

**立法會**  
***Legislative Council***

LC Paper No. FC54/18-19  
(These minutes have been  
seen by the Administration)

Ref : FC/1/1(32)

**Finance Committee of the Legislative Council**

**Minutes of the 33<sup>rd</sup> meeting**  
**held at Conference Room 1 of the Legislative Council Complex**  
**on Friday, 6 July 2018, at 4:45 pm**

**Members present:**

Hon CHAN Kin-por, GBS, JP (Chairman)  
Hon Michael TIEN Puk-sun, BBS, JP (Deputy Chairman)  
Hon James TO Kun-sun  
Hon LEUNG Yiu-chung  
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 WONG Kwok-kin, SBS, JP  
Hon Mrs Regina IP LAU Suk-ye, GBS, JP  
Hon Paul TSE Wai-chun, JP  
Hon Claudia MO  
Hon Steven HO Chun-yin, BBS  
Hon Frankie YICK Chi-ming, SBS, JP  
Hon WU Chi-wai, MH  
Hon YIU Si-wing, BBS  
Hon MA Fung-kwok, SBS, JP  
Hon Charles Peter MOK, JP  
Hon CHAN Chi-chuen  
Hon CHAN Han-pan, BBS, JP  
Hon LEUNG Che-cheung, SBS, MH, JP

Hon Kenneth LEUNG  
Hon KWOK Wai-keung, JP  
Hon Dennis KWOK Wing-hang  
Hon Christopher CHEUNG Wah-fung, SBS, JP  
Dr Hon Fernando CHEUNG Chiu-hung  
Hon IP Kin-yuen  
Dr Hon Elizabeth QUAT, BBS, JP  
Hon Martin LIAO Cheung-kong, SBS, JP  
Hon POON Siu-ping, BBS, MH  
Dr Hon CHIANG Lai-wan, SBS, JP  
Ir Dr Hon LO Wai-kwok, SBS, MH, JP  
Hon Alvin YEUNG  
Hon Andrew WAN Siu-kin  
Hon CHU Hoi-dick  
Dr Hon Junius HO Kwan-yiu, JP  
Hon HO Kai-ming  
Hon LAM Cheuk-ting  
Hon Holden CHOW Ho-ding  
Hon SHIU Ka-fai  
Hon SHIU Ka-chun  
Hon Wilson OR Chong-shing, MH  
Hon YUNG Hoi-yan  
Dr Hon Pierre CHAN  
Hon CHAN Chun-ying, JP  
Hon Tanya CHAN  
Hon CHEUNG Kwok-kwan, JP  
Hon HUI Chi-fung  
Hon LUK Chung-hung, JP  
Dr Hon CHENG Chung-tai  
Hon KWONG Chun-yu  
Hon Jeremy TAM Man-ho  
Hon Gary FAN Kwok-wai  
Hon AU Nok-hin  
Hon Vincent CHENG Wing-shun, MH  
Hon Tony TSE Wai-chuen, BBS

**Members absent:**

Prof Hon Joseph LEE Kok-long, SBS, JP  
Hon Alice MAK Mei-kuen, BBS, JP  
Dr Hon KWOK Ka-ki  
Dr Hon Helena WONG Pik-wan

Hon CHUNG Kwok-pan  
Hon Jimmy NG Wing-ka, JP  
Hon LAU Kwok-fan, MH  
Hon Kenneth LAU Ip-keung, BBS, MH, JP

**Public officers attending:**

Ms Alice LAU Yim, JP	Permanent Secretary for Financial Services and the Treasury (Treasury)
Ms Carol YUEN, JP	Deputy Secretary for Financial Services and the Treasury (Treasury) 1
Mr Mike CHENG Wai-man	Principal Executive Officer (General), Financial Services and the Treasury Bureau (The Treasury Branch)
Mr Jack CHAN Jick-chi, JP	Under Secretary for Home Affairs
Ms Linda LAW Lai-tan	Principal Assistant Secretary for Home Affairs (Recreation and Sport) 2
Mr Simon LIU Wai-shing	Assistant Director of Leisure and Cultural Services (Leisure Services) 3
Ms Linda CHEUNG Yuk-shan	Chief Executive Officer (Planning) 2, Leisure and Cultural Services Department
Mrs Sylvia LAM YU Ka-wai, JP	Director of Architectural Services
Mr Edward TSE Cheong-wo	Project Director 3, Architectural Services Department
Mr Anthony YOW Kin-fai	Senior Project Manager 328, Architectural Services Department
Mr Kevin YEUNG Yun-hung, JP	Secretary for Education
Mr Brian LO Sai-hung, JP	Deputy Secretary for Education (1)
Miss Winnie WONG Ming-wai	Deputy Secretary-General (1), University Grants Committee Secretariat

