Road North" and 817TH "Retrofitting of noise barriers on Po Ning Road" to Category A at estimated costs of \$376.0 million and \$241.7 million in MOD prices respectively.

7. The Chairman advised that no member had requested that the item be voted on separately at the FC meeting.

Voting on FCR(2021-22)15

8. At 3:02 pm, the Chairman put item FCR(2021-22)15 to vote. The Chairman declared that the majority of the members present and voting were in favour of the item. The item was approved.

Item 3 — FCR(2021-22)16

**RECOMMENDATION OF THE PUBLIC WORKS
SUBCOMMITTEE MADE ON 28 APRIL 2021**

PWSC(2021-22)7

HEAD 704 — DRAINAGE

Environmental Protection —Sewerage and sewage treatment

**417DS — Construction and rehabilitation of trunk sewage rising
mains in Yuen Long**

**419DS — Construction and rehabilitation of sewage rising mains in
Tai Po Kau**

**420DS — Construction and rehabilitation of trunk sewage rising
mains in Yau Tong**

9. The Chairman advised that this item sought FC's approval for the recommendation made by PWSC at its meeting on 28 April 2021 regarding PWSC(2021-22)7, i.e. the upgrading of 417DS "Construction and rehabilitation of trunk sewage rising mains in Yuen Long", 419DS "Construction and rehabilitation of sewage rising mains in Tai Po Kau" and 420DS "Construction and rehabilitation of trunk sewage rising mains in Yau Tong" to Category A at estimated costs of \$886.3 million, \$107.6 million and \$621.1 million in MOD prices respectively.

10. The Chairman advised that no member had requested that the item be voted on separately at the FC meeting.

Voting on FCR(2021-22)16

11. At 3:03 pm, the Chairman put item FCR(2021-22)16 to vote. The Chairman declared that the majority of the members present and voting were in favour of the item. The item was approved.

Item 4 — FCR(2021-22)17

**RECOMMENDATION OF THE ESTABLISHMENT
SUBCOMMITTEE MADE ON 5 MAY 2021**

EC(2021-22)5

HEAD 122 — Hong Kong Police Force

Subhead 000 — Operational expenses

12. The Chairman advised that this item sought FC's approval for the recommendation of the Establishment Subcommittee ("ESC") made at its meeting held on 5 May 2021 regarding EC(2021-22)5, i.e. the creation of one supernumerary Chief Superintendent of Police (PPS 55) post in the Hong Kong Police Force for five years to head the Financial Intelligence and Investigation Bureau to be established under the Crime Wing, with a view to strengthening Hong Kong's capability in combating money laundering and terrorist financing in accordance with the recommendations of the Financial Action Task Force.

13. The Chairman advised that no member had requested that the item be voted on separately at the FC meeting.

Voting on FCR(2021-22)17

14. At 3:04 pm, the Chairman put item FCR(2021-22)17 to vote. The Chairman declared that the majority of the members present and voting were in favour of the item and the item was approved.

Item 5 — FCR(2021-22)18

**RECOMMENDATION OF THE ESTABLISHMENT
SUBCOMMITTEE MADE ON 5 MAY 2021**

EC(2021-22)1

HEAD 148 — GOVERNMENT SECRETARIAT:

**FINANCIAL SERVICES AND THE TREASURY
BUREAU (FINANCIAL SERVICES BRANCH)**

Subhead 000 — Operating expenses

15. The Chairman advised that this item sought FC's approval for the recommendation of ESC made at its meeting on 5 May 2021 regarding EC(2021-22)1, i.e. the retention of a supernumerary Administrative Officer Staff Grade C (D2) post in the Financial Services Branch of the Financial Services and the Treasury Bureau for three years to continue to provide necessary policy input and support to various reform measures of the Mandatory Provident Fund System.

16. The Chairman said that no member had requested that the item be voted on separately at the FC meeting.

Voting on FCR(2021-22)18

17. At 3:05 pm, the Chairman put item FCR(2021-22)18 to vote. The Chairman declared that the majority of the members present and voting were in favour of the item. The item was approved.

