

立法會
Legislative Council

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**Notes on the Special Briefing for Finance Committee Members
on Thursday, 16 December 1999, at 12:15 am
in Conference Room B of the Legislative Council Building**

Members present:

Hon Ronald ARCULLI, JP, Chairman of the Finance Committee (Convenor)
Hon CHAN Kam-lam, Deputy Chairman of the Finance Committee
Hon Edward HO Sing-tin, SBS, JP
Hon Fred LI Wah-ming, JP
Hon NG Leung-sing
Hon HUI Cheung-ching
Hon CHAN Yuen-han
Hon CHAN Wing-chan
Hon Mrs Sophie LEUNG LAU Yau-fun, JP
Hon SIN Chung-kai
Hon Jasper TSANG Yok-sing, JP
Hon Howard YOUNG, JP
Hon Mrs Miriam LAU Kin-yee, JP
Hon Ambrose LAU Hon-chuen, JP
Dr Hon TANG Siu-tong, JP (Member of the Provisional Regional
Council (ProRC) who had the Convenor's
agreement to speak on behalf of ProRC)

Attendance by invitation:

Mr WONG King-cheung	Chairman, Capital Works Select Committee, Provisional Urban Council (PUC)
Ms Jennifer CHOW	Vice Chairman, Capital Works Select Committee, PUC
Mr Daniel TO Boon-man	Member, Capital Works Select Committee, PUC
Mr Stanley NG Wing-fai	Member, Capital Works Select Committee, PUC

Staff in attendance:

Ms Pauline NG	Assistant Secretary General 1
Miss Polly YEUNG	Chief Assistant Secretary (1)3
Ms Sarah YUEN	Senior Assistant Secretary (1)4

Opening remarks

Mr Ronald ARCULLI, Chairman of the Finance Committee, convened the special briefing. He welcomed representatives of the Capital Works Select Committee (CWSC) of the Provisional Urban Council (PUC) and explained that the briefing was convened in response to the CWSC's request to present its views on the arrangements regarding the capital works projects of the PUC after its dissolution.

Arrangements regarding the capital works projects of the PUC after its dissolution

2. The Convenor pointed out that PWSC(1999-2000)76, which would be considered at the Finance Committee (FC) meeting to be held on 17 December 1999, had already covered the 149 projects which the PUC and the Provisional Regional Council (ProRC) had entered into contractual commitments. He therefore requested representatives of the CWSC to focus their presentation on the remaining 52 Stage III and IV projects of the PUC.

3. Representatives of the CWSC considered it inappropriate for the aforesaid 52 PUC projects to be included into the Public Works Programme as Category C items only as indicated by the Administration. Under this arrangement, these projects would be subject to the normal resource allocation procedures as applied to all capital works projects, i.e. they would have to compete with all other projects in bidding for funds. They urged that these 52 projects be treated as a special group of projects and be followed up by the Legislative Council (LegCo) to ensure their implementation according to the original scope and timetables.

4. The Chairman asked members to refer to CWSC's submission and invited the representatives of CWSC to further elaborate on the status of Stage III and Stage IV projects of PUC. CWSC representatives explained as follows:-

- (a) Stage IV projects were preliminary projects with their sketch layouts and their scope of development and schedules of accommodation under preparation by the Architectural Services Department (ASD). Stage III projects, on the other hand, were

projects with approved scope of development and schedules of accommodation and were only awaiting PUC's formal funding approval pending finalisation of their detailed civil and structural requirements for preparation of tender documents and cost estimates.

- (b) Prior to seeking formal funding approval for specific projects, all projects would have to be endorsed by the relevant PUC select committees before they could be listed as Stage IV projects for detailed design. As such, the 52 outstanding projects were already endorsed at the policy level and were at a very advanced stage. Some of these projects had already had their outline proposals and detailed designs prepared and layout plans considered by the relevant PUC select committees. In fact, as indicated in Annex H to CWSC's submission, the planned completion dates of the various procedures of the projects were available and the projects had only been deferred because of financial constraints during recent years due to reduction in income from Rates.
- (c) Some of these projects such as the Redevelopment of Victoria Park (Stage IV project) would be implemented by phases. Although the funding approval for some of the later phases had yet to be secured, implementation of the later phases should be proceeded with to ensure completion of the project in its entirety.
- (d) As shown in Annex H to the submission, relevant Provisional District Boards (PDBs) had been consulted on the Stage III and Stage IV PUC projects. For example, the Sun Yat Sen Memorial Park (Stage III project) had been planned and examined at the district level for many years. In fact, the general practice was that once the outline zoning plan was approved, the relevant PDB would be consulted on the scope of the PUC project, its resultant design and even the schedule of accommodation before the relevant PUC select committees were consulted. As the PDBs had been involved in planning for the projects, and were regularly updated on their progress, the Government had the moral obligation to honour the pledges made by the PUC to the districts to ensure that their needs for municipal services would be met.
- (e) PUC had adjusted the priorities of its capital projects in the light of financial constraints according to five major criteria, namely, the existing planning standards, the geographical distribution of facilities, the anticipated demand growth, project feasibility and public expectation. As a result, the need for the remaining 52 projects had already been reaffirmed. For example, the UC

Complexes in Aldrich Bay Reclamation Area and in Siu Sai Wan, and the re-provision of refuse collection points were all required to meet genuine community needs. In particular, the Aldrich Bay UC Complex (Stage III project) was urgently required to provide necessary community facilities and a public transport interchange to a population of over 45,000 when the new public estate there was taken up in late 2000.