**Clerk in attendance:**

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

Ms Ada LAU	Senior Council Secretary(1)7
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Mr Raymond SZETO  
Mr Frankie WOO  
Ms Michelle NIEN

Council Secretary (1)5  
Senior Legislative Assistant (1)3  
Legislative Assistant (1)5

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Action

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

Setting the agenda of Finance Committee meetings

2. Mr CHU Hoi-dick noted that the Secretariat had already issued the agenda for meetings of the Finance Committee ("FC") to be held on 13 July, 16 July, 17 July and 18 July 2018. In this connection, Mr CHU asked whether the Administration would take into account the scrutiny progress of FC at the meetings held on 6 July and 7 July 2018 and reschedule agenda items for later meetings by reconsidering the urgency of items awaiting scrutiny along the principle of "dealing with the easier tasks first".

3. Deputy Secretary for Financial Services and the Treasury (Treasury) 1 responded that the Government would generally give overall consideration in accordance with prevailing situation when scheduling agenda items for FC meetings. Depending on the progress of meetings held on 6 July and 7 July 2018, the Government would reconsider the priority of remaining items awaiting scrutiny by FC.

**Item 1 — FCR(2018-19)34**

**RECOMMENDATION OF THE PUBLIC WORKS  
SUBCOMMITTEE MADE ON 28 MAY 2018**

**PWSC(2018-19)22**

**HEAD 703 — BUILDINGS**

**Recreation, Culture and Amenities — Open spaces**

**433RO — Open space in Area 6, Tai Po**

**Recreation, Culture and Amenities — Sports facilities**

**291RS — Redevelopment of Yuen Long Stadium—pre-construction  
activities**

4. The Chairman advised that the item sought FC's approval of the recommendation made by the Public Works Subcommittee ("PWSC") at its meeting held on 28 May 2018 regarding PWSC(2018-19)22 for the upgrading of 433RO on the development of open space in Area 6, Tai Po, and part of 291RS on the redevelopment of Yuen Long Stadium ("YLS") as

294RS, entitled "Redevelopment of Yuen Long Stadium—pre-construction activities", to Category A at estimated costs of \$93.8 million and \$45.4 million in money-of-the-day ("MOD") prices respectively; and for the retention of the remainder of 291RS in Category B. The Chairman also advised that members had requested for separate voting on the recommendation regarding the two projects (i.e. 433RO and 291RS) vide PWSC(2018-19)22 at the FC meeting. He would put those two projects to vote separately after discussion of the item.

5. The Chairman declared that he was an independent non-executive director of The Bank of East Asia.

433RO—Open space in Area 6, Tai Po

6. Mr Alvin YEUNG advised that the Civic Party supported the funding proposals for the two projects. Regarding 433RO, Mr YEUNG noted that two basketball-cum-volleyball courts would be provided under the project. Given the different facilities required for basketball and volleyball courts, Mr YEUNG was concerned that such an arrangement might cause inconvenience to the venue users. Assistant Director of Leisure and Cultural Services (Leisure Services) 3 ("AD(LS)3") responded that the two basketball-cum-volleyball courts under the project would normally be used as basketball courts. If volleyball courts were booked for the venue, staff of the Leisure and Cultural Services Department ("LCSD") would set up volleyball court facilities accordingly to allow for flexible use of the venue.

7. Mr Alvin YEUNG also noted that construction for 433RO was expected to commence in the fourth quarter of 2018 for completion in the third quarter of 2020. Pointing out that no complicated process such as land resumption or site investigation was involved in the project, Mr YEUNG asked why it would take as long as two years to complete. Under Secretary for Home Affairs ("USHA") explained that as the planned site was in the vicinity of two schools, noisier works could only be carried out during long school holidays. Director of Architectural Services ("D Arch S") supplemented that given the different examination dates of the two schools, the contractor must make respective arrangements to adjust the works accordingly. Hence the project would take slightly longer to complete as compared with other leisure park development projects.