**Item 6 — FCR(2021-22)19
RECOMMENDATION OF THE PUBLIC WORKS
SUBCOMMITTEE MADE ON 28 APRIL 2021**

PWSC(2021-22)8

HEAD 703 — BUILDINGS

Transport — Car parks

23TP — Public Vehicle Park at Areas 4 and 30 (Site 2), Sheung Shui

24TP — Public Vehicle Park at Area 99, Tung Chung

HEAD 711 — HOUSING

Transport — Interchange/bus termini

85TI — Public Transport Interchange at Tung Chung Area 99

18. The Chairman advised that this item sought the approval of FC for the recommendation of PWSC made at its meeting on 28 April 2021 regarding PWSC(2021-22)8, i.e. the upgrading of 23TP "Public Vehicle Park at Areas 4 and 30 (Site 2), Sheung Shui", 24TP "Public Vehicle Park at Area 99, Tung Chung" and 85TI "Public Transport Interchange at Tung Chung Area 99" to Category A at estimated costs of \$385.1 million, \$167.5 million and \$269.0 million in MOD prices respectively.

19. The Chairman advised that some members had requested that the item be voted on separately at the FC meeting.

Provision of parking spaces

20. Mr Tony TSE noted that the two proposed public vehicle park ("PVP") projects sought to increase the provision of public parking spaces to alleviate the shortage of parking spaces. He asked whether the Government would reserve more parking spaces in the projects to cope with increase in parking demand in the future.

21. Assistant Commissioner for Transport (Task Force), Transport Department ("ACT(Task Force)/TD") replied that in determining the number of parking spaces in a PVP project, the Transport Department ("TD") would consider the demand for public parking spaces in the vicinity of the development project to ensure the cost-effectiveness of the project. In this regard, TD had inspected the provision and utilization of parking spaces in car parks under short-term tenancies ("STTs"), public housing and other private developments, as well as the situation of illegal parking, in the vicinity of the selected sites, so as to determine the number of public parking spaces to be provided in the proposed PVPs. Concerning the proposed Sheung Shui PVP project, a site reserved for public housing development in Area 30 had been used as an STT car park providing about 300 parking spaces, which commenced operation in March this year as an interim measure to address the local demand for public parking spaces. According to on-site observation, the parking spaces provided by this car park, together with those in the nearby car parks, were sufficient to address illegal parking and the demand for short stay parking in the peripheral area. Hence, the provision of about 320 parking spaces for private cars and 10 for light goods vehicles by the proposed project should be sufficient to meet the local demand.

22. Dr CHENG Chung-tai considered that the housing development projects in Areas 99 and 100 as well as Ying Tung Estate, Tung Chung would lead to an increase in demand for parking spaces in the future. He was concerned that the provision of only about 80 public parking spaces by the proposed PVP at Area 99, Tung Chung would not be enough to meet the local parking demand.

23. Deputy Secretary for Transport and Housing (Transport) 3 ("DSTH(T)3") responded that the number of parking spaces in the proposed Tung Chung PVP was designed by TD in accordance with the demand for public parking spaces in the vicinity of the development project. The

adjacent public housing development project would also provide ancillary parking spaces to cater for its self-generated parking demand in the future. ACT(Task Force)/TD added that according to the parking surveys and observations conducted by TD, the number of private car parking spaces in demand in the vicinity of the site was about 80, and currently, the STT car park in Hei Tung Street mainly accommodated private cars. For this reason, the proposed PVP would provide 80 private car parking spaces to meet the local parking demand.

24. In respect of the Government's response, Dr CHENG Chung-tai remarked that since the nearby public housing development project would also provide ancillary parking spaces, the Administration should consider providing parking spaces for commercial vehicles in the proposed Tung Chung PVP. Expressing concern about the overall shortage of parking spaces in Hong Kong, Ir Dr LO Wai-kwok said that parking spaces for commercial vehicles were particularly inadequate. He pointed out that given Tung Chung's proximity to the airport, the planning for the proposed Tung Chung PVP was unable to cater for the need of the logistics industry. Mr YIU Si-wing expressed concern about the provision of parking spaces for coaches. He enquired about the present number of parking spaces for coaches in the temporary car park located at Site 1, Sheung Shui, as well as the respective numbers of parking spaces provided for coaches in the proposed PVPs at Areas 4 and 30 (Site 2), Sheung Shui and Area 99, Tung Chung.

25. DSTH(T)3 replied that:

- (a) the Government's policy in the provision of parking spaces was to accord priority to considering and meeting the parking demand of commercial vehicles. Parking spaces for commercial vehicles were increased through a host of short- and medium- to long-term measures;
- (b) short-term measures included designating suitable on-street locations as night-time commercial vehicle parking spaces, utilizing spaces underneath flyovers for designation as parking spaces, and encouraging schools to allow student service vehicles to park within school premises after school hours. The Government had also requested suitable STT car parks to provide a certain number of parking spaces for goods vehicles and coaches. Additional on-street parking spaces and picking-up/setting-down facilities had also been provided for coaches; and

- (c) as regards medium- to long-term measures, the Government would stipulate in suitable new development projects the opening up of a certain number of ancillary parking spaces and loading/unloading bays as night-time public parking spaces for commercial vehicles. Moreover, the Government was reviewing the Hong Kong Planning Standards and Guidelines, with a view to improving the proportion of parking spaces for commercial vehicles.