PUC 5. In response to Members' queries about the exact number of PUC Stage III and IV projects, Mr WONG King-cheung explained that although there were 63 such projects on the PUC Capital Works Programme, some of them were at no cost to the PUC or had been downgraded to minor works projects. As a result, the total number of PUC projects whose funding the FC was called upon to follow up was only 52. He undertook to confirm the breakdown of the 63 projects in writing after the meeting.

6. As to whether there was a possibility that PUC Stage III projects could not proceed to Stage II, Mr WONG King-cheung explained that such possibility was very remote unless land resumption problems were involved as in the case of the recreational developments at Wong Chuk Hang and of the 'LO' site at North Ap Lei Chau Reclamation. Mr NG Wing-fai recalled that one such case had arisen from the Administration's refusal to allocate the site in question on grounds that the relevant plot ratio had not been fully utilised.

7. As to whether PUC's Stage IV projects had all been discussed at the district level before submission of their preliminary plans to PUC committees, Mr Daniel TO Boon-man and Mr WONG King-cheung confirmed that some such projects were in fact specified in outline zoning plans but the PDBs concerned would nonetheless be consulted on the detailed requirements before further discussion at the relevant PUC select committees for onward consideration by the CWSC. In fact, PDBs' comments and requests would be recorded in the project papers and PUC would try to accommodate such requests as far as practicable in close consultation with the PDBs concerned.

8. On why the PUC would urge the implementation of Stage IV projects which according to the Administration were only at a preliminary stage of planning, Ms Jennifer CHOW and Mr NG Wing-fai stressed that the preliminary plan of a Stage IV project had already been accepted by the relevant PUC select committee(s) and it was only awaiting the formulation of project scope and schedule of accommodation by the Urban Services Department, and the preliminary feasibility study and rough indication of cost by Arch SD to proceed further. In fact, once its scope and schedule of accommodation were approved by the relevant PUC select committee(s), a Stage IV project would automatically be upgraded to Stage III under which detailed design would proceed. To enable members to acquire a better understanding of the advanced status of Stage IV projects, representatives of the CWSC agreed to provide after the meeting further information on the work

PUC

under each stage and how PUC capital works projects were taken forward from one stage to the next. They would also provide a copy of the PUC booklet entitled "Review of Capital Works Programme of the PUC and the way forward" prepared in December 1998 for members' reference.

9. The Chairman recalled that at an earlier briefing, a few FC members had indicated that if there was no firm undertaking by the Government on the remaining projects, they might vote against PWSC(1999-2000)76 in respect of Stages I and II projects. In this connection, he sought the views of the CWSC representatives on whether they would prefer FC to give funding approval to the Stage I and II projects as proposed by the Administration first or to take into consideration PUC capital works projects in all four stages in totality. In response, Mr WONG King-cheung and Ms Jennifer CHOW urged members to approve PWSC(1999-2000)76 in its present form but to monitor closely the further progress of the 52 projects in Stages III and IV after dissolution of the PUC to ensure their implementation according to schedule.

Arrangements regarding the capital works projects of the ProRC after its dissolution

10. With the convenor's permission, Dr TANG Siu-tong, in his capacity as ProRC member, explained that the categorisation of capital works projects by the ProRC was somewhat different from that of the PUC. Members noted that for ProRC projects in Category I, their scope and cost estimates had already been approved by the ProRC and construction could commence upon completion of the normal tendering procedures. ProRC projects attaining Category II status meant the sketch design and rough indication of cost had been approved. Category III status only meant the project brief was approved and projects in Category IV only had their preliminary justifications accepted. As such, Dr TANG pointed out that only projects in Category I might be reasonably regarded as formally approved and funded by the ProRC, while projects in Category II to IV were still at various stages of planning and were subject to change, deferral or cancellation. Dr TANG referred to the special meeting of the ProRC held on 14 December 1999 and confirmed that the ProRC would request the Home Affairs Bureau and the new Environment and Food Bureau to seek the approval of FC on the recommendation of PWSC for the funding and creation of Category A items for ProRC's Category II and III projects within two years.

11. On consultation at the district level, Dr TANG Siu-tong informed members that under the existing practice of ProRC, instead of involving PDBs, district committees of ProRC comprising PDB members and other representatives from the districts concerned would examine the needs of different districts and initiate projects for consideration by the relevant ProRC select committees for onward submission to its Finance and Administration Select Committee and the whole council of ProRC for approval. Members

noted that the categorisation of projects of ProRC was different from that of PUC. The mechanism of consulting the relevant PDBs was also different.

Concluding remarks

12. In concluding the briefing, the Convenor explained that FC could not initiate agenda items for funding approval and it would not be appropriate for FC to take up the proposed monitoring role. He nevertheless noted the concerns about the outstanding PMC projects upon dissolution of the two Councils and undertook to convey these concerns to the House Committee which would consider the mechanism, whether by way of a panel/subcommittee, to follow up and monitor issues on municipal services. He said that subject to the decision of the House Committee, LegCo Members would continue to pursue the outstanding projects with the relevant bureaux.

13. The briefing ended at 1:10 pm.

Legislative Council Secretariat

2 February 2000