8. Ms Tanya CHAN noted that the cost of external works (\$37.1 million) accounted for a substantial proportion (about 40%) of the total capital cost of 433RO (\$93.8 million). Ms CHAN asked whether the

cost of external works would include the capital cost of the relevant recreational facilities. D Arch S explained that the cost of external works included the capital cost of sitting-out facilities (such as pavilions, basketball courts and fitness equipment), barrier-free facilities, etc. in the park, as well as the cost of tree planting.

9. Ms Tanya CHAN noted the Administration's proposal to replant a large number of trees as part of the project, including 1 744 bamboo trees. Ms CHAN was concerned whether the area of the Chinese courtyard where bamboo trees were intended to be planted was large enough to accommodate such a large number of bamboo trees. At the request of Ms CHAN, the Government would provide supplementary information on the area of the Chinese courtyard, the species and planting spacings of bamboo trees, as well as their size when planted and mature.

*[Post-meeting note: The supplementary information provided by the Administration was circulated to members vide LC Paper No. FC323/17-18(01) on 15 August 2018.]*

10. Mr WU Chi-wai asked whether the Administration would consider assigning Landscape Architect ("LA") as project manager of open space development projects, so that landscaping would feature prominently in the design of such projects. D Arch S responded that LA would be highly involved in open space development projects. The Government would try assigning LA as project manager of those open space projects which did not involve building construction, so as to give full play to landscape concepts in the projects.

11. Mr Gary FAN reiterated his proposal that an underground carpark be provided at the site of the open space in Area 6, Tai Po. Mr FAN noted from the follow-up paper provided by the Administration to PWSC (LC Paper No. PWSC252/17-18(01)) that the costs involved in the construction of a single-storey underground public carpark which could provide about 120 carparking spaces would be no less than \$200 million. He asked whether the Administration had calculated the payback period for the said capital costs. USHA responded that as the construction of a single-storey underground public carpark would involve major revisions to the project scope, if a carpark was to be added into the project scope at this stage, it was roughly estimated that there would be a delay of around four to five years to the project timetable. The Government held that it was not appropriate to consider such a proposal at this stage. He went on to supplement that 328 temporary carparking spaces were available in the vicinity of the planned site, while a total of about 900 public carparking spaces were provided at nearby housing estates.

291RS—Redevelopment of Yuen Long Stadium—pre-construction activities

*Provision of a permanent cover at the east spectator stand*

12. Mr LEUNG Che-cheung expressed support for the funding proposal regarding the redevelopment of YLS—pre-construction activities. Mr LEUNG noted that the scope of works under the proposed redevelopment project included reprovisioning the covered west spectator stand of YLS and refurbishing all seats and ancillary facilities at the existing east spectator stand. Mr LEUNG asked whether the Administration would consider Yuen Long District Council's request for providing a permanent cover at the east spectator stand.

13. USHA responded that after redevelopment, the total seating capacity of YLS would increase from the original 4 000 to 6 900, with the number of seats at the west spectator stand under a permanent cover increasing from the original 2 000-odd to about 4 000. According to past record, the turnout for activities hosted in YLS was less than 2 000 on average. Hence, the number of seats at the west spectator stand should be able to accommodate the spectators of those activities. Mr LEUNG Che-cheung pointed out that as the population of Yuen Long would increase from the existing 600 000 to 1 000 000 in the future, seating at the west spectator stand might not be able to cope with the demand of local people. In that case, seating at the east spectator stand might have to be used when hosting certain activities.

14. Mr CHAN Chi-chuen pointed out that at the relevant PWSC meeting, the Administration only undertook to study the option of adding a temporary cover to the east spectator stand when necessary. In this regard, Mr CHAN requested the Administration to also include the proposal to provide a permanent cover at the east spectator stand in the scope of studies to be undertaken by the project's engineering consultant. Mr Andrew WAN and Mr KWONG Chun-yu also made the same request. Mr WAN considered that the Administration should request the engineering consultant to study the cost-effectiveness and technical constraints of the aforesaid proposal and submit the relevant information to members for consideration.