26. ACT(Task Force)/TD added that the proposed Tung Chung PVP would provide private car parking spaces, while the proposed public transport interchange ("PTI") in Tung Chung would accommodate public franchised buses. There would also be on-street pick-up/drop off spaces for coaches. Although the proposed Sheung Shui PVP would only provide parking spaces for private cars and light goods vehicles, there were other STT car parks and PVPs providing parking spaces for large vans near the project site.

Provision of parking spaces with electric vehicles charging facilities

27. Mr Michael TIEN considered that the provision of electric vehicle ("EV") charging facilities for not less than 30% of the car parking spaces in the proposed PVP projects could not meet the Government's long-term policy objective of promoting the popularization of EVs. Mr TIEN recalled that in response to his question at the recent meeting of the Legislative Council, the Secretary for Environment ("SEN") said that the Government planned to update the government circular and the relevant guidelines to require all parking spaces for private cars, motorcycles and light goods vehicles within new government buildings to be equipped with medium chargers. In this connection, Mr TIEN asked whether the Government would provide medium chargers for all parking spaces in the two proposed PVP projects in accordance with the new guidelines. Mr TIEN said that if the Administration could not provide a positive response to his question, he could hardly support the proposed projects.

28. In response, DSTH(T)3 said that reference had been made to the requirements set out in the circular on "Green Government Buildings" issued by the Development Bureau and the Environment Bureau ("ENB") concerning the two proposed PVP projects in providing medium chargers for not less than 30% of the indoor car parking spaces therein; whereas the remaining parking spaces should be equipped with EV charging-enabling facilities, including power supply, cabling, distribution boards,

switchboards, conduits and trunking, and so on, so that charging facilities might be added when necessary in future.

29. Mr Michael TIEN expressed discontent that the Government had merely repeated its original position. He considered that all parking spaces in the two proposed PVP projects should be provided with charging facilities to cope with the new guidelines in future, instead of merely providing charging facilities for 30% of the parking spaces under the existing guidelines.

30. Ir Dr LO Wai-kwok considered that it might not be necessary to provide chargers for all parking spaces in one go. He said that consideration should be accorded to the popularity of EVs at present and the projected advancement in charging technology in EV, for the efficiency of charging facilities of the next generation might exceed existing facilities, and so the installation of charging facilities in phases would be more flexible and desirable. He considered it appropriate for the Government to provide medium chargers for not less than 30% of the parking spaces in the proposed projects and equip the remaining parking spaces with EV charging-enabling facilities.

31. DSTH(T)3 explained that ENB would discuss with the relevant policy bureaux and departments (including the Transport and Housing Bureau ("THB") and TD) on the details of the updated guidelines. Upon the implementation of the new guidelines by ENB, THB, having considered the progress of construction works, construction cost incurred and the construction schedule, and so on, would offer proactive support in providing more parking spaces equipped with EV chargers in the two proposed PVPs. Since the installation of EV chargers were subsequent works under the proposed projects which were estimated to be completed in 2024, THB estimated that it would still have sufficient time to install additional chargers in the two proposed PVPs after ENB had implemented the new guidelines.

32. Mr YIU Si-wing and Mr Tony TSE asked about the additional cost and construction time required if the proportion of parking spaces with EV charging facilities was to be increased after the completion and the commencement of operation of the proposed PVPs.

33. In response, DSTH(T)3 said that 90-odd parking spaces with EV chargers would be provided according to existing guidelines for the proposed PVP project in Sheung Shui at a cost of \$2.62 million approximately, and the average installation cost for each parking space was around \$28,000, whereas the relevant cost for the proposed PVP project in Tung Chung was similar. THB would proactively discuss with ENB in consideration of the

construction schedule and progress, as well as the practice of other existing projects, to examine increasing the number of parking spaces with EV chargers.

34. ACT(Task Force)/TD added that, since the remaining parking spaces had been equipped with EV charging-enabling facilities, whereas the procurement and installation procedures of chargers were relatively simple, he estimated that the installation procedures could be completed within a few months. As such, the installation of additional chargers for parking spaces equipped with EV charging-enabling facilities would not take too long in future. Upon the implementation of the technical specifications and arrangements for medium chargers in the updated guidelines, the Government would cope with the new guidelines as far as possible in the two proposed projects.

