

立法會
Legislative Council

LC Paper No. PWSC69/20-21
(These minutes have been seen
by the Administration)

Ref: CB1/F/2/1(6)B

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

**Minutes of the 6th meeting
held in Conference Room 1 of the Legislative Council Complex
on Wednesday, 16 December 2020, at 8:30 am**

Members present:

Hon Tony TSE Wai-chuen, BBS, JP (Chairman)
Ir Dr Hon LO Wai-kwok, SBS, MH, JP (Deputy Chairman)
Hon Abraham SHEK Lai-him, GBS, JP
Hon Tommy CHEUNG Yu-yan, GBS, JP
Dr Hon Priscilla LEUNG Mei-fun, SBS, JP
Hon Michael TIEN Puk-sun, BBS, JP
Hon Frankie YICK Chi-ming, SBS, JP
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
Dr Hon Junius HO Kwan-yiu, JP
Hon Holden CHOW Ho-ding
Hon Wilson OR Chong-shing, MH
Hon CHEUNG Kwok-kwan, JP
Hon LUK Chung-hung, JP
Hon LAU Kwok-fan, MH
Dr Hon CHENG Chung-tai
Hon Vincent CHENG Wing-shun, MH, JP

Member attending:

Hon SHIU Ka-fai, JP

Public officers attending:

Mr Howard LEE Man-sing	Deputy Secretary for Financial Services and the Treasury (Treasury) ³
Mr LAM Sai-hung, JP	Permanent Secretary for Development (Works)
Ms Bernadette LINN, JP	Permanent Secretary for Development (Planning and Lands)
Ms Maisie CHENG Mei-sze, JP	Permanent Secretary for the Environment
Ms Margaret HSIA Mai-chi	Principal Assistant Secretary for Financial Services and the Treasury (Treasury)(Works)
Mr Dennis WAN Kin-hung	Principal Assistant Secretary for Development (Project Capability and Strategy)
Mr Frankie FUNG Yiu-man	Chief Assistant Secretary for Development (Works) ¹
Mr Albert CHEUNG Ka-lok	Assistant Director of Lands (Specialist) ³
Ms Winnie HO Wing-yin, JP	Deputy Director of Architectural Services
Mr Alan SIN Kwok-leung	Assistant Director of Architectural Services (Property Services)
Ms PING Tak-wai	Senior Property Services Manager (Technical Support) ² Architectural Services Department

Mr Wilson PANG Wai-sing	Deputy Director of Drainage Services
Mr Ricky LAU Chun-kit, JP	Director of Civil Engineering and Development
Mr Andy CHAN Siu-wing	Assistant Director of Environmental Protection (Environmental Infrastructure)
Mr NG Wai-keung, JP	Deputy Director of Highways
Mr Tony CHEUNG Ka-leung	Deputy Project Manager (Major Works) ¹ Highways Department
Ms Eugenia CHUNG Nga-chi, JP	Assistant Director of Home Affairs (2)
Mr Gavin TSE Chun-tat	Chief Engineer (Works) Home Affairs Department
Mr Louis LEUNG Sze-ho	Deputy Secretary-General (1) University Grants Committee Secretariat
Mr Samuel FAN Kim-fung	Chief Maintenance Surveyor (School Premises Maintenance) Education Bureau
Ms Patrick KOON Sai-wing	Senior Maintenance Surveyor (School Premises Maintenance) ³ Education Bureau
Ms Barbara CHU Wing-chee	Assistant Director of Social Welfare (Planning and Development)
Mr Andy LIU Hon-wah	Chief Executive Officer (Planning) ¹ Social Welfare Department
Mr CHAU Sai-wai, JP	Deputy Director of Water Supplies

Mr Tony WONG Chi-kwong, JP Deputy Government Chief Information Officer
Office of the Government Chief Information Officer

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 Doris LO Chief Council Secretary (1)2

Staff in attendance:

Mr Raymond CHOW Senior Council Secretary (1)10
Ms Christina SHIU Legislative Assistant (1)2
Ms Christy YAU Legislative Assistant (1)8
Ms Clara LO Legislative Assistant (1)9

Action

The Chairman advised that there were six papers for discussion on the agenda for the meeting. The first and the fourth to sixth funding proposals were new submissions from the Administration, while the second to third proposals were items carried over from the last meeting held on 9 December 2020. The six funding proposals involved a total funding allocation of \$57,120.6 million. 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