15. USHA advised that currently, part of the spectator stand at the Hong Kong Stadium ("HKS") and the Mok Kok Stadium ("MKS") respectively was provided with a permanent cover while part of it was without a cover. The Government considered that the present proposal

would suffice to meet future demand. That said, considering the strong demand of members of the local community and Members belonging to different political parties in the Legislative Council ("LegCo"), the Government did not preclude the possibility of providing a permanent cover at the east spectator stand. The project's engineering consultant would consider various options (including the options to provide a permanent cover and a temporary cover) and render professional advice to the Government.

16. Mr WU Chi-wai enquired about technical issues concerning the installation of a temporary cover at the east spectator stand (for example, the circumstances under which the cover would be installed, how the cover would be installed, removed and stored, etc.), and whether the relevant costs would be borne by LCSD or the venue hirer. USHA responded that the engineering consultant would make recommendations to the Government on technical issues concerning the provision of a temporary cover at the east spectator stand. He added that service providers for the installation of temporary covers were available in the market. When hosting the Hong Kong Sevens at HKS, the organization hiring the venue had erected temporary cover over the open spectator stand. In reply to Mr WU Chi-wai's further enquiry, USHA said that the question of whether the temporary cover would form part of YLS' facilities would depend on the engineering consultant's recommendations, and the Government did not have any decision at this stage.

*Turf maintenance*

17. Mr YIU Si-wing expressed support for the funding proposals of the two works projects. Mr YIU was concerned whether the turf quality of YLS could meet the standards required for hosting large-scale international football matches. He asked whether LCSD or an outsourced contractor would be responsible for turf maintenance and called on the Administration to learn from the relevant experience of turf pitch management in HKS. Mr AU Nok-hin suggested that the Administration should formulate a holistic turf maintenance plan for YLS.

18. AD(LS)3 stated that after redevelopment, YLS would be installed with additional drainage systems, so that matches could also be held in the turf pitch during the rainy season. Maintenance of the turf pitch would be carried out by LCSD. Apart from engaging overseas experts to assist routine turf management of HKS, LCSD had also assigned its staff to receive relevant local and overseas training. LCSD was confident that proper turf maintenance would be carried out at YLS.



*Planning of sports grounds*

19. Mr Gary FAN noted that the redevelopment of YLS would upgrade the venue to allow the hosting of international football matches and large-scale athletics events. Mr FAN cited overseas experience about separate provision of the turf pitch and athletic ground, such that the spectators would get more involved in football matches as their distance with the pitch was reduced. In this connection, Mr FAN enquired about the criteria (such as utilization rate of the athletic ground) adopted by the Administration during the planning stage of the YLS redevelopment plan for the decision to develop the venue under a "single site, multiple use" model (i.e. colocation of the athletic ground and football pitch in the same venue).

20. USHA responded that the "single site, multiple use" model could dovetail with the Government's Sport for All policy. He went on to say that the utilization rate of YLS was close to 100%, while school athletic meets accounted for over 70% of the utilization rate of the track and field facilities. The Government believed that after redevelopment, YLS would be chosen by more schools as the venue for holding athletic meets. Regarding the relevant overseas experience cited by Mr Gary FAN about shortening the distance between the spectators and the turf pitch, AD(LS)3 said that a suitable balance had already been struck in the design of YLS. With reference to the Tseung Kwan O Sports Ground where the distance between the spectator stands and the pitch was about 30 metres ("m"), the distance between the spectator stands and the pitch of YLS after redevelopment would be reduced to about 15 to 18 m, subject to the actual site condition, design and layout.

*Future positioning of Yuen Long Stadium*

21. Mr LEUNG Che-cheung asked whether international football matches would be hosted in YLS which was a district-level stadium after the commissioning of the Kai Tak Sports Park ("KTSP"). Mr CHU Hoi-dick pointed out that two turf pitches would be provided in KTSP, and other existing venues such as HKS and MKS were also available in the urban areas. He thus queried whether YLS could attract the Asian Football Confederation ("AFC") to host international matches there. Mr WU Chi-wai asked whether the future positioning of YLS was primarily to serve the local community or to host international football matches.

22. USHA responded that currently, HKS and MKS were the only venues in Hong Kong that could meet the relevant AFC standards on venue. There was no such venue in the New Territories ("NT"). The redevelopment project would enable YLS to be another designated venue for hosting international matches sanctioned by AFC in Hong Kong, allowing NT residents the opportunity to participate in large-scale football matches. The Government held that with enhancement to its facilities, YLS could attract AFC to host international football matches there, while KTSP upon its completion would be another ideal venue for hosting large-scale international football matches.