Automated Parking System

35. Ms YUNG Hoi-yan said that comparing with conventional car parks, certain smart parking systems, such as the diagonal or inclined smart parking garages in the Mainland, could increase the parking capacity by 40% to 70%. Ms YUNG pointed out that the adoption of the same technology and design for the proposed car park in Sheung Shui could provide 330 parking spaces without having to build nine storeys of floor space, or the remaining surplus floor space could be used for other purposes, which would be more cost-effective. Dr Junius HO also enquired whether the Government had, in respect of the proposed car park project in Sheung Shui, compared the pros and cons between building a conventional car park and adopting a smart parking system before deciding to use a conventional design for building the car park. The Chairman proposed that the Administration could draw reference from the experiences and examples in other places in taking forward smart parking systems.

36. In response, ACT(Task Force)/TD said that:

- (a) the principle of "single site, multiple uses" was adopted for the two proposed PVP projects to optimize the use of land resources, while meeting the demand for parking spaces and dovetailing with the schedule for completion of the public housing development projects in the districts;
- (b) if an automated parking system ("APS") would be adopted for the proposed car park in Sheung Shui, apart from the construction of the building structure, the installation of

electrical and mechanical equipment relating to the APS would extend the construction period, whereas for a conventional car park design, the main works involved would be the construction of concrete structures, which would make it easier to control the construction schedule and enable the project to be completed as early as possible, so that the site of the STT car park at Site 1 could be vacated for carrying out the remaining works of the public housing development project;

- (c) TD is actively taking forward a number of projects on APSs, so as to consolidate experience in building, operating and managing different types of APSs, which would pave the way for wider application of APSs in government and privately-operated public car parks in future; and
- (d) given the need for the construction schedule of the proposed car park in Sheung Shui to tie in with the timetable for completion of the public housing development project, coupled with the fact that the development of APSs in Hong Kong was still at a preliminary stage, the Government, after consideration, was of the view that it would be more appropriate to adopt a conventional car park design.

37. Chief Architect 3, Housing Department ("CA3/HD") added that the proposed car park in Sheung Shui would adopt a two-side parking design with parking spaces provided on both sides of the passageway and that the passageway would adopt the most appropriate width. Comparing to an average area of 50 sq m as normally required in the planning of each parking space in a car park, inclusive of the passageway and public facilities, each parking space in the proposed car park project in Sheung Shui would require an average of only 44 sq m, showing that the design had optimized the use of space as far as possible.

38. Ms YUNG Hoi-yan pointed out that the Government had already consulted and secured support from the North District Council on the proposed car park project in Sheung Shui as early as in January 2019. She considered that the Government should have further conducted technology assessments on the adoption of APSs at PVPs in these two years.

39. Dr Junius HO said that he was dissatisfied with the Government for not responding directly to his enquiry about whether the Government had, before deciding to adopt a conventional model for building a multi-storey car park in Sheung Shui, conducted studies and made comparisons in detail on the pros and cons of adopting a smart parking system for this project.

40. DSTH(T)3 reiterated the need to strike a balance among various factors in designing the proposed car park project in Sheung Shui, the most important of which was to tie in with the timetable of the public housing development project in the district while complying with the principle of "single site, multiple uses".

41. ACT(Task Force)/TD added that the Government had been actively taking forward a number of projects on APSs with the objective of consolidating experience in such respects as construction, operation, management and financial arrangements. The first project in Tsuen Wan would come into operation at the end of this year and for the second project of a basement car park in Sham Shui Po, hopefully a rezoning application could be submitted to the Town Planning Board within this year. While consolidating experience, the Government would at the same time explore the feasibility of the application of APSs in other newly-developed PVP projects.

Building design for the proposed public vehicle park at Areas 4 and 30 (Site 2), Sheung Shui

42. Dr Junius HO enquired why the Government did not merge the development of the proposed site with that of the adjacent public housing site and adopt a podium-type car park design, i.e. constructing public housing above a podium car park to replace a standalone car park design, and whether a podium-type car park could more effectively optimize land use and provide more parking spaces. Mr Holden CHOW expressed support for the proposed car park project in Sheung Shui to alleviate the demand for parking spaces in New Territories North. Mr CHOW also enquired why the Government did not adopt a podium-type car park design in taking forward this project.