PWSC(2020-21)23 — Capital Works Reserve Fund Block Allocations in 2021-22, and proposals to increase the financial ceilings of the delegated authority for Category D items in the Capital Works Programme, and Block Allocation Subhead on Computerisation

2. The Chairman advised that the proposal (i.e. [PWSC\(2020-21\)23](#)) involved a total allocation of \$24,578 million for the block allocation subheads under the Capital Works Reserve Fund for 2020-2021 and 2021-2022. The proposal also included increasing the respective financial ceilings of the delegated authority for applicable Category D items in the Capital Works Programme ("CWP") and the block allocation subhead on computerisation. The full list of items proposed to be funded by block allocations for 2021-2022 ([LC Paper No. PWSC44/20-21\(01\)](#)) was provided for the Subcommittee by the Administration on 9 December 2020. The Administration consulted the Panel on Development and the Panel on Information Technology and Broadcasting on the proposals for the funding allocation and increasing the financial ceilings of the delegated authority as set out in the paper for discussion at the joint Panel meeting on 24 November 2020 and consulted the Panel on Transport on the implementation of Subhead 6101TX—Universal Accessibility Programme under Head 706—Highways on 20 November 2020. A report on the gist of the Panels' discussion was tabled at the meeting.

Block allocations proposal under the Capital Works Reserve Fund

3. The Deputy Chairman, Mr Wilson OR and Ms Alice MAK expressed support for the block allocations proposal and hoped that the Administration could implement the various works under the proposal as soon as possible, so as to benefit people's livelihood and create more employment opportunities.

Subhead 1100CA—Compensation and ex-gratia allowances in respect of projects in the Public Works Programme under Head 701—Land Acquisition

4. Dr CHENG Chung-tai was concerned about the arrangement of agricultural rehabilitation for farmers affected by the item on "Resumption of land for the establishment of an Agricultural Park in Kwu Tung South (phase 1)". He said that some farmers who wished to re-establish their farms had received the Administration's proposal on replacement farming sites and tenancy. However, they were not given sufficient time to fully understand and consider the tenancy proposal as they were required to sign

the tenancy agreements by 23 December this year. Dr CHENG suggested that the Administration should host briefings for all farmers who were affected by the above item and wished to re-establish their farms, explain to them the tenancy terms, and put off the deadline for signing the tenancy agreements. The Chairman urged the Administration to consider adopting Dr CHENG's suggestions.

5. Assistant Director of Lands (Specialist)³ responded that farmers who wished to rent government land (including the future Agricultural Park after its completion) for re-establishing their farms were required to sign a tenancy agreement with the Government. The relevant government departments had maintained communication with affected farmers regarding the location of the replacement farming sites and the tenancy arrangement. As the tenancy terms were rather complicated, the Administration agreed to host briefings for the farmers concerned to explain to them the tenancy terms. The Lands Department would also discuss with the Agriculture, Fisheries and Conservation Department on the arrangement of putting off the deadline for signing the tenancy agreements.

Subheads 2001AX, 2002AX and 2003AX under Head 702—Port and Airport Development

6. Given that it was announced in the Chief Executive's 2020 Policy Address that the Government had accepted a number of proposals put forward by the Airport Authority Hong Kong ("AAHK") on the development of the Hong Kong International Airport ("HKIA"), including the construction of the autonomous transportation system to connect Tung Chung Town Centre, the Airport Island and the Hong Kong—Zhuhai—Macao Bridge ("HZMB") Hong Kong Port, Mr Holden CHOW enquired why the Administration had not proposed any allocations for Subheads 2001AX, 2002AX and 2003AX under Head 702—Port and Airport Development for 2021-2022 to fund studies on subjects related to the planning of the Airport Island's future development, and how and when the related studies would be conducted.

7. Director of Civil Engineering and Development ("DCED") said that AAHK proposed to connect the SKYCITY, HZMB Hong Kong Port and HKIA with the autonomous transportation system. It also planned to further extend the said transportation system to Tung Chung Town Centre. The Administration was not required to reserve funding for the related studies and implementation of the transportation system because such tasks were undertaken by AAHK.

Subhead 3004GX—Refurbishment of government buildings for items in Category D of the Public Works Programme under Head 703—Buildings

Subhead 4100DX—Drainage works, studies and investigations for items in Category D of the Public Works Programme under Head 704—Drainage

Subhead B100HX—Minor housing development related works, studies and investigations for items in Category D of the Public Works Programme under Head 711—Housing

8. Dr CHENG Chung-tai noted that Subhead 3004GX under Head 703—Buildings and Subhead 4100DX under Head 704—Drainage still included many minor works related to the Wan Chai Government Offices Compound that would be demolished and the Sha Tin Sewage Treatment Works ("STSTW") that would be relocated to caverns. He questioned the current necessity of implementing such minor works. Regarding the item on "Technical study of provision of feedstock treatment facilities for co-digestion of food waste and sewage sludge at Sha Tin sewage treatment works", Dr CHENG further enquired whether the study findings were to be applied to the existing STSTW or after its relocation to caverns.

9. Deputy Director of Drainage Services ("DDDS") responded that STSTW, which occupied some 20 hectares of land, housed many facilities. Before completion of the project of relocating STSTW to the cavern complex at Nui Po Shan that would take place after completion of the excavation works for constructing the cavern complex and the construction works of the related sewage treatment facilities, the Administration was still required to carry out the relevant facilities improvement works at STSTW in order to maintain the operation of the plants. As regards the item on "Technical study of provision of feedstock treatment facilities for co-digestion of food waste and sewage sludge at Sha Tin sewage treatment works", it aimed at exploring the feasibility of renewable power generation using the technology of anaerobic co-digestion of food waste and sewage sludge to provide reference for STWs in the future.

10. Mr LUK Chung-hung sought details of the item on "Refurbishment of aviary cages no. A14-A15 in Hong Kong Zoological and Botanical Gardens", including the size of the aviary cages and the number of birds kept therein, and asked why the estimated cost was as high as \$22.48 million.

11. Deputy Director of Architectural Services ("DDArchS") replied that aviary cages nos. A14 and A15 in the Hong Kong Zoological and Botanical Gardens were used for keeping many precious bird species. Designed to minimize the number of pillars to allow for more activity space for the birds, the two aviary cages were large in size and were required to have the structural soundness to withstand the force of typhoons. Also, since the

aviary cages were quite old and were given general repair only in 2006, the Administration intended to enhance the filtering system of the pools and the related electrical and mechanical equipment through implementing the refurbishment works in question, so as to improve the structural safety and hygiene conditions of the aviary cages. In view of the above, the estimated refurbishment cost currently proposed was considered reasonable.

12. Dr Priscilla LEUNG expressed support for the various drainage improvement works under the block allocations proposal. She was concerned about problems such as proliferation of pests arising from implementing drainage works in reclaimed areas (e.g. the item on "Proposed sewerage improvement works for public housing development at North West Kowloon Reclamation Site 1 (East)") and suggested that the Administration should stipulate provisions under the works contracts requiring the contractors to improve the hygiene conditions at the works sites. The Chairman urged the Administration to furnish a reply to members as soon as possible after considering the suggestions they put forward.

13. DDDS said that the Drainage Services Department was committed to improving the sewerage system in various districts across the territory and tackling the problems of expedient connection of sewers and quality of coastal waters of Victoria Harbour. Generally speaking, contractors were required by the works contracts to implement measures to prevent and mitigate the environmental and hygiene impacts arising from the works. The Administration undertook to follow up on Dr LEUNG's suggestions.

Subhead 3100GX—Project feasibility studies, minor investigations and consultants' fees for items in Category D of the Public Works Programme under Head 703—Buildings

14. Mr CHEUNG Kwok-kwan enquired about the proportion taken up normally by the fees payable to project consultants in the estimated costs of public works projects for construction of schools. DDArchS replied that the fees concerned accounted for some 10% of the entire estimated project costs for construction of schools.

Subhead 3101GX—Minor building works for items in Category D of the Public Works Programme under Head 703—Buildings

15. Mr Michael TIEN noted that Subhead 3101GX under Head 703—Buildings included many fitting-out or improvement works. Referring to the examples of "Fitting-out works at 6/F and 7/F, High Block, Queensway Government Offices for Audit Commission", "Additional and improvement of archival storage facilities at 3/F and 4/F Tuen Mun

Government Storage Centre", "Fitting-out works at 4/F and 5/F, Novel Industrial Building, Cheung Sha Wan for Government Laboratory" and "Installation of air-conducting fans at Hall A-F of Stanley Prison", he enquired about the works details and asked whether it was necessary for the Administration to implement those fitting-out or improvement works under the current economic conditions.