43. In response, CA3/HD said that:

- (a) regarding the engineering scheme for the proposed car park in Sheung Shui, the Housing Department had considered adopting the design of a podium-type car park by building a podium car park and constructing public housing above it. However, after detailed assessment, it was found that this proposal would result in the public housing project not meeting the conditions for plot ratio exemption under the Sustainable Building Design Guidelines, hence leading to a reduction of about 150 flats that

could be provided on the adjacent site for the public housing development project;

- (b) given that the proposed car park project in Sheung Shui would be developed on the principle of "single site, multiple uses", the roof-top of the multi-storey PVP would be used for providing ball courts and garden as required in the planning of the adjacent public housing development project; and
- (c) the construction sites for the proposed project and the adjacent public housing measured a total of 160 m in width and if the two construction sites would be merged to build a podium car park, the continuous façade width of the podium-type car park must not exceed 110 m under the guidelines. The existing design would not only provide wind corridors between the multi-storey PVP and the public housing to facilitate air circulation, greening areas would also be provided at ground level to serve as a buffer between the public housing and the industrial area in the vicinity.

44. Mr Tony TSE considered that the proposed nine-storey PVP in Sheung Shui might not be well received by users and that the Government should consider providing some storeys in the basement. He requested the Administration to provide a supplementary paper to explain whether studies had been conducted on the feasibility of constructing an additional basement car park in the proposed PVP project in Sheung Shui and make a comparison on how the construction cost and construction period would be affected by the development of an additional basement car park or otherwise.

45. CA3/HD replied that an STT car park was now provided at Site 1 of the public housing project in Sheung Shui and it was hoped that the proposed construction of a nine-storey car park could be completed in the shortest possible time within the 30-month construction period, in order to vacate Site 1 for carrying out the remaining works of the public housing development project. If a basement car park design would be adopted, the construction period would be lengthened and the fire services and ventilation facilities required by an additional basement would also increase the project cost.

[*Post-meeting note:* The supplementary information provided by the Administration was circulated to members vide LC Paper No. FC186/20-21(01) on 29 June 2021.]

Building design for the proposed public vehicle park at Area 99, Tung Chung

46. Mr Tony TSE said that the average cost per parking space was more expensive as the proposed Tung Chung car park was built in the basement. He asked why the Government did not plan to expand the scope of excavation to increase the size of the basement, thus providing more parking spaces and making better use of land resources. Mr LUK Chung-hung expressed similar views and asked whether the Government had assessed whether the provision of more parking spaces through the construction of an additional basement floor would lower the average cost of parking spaces. Dr CHENG Chung-tai asked whether the Government had considered building a multi-storey car park instead of a car park with only one level of basement.

47. In response, DSTH(T)3 said that:

- (a) based on the parking surveys and observations in the vicinity of the public housing development project site, TD estimated that the demand for public parking spaces in the vicinity of the site would be about 80 private car parking spaces and hence the design of the proposed project would be adequate to meet the demand;
- (b) the Government's policy on the provision of parking spaces was to accord priority to considering the parking demand of commercial vehicles, and to provide an appropriate number of private car parking spaces if the overall development permitted. The Government did not encourage frequent users of public transport to opt for private cars in lieu of public transport, so as to avoid aggravating road traffic; and
- (c) the site of the proposed Tung Chung car park would require a floating raft foundation due to its proximity to the waterfront, and the excavation of an additional basement floor would increase the technical complexity and give rise to cost implications.

48. Chief Architect (Development and Standards Section), Housing Department ("CA(DSS)/HD") further explained the excavation works for the basement:

- (a) as the Tung Chung project site was geologically complex with a high groundwater level and the rock stratum 160 m below

ground level, it was more suitable for shorter buildings and a floating raft foundation design would be adopted for the project. If an additional level of basement was to be added and the excavation depth increased, the project would face more unforeseen conditions, which would most likely lead to an increase in the project cost and consequently the average cost of parking spaces;

- (b) as the car park was located within the public housing site in Tung Chung Area 99, the site area of the PTI at ground level was about 4 900 sq m and the floor area of the basement car park was about 3 300 sq m, the Government had determined the number of parking spaces in the basement car park having regard to the demand for parking spaces. At the same time, adequate space had to be reserved in the basement for different facilities and service ducts, and space also had to be reserved as support space during construction. The area of the basement excavation had reflected the above needs;
- (c) the Government had considered factors such as construction requirements, geological conditions and parking demand, and designed a most cost-effective plan for the proposed basement car park; and
- (d) in addition to the proposed car park, about 200 private car parking spaces would also be provided in the local public housing development.