16. DDArchS explained that Subhead 3101GX under Head 703—Buildings covered an extensive scope. For instance, the item on "Fitting-out works at 6/F and 7/F, High Block, Queensway Government Offices for Audit Commission" was fitting-out works for relocated government offices in support of the demolition of the Wan Chai Government Offices Compound and redevelopment of the site and the progressive completion of many government buildings in recent years; the item on "Fitting-out works at 4/F and 5/F, Novel Industrial Building, Cheung Sha Wan for Government Laboratory" was to provide additional facilities for the government laboratory in order to enhance its current services; and more than 1 000 air-conducting fans would be installed in the halls of Stanley Prison to relieve the stuffiness in the prison cells.

Subhead 6101TX—Universal Accessibility Programme under Head 706—Highways

17. Mr Wilson OR commended the "Universal Accessibility Programme" ("UAP") and considered that the provision of more barrier-free access facilities in housing estates under the programme could facilitate the movement of people in need. He urged the Administration to explore expediting the progress of works under UAP and suggested that the programme scope that currently covered footbridges, elevated walkways and subways be extended to other walkways. The Chairman enquired about the approximate target length of time for which the construction period could be shortened after implementing measures for expediting the progress of works under the programme.

18. Deputy Project Manager (Major Works)1, Highways Department, said that Mr OR's suggestion about extending the scope of UAP would be relayed to the Transport and Housing Bureau for consideration. As for the schedule of works under the programme, processes such as feasibility studies, investigations, detailed design and invitation of tenders were often involved, after which construction works would commence. In the course of that, tasks such as addressing public views, gazettal procedures, relocating underground utilities, making special construction arrangements to prevent traffic disruption and interfacing with other projects were required. It therefore took time to complete the works. That said, the Administration

was considering how the works progress could be expedited, including exploring the feasibility of adopting standardized design and the Modular Integrated Construction method for construction of lift towers. It was initially expected that such measures could shorten the construction period for up to six months, while the actual length of the shortened construction time would depend on the implementation conditions of individual projects after those measures had been put to trial.

Proposed increase in the financial ceiling of the delegated authority for Category D items in the Capital Works Programme

Ensuring the effective monitoring of the relevant project expenditure

19. The Deputy Chairman, Mr MA Fung-kwok, Mr Abraham SHEK and Mr Holden CHOW expressed support for the Administration's proposal to raise the existing limit on the delegation of authority to the Financial Secretary to approve the creation of applicable Category D items in CWP from \$30 million to \$50 million for each item ("the new limit"). Members noted that the Finance Committee ("FC") raised the financial ceiling of the delegated authority for Category D items in CWP from \$21 million to \$30 million for each item in July 2012. Taking into account the inflationary adjustment and increase in construction costs in the past eight years, the Deputy Chairman and Mr MA Fung-kwok considered the Administration's current proposal reasonable.

20. Mr Wilson OR was concerned about the measures the Administration had in place to ensure that the role of the public and LegCo in monitoring the relevant project expenditure would not be diminished after the increase in the financial ceiling of the delegated authority for Category D items in CWP. Ms Alice MAK was also concerned whether LegCo would have fewer opportunities to exercise monitoring on minor works or give views on the priority of works implementation after adopting the new limit.

21. Mr MA Fung-kwok opined that a balance should be struck between allowing the Administration to expedite the implementation of minor works and ensuring LegCo's effective monitoring of the relevant project expenditure, so that LegCo could focus on discussing the more important projects. In this connection, he suggested that a separate mechanism be set up for LegCo Members to enquire with the Administration about the details of individual items without using the meeting time of LegCo, and that the division of work among FC and its two subcommittees (i.e. the Public Works Subcommittee ("PWSC") and the Establishment Subcommittee) be rationalized to enhance the efficiency of their scrutiny work.

22. Mr Abraham SHEK said that the current proposal was useful to the Administration in achieving the intended objective of the block allocations arrangement and would enable works departments to carry out the various minor works in a more efficient manner. Dr Junius HO also opined that the current proposal was useful in enabling the Administration to carry out minor works more flexibly. However, the Administration should establish a mechanism for monitoring the relevant project expenditure at the same time.

23. Expressing concern about the excessively high project costs of some Category D items in CWP, Mr LUK Chung-hung said that he found it difficult to support the proposed increase in the financial ceiling of the delegated authority for Category D items in CWP unless the Administration stepped up measures on project cost control. The Chairman also commented that the Administration should control the project costs regardless of the scale of works to ensure the proper use of public money.

24. Deputy Secretary for Financial Services and the Treasury (Treasury)3 ("DS(Tsy)3/FSTB") replied that the Administration had a consistent and rigorous mechanism for monitoring the expenditure of CWP. In creating Category D items in CWP, the controlling officers must ensure that the item met the ambit and did not exceed the financial ceiling of the delegated authority of the block allocation subhead concerned. Neither were they allowed to skirt around the scrutiny of LegCo by splitting major projects into smaller ones, so as to keep the costs of those items below the financial ceiling of the delegated authority for Category D items in circumvention of the monitoring of LegCo. The responsible works departments were also required to prepare submissions according to the format of funding submissions to PWSC for use by the controlling officer in approving the creation of the relevant items. Moreover, in submitting the block allocations proposal for consideration by PWSC/FC every year, the Administration would submit at the same time the full list of items proposed to be funded by block allocations for members' reference. The Administration would also provide PWSC with quarterly and annual reports on the expenditure profile of block allocations, including a comparison between the approved allocation and the actual expenditure, and an account for the subheads that showed a relatively large difference between the two. These on-going monitoring measures would continue to be adopted after the increase in the financial ceiling of the delegated authority for Category D items in CWP to ensure the proper use of the funding obtained through block allocations.

25. Chief Assistant Secretary for Development (Works)1 ("CAS(W)1/DEVB") further said that for the time being, the Project Strategy and Governance Office ("PSGO") under the Development Bureau was not

tasked with managing the project costs of Category D items that were characterized by lower degrees of complexity and lower costs as the office was mainly responsible for monitoring the costs of the more complex and more costly Category A items. For the sake of stepping up project cost management, PSGO was exploring how it could further its role in providing advice on and monitoring the cost management of Category D items costing between \$30 million and \$50 million after adopting the new limit.

26. Dr Junius HO requested the Administration to provide supplementary information on its mechanism for monitoring the expenditure of Category D items in CWP after adopting the new limit.

(Post-meeting note: The supplementary information provided by the Administration was circulated to members vide [LC Paper No. PWSC64/20-21\(01\)](#) (Chinese version only) on 15 January 2021.)

27. Citing the dozen or so of fitting-out or improvement works related to the Hong Kong Police Headquarters, Wanchai ("PHQ"), to be funded under Subhead 3101GX of Head 703—Buildings as examples, Dr CHENG Chung-tai queried if the Administration had split projects deliberately to include them under the block allocations proposal. He enquired whether the expenditure of the fitting-out or improvement works would increase further or there would be consolidation of fitting-out or improvement works of similar nature as a result of adopting the new limit.

28. Mr LUK Chung-hung was concerned whether contractors or project consultants had the propensity to pitch their tender price for Category D items in CWP close to \$30 million, i.e. the current financial ceiling of the delegated authority. He was worried that project costs would increase further after adopting the new limit as contractors or project consultants would raise the tender price correspondingly.

29. DS(Tsy)3/FSTB and DDArchS replied that from time to time, standalone minor works were required to be carried out for various departments at different locations and times in the light of their respective operational needs. Those works were not split deliberately to be included in the block allocations proposal. Except for the about 3 000 new items, some 13 000 out of the about 16 000 items under the current block allocations proposal were on-going. Regarding the Category D items related to PHQ, works for all, except for two new items, already commenced last year or further back. As PHQ comprised four separate buildings and the relevant fitting-out or improvement works were carried out in different buildings, on different floors and for different police departments, works had to be implemented separately at different times in the light of the operational needs

of various police departments. Such works could not be consolidated for implementation concurrently. As stated above, the relevant monitoring mechanism would continue to be enforced stringently after adopting the new limit.

Justifications for increasing the financial ceiling of the delegated authority to \$50 million

30. Dr CHENG Chung-tai and Mr LEUNG Che-cheung enquired about the Category D items with project costs ranging from \$30 million to \$50 million that could be included under the block allocations after FC had approved adopting the new limit on the delegation of authority for Category D items in CWP. Dr CHENG requested the Administration to provide the relevant information in writing.