49. Mr Tony TSE expressed dissatisfaction with the Government's response, pointing out that excavation of an additional basement level might increase the project cost, but would increase the number of parking spaces and possibly lower the average cost per parking space. Mr TSE considered that the Government failed to demonstrate flexibility and make good use of land resources when it would only build a car park with only 80 parking spaces according to the estimated parking demand.

Design of the proposed public transport interchange at Tung Chung Area 99

50. Mr Holden CHOW expressed support to the proposed PTI in Tung Chung. He asked whether the authorities would carry out road improvement works in the surrounding areas of the PTI to relieve traffic congestion in the vicinity of Ying Tung Road.

51. In response, DSTH(T)3 said that some improvement measures had been implemented at the crossroad on Ying Tung Road, and some of the roadside bus stops on Tung Chung Road would be relocated to the proposed PTI in Tung Chung after its completion, so that traffic on Ying Tung Road would be alleviated by then. ACT(Task Force)/TD added that in addition to the construction of the proposed PTI in Tung Chung, enhancement works would be carried out concurrently on Ying Tung Road to ensure bus access to and from the PTI would not cause obstruction in the future.

52. Dr CHENG Chung-tai pointed out that air-conditioning ("AC") facilities were provided in the newly completed PTI in Kwun Tong District, and questioned why the semi-open design without AC facilities was still adopted in the proposed PTI in Tung Chung.

53. In response, DSTH(T)3 said that having considered the design of the project and the construction site, it was difficult to install AC facilities in the proposed PTI. CA(DSS)/HD explained that:

- (a) the proposed project design had made reference to micro-climate studies. Since the area was relatively well ventilated and basing on the site-specific design principle, the proposed PTI adopted a semi-open design to take advantage of natural ventilation in maintaining airflow in the PTI and bringing fresh air into the housing estate area and the PTI;
- (b) the proposed project design would reduce the use of electrical and mechanical facilities for ventilation, thereby lowering the construction costs while enhancing and simplifying building elements;
- (c) the proposed project design would lower the building height, thereby enhancing the macro wind environment of Tung Chung Area 99 in building planning, which would be beneficial to the environment of surrounding housing projects. As the proposed project design complied with the Sustainable Building Design Guidelines, gross floor area concessions would be granted and 200 additional public housing units could be constructed; and
- (d) to create a pleasant waiting environment for passengers, the external building elements of the PTI would use metal panels which could facilitate ventilation and visual permeability, taking advantage of natural ventilation to help passengers waiting at the PTI cool off. Besides, each pick up/drop off bay

for buses in the PTI would be installed with a shelter to create a more comfortable waiting environment.

Voting on FCR(2021-22)19

54. At 4:35 pm, the Chairman put item FCR(2021-22)19 to vote. The Chairman declared that the majority of the members present and voting were in favour of the item and the item was approved.

Item 7 — FCR(2021-22)20

HEAD 184 — TRANSFERS TO FUNDS

**New — "Payment to the Lotteries Fund"
subhead**

55. The Chairman advised that this item sought FC's approval for the creation of a new subhead "Payment to the Lotteries Fund" under Head 184 Transfers to Funds and a supplementary provision of \$1.1 billion under the new subhead to enable an injection to be made into the Lotteries Fund ("LF"). The Labour and Welfare Bureau consulted the Panel on Welfare Services on the proposal on 19 April 2021.

Financial position of Lotteries Fund

56. Mr CHAN Chun-ying noted that the revenue of LF from Mark Six Lottery and auctions of vehicle registration marks in 2020-2021 had dropped substantially since the outbreak of Coronavirus Disease 2019. Despite this, the Hong Kong Jockey Club had re-opened its off-course betting branches and resumed Mark Six betting service recently. In this connection, he enquired whether the Administration had estimated the revenue from Mark Six Lottery and proceeds from auctions of vehicle registration marks for the current year. In addition, Mr CHAN considered that there was no mechanism or reference indicator to stipulate the circumstances under which the Government would seek the approval of the Legislative Council for an injection into LF. He suggested the Administration consider adopting the uncommitted fund balance as at end of the year as a parameter and set a clear indicator for that balance (e.g. \$10 billion); the Government should only seek funding approval from the Legislative Council to make an injection into LF to make up the difference when such balance fell below \$10 billion. Mr YIU Si-wing agreed with the suggestion of setting a clear indicator to serve as a funding mechanism.

57. Under Secretary for Labour and Welfare ("USLW") indicated that he had noted members' suggestion. The Government had always upheld the principle of prudent use of public funds. As the revenue of LF had dropped substantially in the previous year, it was necessary to seek funding approval from FC to make an injection of the proposed amount into LF to ensure that the planning of the much-needed welfare services would not be affected.