31. Principal Assistant Secretary for Development (Project Capability and Strategy) responded that about two public works projects with project costs ranging from \$30 million to \$50 million were required to be submitted to FC for seeking funding approval in each of the past few years. DCED supplemented that examples of these projects included 290RS (Expansion of mountain bike trail networks in Mui Wo and Chi Ma Wan, South Lantau) and 666CL (Formation, roads and drains in Area 54, Tuen Mun—phase 1 stage 2), each costing around \$40 million. At the request of Dr CHENG, the Administration undertook to provide the relevant information in writing after the meeting.

(Post-meeting note: The supplementary information provided by the Administration was circulated to members vide [LC Paper No. PWSC64/20-21\(01\)](#) (Chinese version only) on 15 January 2021.)

32. Mr LEUNG Che-cheung opined that LegCo should not relinquish its monitoring power by consenting to raise the financial ceiling of the delegated authority solely for expediting the implementation progress of public works projects costing between \$30 million and \$50 million, given that only a couple of such projects were required to be submitted to FC for seeking funding approval each year. Mr LEUNG questioned why the Administration proposed another increase in the financial ceiling of the delegated authority for Category D items in CWP in just eight years while it took more than 20 years to propose a further increase in the financial ceiling of the delegated authority for the block allocation subhead on computerisation. Mr LEUNG and Mr Michael TIEN requested the Administration to explain its justifications for proposing another increase in the financial ceiling of the delegated authority for Category D items in CWP by a margin of 66.7% (from \$30 million to \$50 million) in just eight years

and advise whether such an increase mirrored the inflationary adjustment and changes in construction costs in the same period. Mr TIEN also enquired whether the effect of the anticipated inflation in the future three to four years had been taken into account when the financial ceiling of the delegated authority for Category D items in CWP was proposed to be raised from \$21 million to \$30 million in 2012.

33. DS(Tsy)3/FSTB and CAS(W)1/DEVB explained that the Administration proposed that the financial ceiling of the delegated authority for Category D items in CWP be increased from \$30 million to \$50 million to preserve the practical value and usefulness of the delegated authority after making reference to the price adjustment factors (that were determined based on a basket of factors, such as the annual and quarterly data of the price deflator for public sector building and construction output, the overall labour market situation and the latest movements in construction wages and building material prices) and the methodology used in estimating the project costs for Category A items in CWP (i.e. converting into money-of-the-day ("MOD") prices). It also took into account the increase in construction costs in the past eight years (i.e. from 2012 to 2019) and the MOD prices in the future three to four years (i.e. the normal length of construction period of relevant works). DS(Tsy)3/FSTB stressed that the adjustment to the financial ceiling was proposed for preserving the practical value and usefulness of the delegated authority, not for the purpose of allowing more projects to be funded by block allocations without submitting separate funding proposals to FC.

34. CAS(W)1/DEVB further said that in proposing the increase in the financial ceiling of the delegated authority for Category D items in CWP previously, the Administration had only taken into account the past increase in construction costs, but not the MOD prices. In addition, the basis of the price adjustment factors from 2012 to 2030 (with data for the years from 2020 to 2030 being projected figures) was set out in the supplementary information paper submitted to the Panel on Development ([LC Paper No. CB\(1\)321/20-21\(01\)](#)).

Works under Category D items

35. Given that many Category D items involved minor works at the district level, Dr CHENG Chung-tai urged the Administration to allocate resources to such works reasonably after adopting the new limit, so as to address the demands of various District Councils appropriately. On the other hand, Mr Holden CHOW suggested that the Administration should first consult the local stakeholders (e.g. the Area Committees) before implementing works at the district level. Ms Alice MAK requested that

mechanisms be set up to collect works proposals from local communities and identify the proposals that were relevant to local needs and thus warranted pursuit.