58. Noting that the investment income of LF had been relatively stable over the past five years, Mr Holden CHOW asked whether it was necessary for LF to maintain a sufficiently huge sum of surplus to generate a stable investment income. Ms YUNG Hoi-yan also asked whether the Government expected to obtain funding to enable LF to maintain a stable investment income, and whether the Government had explored ways to maintain the revenue of LF in the long term.

59. In response, USLW clarified that the purpose of the funding application for \$1.1 billion was to ensure that development projects in respect of much-needed social welfare services premises could be taken forward as scheduled. The Government would handle in accordance with the established mechanism if further funding applications had to be made in the future in case the revenue of LF fell short of its expenditure. Deputy Director of Social Welfare (Administration) ("DDSW(A)") added that the balance of LF was an integral part of the fiscal reserves and had been placed with the Exchange Fund for investment since 2003 to generate revenue.

60. Mr YIU Si-wing enquired if a mechanism was in place to claw back the proposed funding of \$1.1 billion from LF to the government coffers if there was improvement in the revenue and surplus of LF in the future. Mr WONG Ting-kwong and Mr Holden CHOW raised a similar enquiry.

61. In response, USLW indicated that if the financial position of LF showed improvement in the future, the balance of the Fund would still be used for welfare purposes and the Government had not specifically considered any clawback arrangement.

62. Mr Tony TSE said that according to Enclosure 2 to the discussion paper FCR(2021-22)20, LF still had a closing balance of some \$20 billion for 2020-2021. He requested the Government to provide information on the expected revenue and expenditure of LF in the current year and the next few years. The Chairman agreed that the expected revenue and expenditure figures in the next few years should be provided for members' reference.

63. USLW undertook to consider providing the relevant information to FC. He reiterated that due to the substantial decrease in the revenue of LF

in the previous year, the Government hoped to seek funding to make up for the reduction in revenue, so as to ensure that the planning of the 40-odd projects set out in Enclosure 3 to the discussion paper could be taken forward smoothly.

[*Post-meeting note:* The supplementary information provided by the Administration was circulated to members vide LC Paper No. FC159/20-21(01) on 28 May 2021.]

64. Mr WONG Ting-kwong was of the view that LF should be used for welfare purposes if there were sufficient financial resources. If LF did not have sufficient capacity to cope with the 40-odd projects planned for the next two years, it should consider halting, suspending or cancelling the projects or taking forward such projects with government funding.

65. USLW responded that the projects funded by LF were closely related to people's livelihood, such as residential care facilities for elderly and rehabilitation services. Since these were much needed services, construction of the relevant facilities could be expedited through LF to make them available to members of the public in need as early as possible.

66. DDSW(A) explained that:

- (a) except for some smaller-scale social welfare service works projects which were funded by block allocations under the Capital Works Reserve Fund, LF had all along been a well-established financial arrangement for financing the development of social welfare services since its establishment in 1965; and
- (b) projects funded by LF could address different welfare needs of the community, including elderly care services, services for persons with disabilities and child care services, etc. It was expected that the commitment of LF on these projects would be quite high in the future.

Justifications and uses of the proposed supplementary provision

67. Mr Tony TSE asked whether the proposed "supplementary provision" implied that the projects covered by the provision had already been commenced.

68. Deputy Secretary for Financial Services and the Treasury (Treasury)¹ ("DS for FST(T)1") responded that, for the purpose of

transferring funds from the General Revenue Account to LF as proposed in the paper, it was required by the Public Finance Ordinance that a new subhead be created under Head 184 of the General Revenue Account and then a supplementary provision be made for the new subhead in order to complete the transfer of funds. The like of "supplementary provision" was a financial term, and it did not imply that supplementary provision was required for any projects which were already underway.

69. Mr Tony TSE and the Chairman considered that the Government had not provided sufficient information to explain why there was still a need to seek a supplementary provision of \$1.1 billion for injection into LF while LF had an uncommitted fund balance of about \$8.7 billion as at end of 2020-2021.

70. DS for FST(T)1 replied that the balance of LF could be used to finance different projects that fell within the scope of LF. As the Social Welfare Department considered it necessary to increase the current balance of LF to meet the needs, it had thus sought to transfer \$1.1 billion from the General Revenue Account to LF.

71. USLW reiterated that Enclosure 3 to the Government's paper had already given an account of the details of projects expected to benefit from the \$1.1 billion injection into LF.