36. Permanent Secretary for Development (Planning and Lands), DS(Tsy)3/FSTB and Assistant Director of Home Affairs (2) replied that many government departments were involved in the works and studies under the block allocations proposal. The approaches adopted by various government departments in determining the inclusion of items in the block allocations proposal also varied depending on the nature of those items. For instance, under Subhead 7016CX—District Minor Works Programme of Head 707—New Towns and Urban Area Development, the project cost estimate in respect of each of the 18 districts ranged approximately from \$10 million to \$30 million, and the items to be carried out for different districts were determined according to the local conditions and the needs of local residents. Furthermore, the government departments would also determine the implementation of items under various block allocation subheads based on their urgency and the actual needs. The Administration had always maintained communication with various local communities and stakeholders regarding works at the district level. LegCo Members might also forward their views to the relevant government departments on the implementation of certain works for follow-up actions to be taken. In the light of members' suggestion, the Administration would consider how a more systematic and interactive approach could be adopted, so that the suggestions put forward by LegCo Members, local communities and other advisory bodies could be taken on board as appropriate when the government departments determined the list of items to be funded under the applicable block allocation subheads.

37. Dr Junius HO was concerned whether it was necessary for the Administration to engage project consultants to implement the items under the block allocations proposal (including minor works with lower complexity or the pre-construction activities of major projects) and pay the high consultancy fees, and whether there was possible exchange of interests through personal connections during the vetting process of consultancy contracts when the civil servants concerned took on the role of external project consultants after leaving or retiring from the civil service.

38. Permanent Secretary for Development (Works) said that Category D items in CWP were either minor works or the pre-construction studies or design work of major projects. The former was mainly undertaken by term contractors or awarded to contractors by tender. For the latter, due to the limited manpower resources of the works departments concerned, some pre-construction work would be outsourced so that project consultants in

different professional fields were engaged to carry out such tasks, thereby enabling the works department to submit the funding proposals to FC for implementing the main works upon completion of such tasks. In addition, rigorous procedures were in place to vet applications for post-office outside work undertaken by civil servants who had left or retired from the civil service.

39. Mr Michael TIEN enquired whether the Administration had put in place a unified mechanism for assessing the necessity of fitting-out or improvement works proposed by various departments to be funded by block allocations and rejecting any works proposals that were considered unnecessary after review.

40. DDArchS replied that the Minor Building Works Committee ("MBWC") within the Government would recommend for approval the expenditure for minor building works not exceeding \$20 million each to be funded by block allocations. MBWC would also recommend for the Accommodation Strategy Group ("ASG")'s consideration and endorsement building works exceeding \$20 million but not exceeding \$30 million each to be funded by block allocations. Government departments would put forward works proposals based on their own priorities of operational needs. MBWC/ASG would examine the compliance of those works with the relevant technical and procedural requirements and whether they were necessary.

Proposed increase in the financial ceiling of the delegated authority for the block allocation subhead on computerisation

41. The Deputy Chairman expressed support for the Administration's proposal to raise the existing limit on the delegation of authority to the Financial Secretary to approve the creation of items under Subhead A007GX—New Administrative Computer Systems of Head 710—Computerisation under the Capital Works Reserve Fund from \$10 million to \$20 million for each project. As the existing financial ceiling of the delegated authority had not been adjusted for a long time since October 1996, the Deputy Chairman considered the Administration's current proposal reasonable.

[At 10:17 am, the Chairman asked members whether they agreed to extend the meeting for 15 minutes to 10:45 am. No members raised objection.]

[At 10:39 am, the Chairman asked members whether they agreed to extend the meeting beyond 10:45 am in order to complete the voting on the item. No members raised objection.]

Voting on PWSC(2020-21)23

42. There being no further questions from members on the item, the Chairman put [PWSC\(2020-21\)23](#) to vote. At the request of members, the Chairman ordered a division. Eleven members voted for the proposal, one member voted against it and one member abstained from voting. The votes of individual members were as follows:

For:

Ir Dr LO Wai-Kwok (Deputy Chairman)	Mr Abraham SHEK
Mr Tommy CHEUNG	Dr Priscilla LEUNG
Mr Michael TIEN	Mr Frankie YICK
Mr MA Fung-kwok	Mr CHAN Han-pan
Mr Holden CHOW	Mr CHEUNG Kwok-kwan
Mr LAU Kwok-fan	
(11 members)	

Against:

Dr CHENG Chung-tai
(1 member)

Abstained:

Dr Junius HO
(1 member)

43. The Chairman declared that the item was endorsed by the Subcommittee. The Chairman asked members whether the item would require separate voting at the relevant FC meeting. Dr Junius HO requested that the item (i.e. [PWSC\(2020-21\)23](#)) be voted on separately at the relevant FC meeting.

44. The meeting ended at 10:50 am.