72. Mr Tony TSE opined that as the Panel was concerned about the policy aspect while FC was concerned about the use of public funds, there was still a need for the Administration to clearly explain to members the justifications for seeking a supplementary provision even though the Government had briefed the Panel. The Chairman shared similar views.

73. In response, USLW advised that:

- (a) the closing balance of LF for 2020-2021 was about \$21.1 billion, and since the outstanding commitment of funding already approved was about \$12.4 billion, there was an uncommitted fund balance of about \$8.7 billion. The Government could not wait until LF had used up this \$8.7 billion before seeking funding approval;
- (b) given that the technical feasibility studies and detailed design of 40-odd welfare projects were set to be carried out in the next two years, failure to obtain a supplementary provision would affect the implementation of the projects; and

- (c) the need for seeking further funding for LF in the future would depend on the epidemic situation and the recovery of the economy, as well as the revenue and expenditure of LF in the future.

74. Assistant Director of Social Welfare (Planning and Development) added that the 40-odd projects expected to benefit from the \$1.1 billion injection into LF had been set out in Enclosure 3 to FC Paper No. FCR(2021-22)20. It was expected that the technical feasibility studies and detailed design of these projects would be carried out in the coming two years.

75. Mr Tony TSE, Mr YIU Si-wing, Mr Holden CHOW, Ms YUNG Hoi-yan and the Chairman queried the justifications for the Government to seek the proposed supplementary provision if LF was, as at end of 2020-2021, hoarding a balance sufficient to fund the 40-odd projects set out in Enclosure 3 to the discussion paper. They asked whether the 40-odd projects could still proceed as planned if LF failed to obtain FC's approval for the supplementary provision. They all considered that the Administration should clearly state the specific uses of the proposed provision of \$1.1 billion.

76. In response, DDSW(A) explained that:

- (a) the expected uses of the uncommitted fund balance of around \$8.7 billion included construction costs of new welfare projects, purchase and installation of equipment for newly constructed welfare facilities and basic renovation of existing facilities of non-governmental organizations;
- (b) approval was being sought for an injection of \$1.1 billion to ensure that the technical feasibility studies and detailed designs for the 40-odd projects set out in Enclosure 3 to FCR(2021-22)20 could be taken forward as scheduled. It was hoped that the scale or development approaches of such projects could be formulated as early as possible, so that in the future, the relevant facilities could be developed depending on the financial position of LF to avoid time lags or delays in the projects; and
- (c) after calculation, the Department considered that on top of the \$8.7 billion, it would be necessary to seek approval for an additional \$1.1 billion for taking forward the aforementioned 40-odd projects in the coming two years, so as to cope with the pace of service needs. If the \$1.1 billion injection was not

approved by FC, the progress of the implementation of such projects would be affected.

77. USLW reiterated that if the \$1.1 billion funding was not granted, the progress of the relevant projects would be affected. Moreover, as explained by DDSW(A), the \$8.7 billion uncommitted fund balance was already expected to be put to different uses.

78. Mr Holden CHOW enquired whether LF's \$12.4 billion outstanding commitment as at end of the year had to be settled in full in one go. Mr YIU Si-wing and the Chairman also requested the authorities to clarify the uses of this \$12.4 billion.

79. In response, DDSW(A) said that LF's \$12.4 billion outstanding commitment as at end of the year would be settled in accordance with the progress of individual projects, rather than in one go. The projects involved were expenditures to be covered by LF as undertaken previously.

80. Given that members generally remained doubtful about the reasons of the Government in seeking approval for an injection into LF and its uses, Mr Holden CHOW and Mr YIU Si-wing requested the Administration to provide a supplementary paper regarding the financial position of LF to explain the following:

- (a) items and amounts covered by the outstanding commitment as at end of 2020-2021 (around \$12.4 billion);
- (b) information of the proposed items and the duration to be covered by the uncommitted fund balance as at end of 2020-2021 (\$8.726 billion); and
- (c) details of projects expected to benefit from the \$1.1 billion injection into LF set out in Enclosure 3 to FCR(2021-22)20, including the expenditures for respective projects and the uses involved.

81. In conclusion, the Chairman said that members generally considered the information provided by the Administration insufficient and reminded the Administration to furnish in writing the supplementary information requested by members at the meeting, so that FC could continue the discussion on this item at the next meeting. The meeting ended at 5:29 pm.

[*Post-meeting note*: The supplementary information provided by the Administration was circulated to members vide LC Paper No. FC159/20-21(01) on 28 May 2021.]

Legislative Council Secretariat
30 August 2021