23. Mr CHAN Chi-chuen noted that the Government would need to provide additional ancillary facilities (including multi-purpose meeting rooms, a media centre, media tribune, a press conference room, commentator's rooms, TV studios, first aid rooms and a doping control room) as stated in paragraph 2(d) of the discussion paper, in order to meet AFC's standards on venue. Enquiring about the development cost of such facilities, Mr CHAN was concerned about their utilization rate in the future.

24. USHA stated that when no international matches were scheduled to be held, the relevant facilities would be available for hire by members of the public or for hosting local football matches and school athletic meets. The Government held that upgrading the overall facilities of YLS would have a positive effect on the promotion of sports. At the request of Mr CHAN Chi-chuen, the Government undertook that after securing funding approval for the item, it would request the engaged consultant to calculate the estimated costs of individual items of ancillary facilities stated in paragraph 2(d) of the discussion paper.

*Other suggestions and concerns*

25. Mr YIU Si-wing noted that the east spectator stand of YLS would only be refurbished under the proposed scope of works. Mr YIU asked whether the Government would inspect the structure of the east spectator stand to ensure its continued use for the next 50 years. D Arch S responded that the engineering consultant of the project would conduct on-site inspection, survey and mapping to confirm the current structural condition of the east spectator stand. Subject to the inspection results, the Government would take measures as appropriate to extend the use of the spectator stand structure.

26. Mr Jeremy TAM noted that during the construction stage of the YLS redevelopment project, football teams undergoing training at YLS

would have to do so at Tin Shui Wai Sports Ground in the same district or sports grounds in Tuen Mun district. Mr TAM pointed out that as football associations would be given priority in venue allocation for training purposes, the general public might have difficulty in booking the relevant venues due to the aforesaid arrangement. USHA responded that the completion of new football pitches in the vicinity of Yuen Long district in the future could hopefully relieve the pressure on the use of such facilities.

Motions proposed by members under paragraph 37A of the Finance Committee Procedure

27. At 6:20 pm, FC started to vote on whether the motions proposed by members under paragraph 37A of the Finance Committee Procedure ("FCP") ("FCP 37A motions") should be proceeded with forthwith. At the request of members, the Chairman ordered a division. After the Chairman declared that FC had decided not to proceed with the first FCP 37A motion proposed by Mr AU Nok-hin (i.e. [0001](#)) forthwith, Mr CHAN Hak-kan moved without notice a motion under FCP 47 that in the event of further divisions being claimed in respect of any motions or questions under the same agenda item, FC should proceed to each of such divisions immediately after the division bell had been rung for one minute. At the request of members, the Chairman ordered a division. The Chairman declared that the motion was carried. The votes of individual members were set out in the **Annex**.

28. FC continued with the voting on whether FCP 37A motions proposed by members would be proceeded with forthwith. The voting results were as follows:

Members proposing the motions	Serial numbers of motions	Motions be proceeded with forthwith
Mr AU Nok-hin	<a href="#">0001</a>	No
Mr KWONG Chun-yu	<a href="#">0002</a>	No
Mr Gary FAN Kwok-wai	<a href="#">0003</a>	No
Mr CHAN Chi-chuen	<a href="#">0004</a>	No

Voting on 433RO—Open space in Area 6, Tai Po vide PWSC(2018-19)22

29. There being no further questions from members on the item, the Chairman put 433RO—Open space in Area 6, Tai Po vide PWSC(2018-19)22 to vote. At the request of members, the Chairman ordered a division. The Chairman declared that 45 members voted in favour of and 1 member voted against the item. The votes of individual members were as follows:

*For:*

Mr LEUNG Yiu-chung	Mr Tommy CHEUNG Yu-yan
Ms Starry LEE Wai-king	Mr CHAN Hak-kan
Dr Priscilla LEUNG Mei-fun	Mr WONG Kwok-kin
Mrs Regina IP LAU Suk-ye	Mr Paul TSE Wai-chun
Mr Steven HO Chun-yin	Mr WU Chi-wai
Mr YIU Si-wing	Mr MA Fung-kuok
Mr Charles Peter MOK	Mr CHAN Chi-chuen
Mr LEUNG Che-cheung	Mr KWOK Wai-keung
Dr Fernando CHEUNG Chiu-hung	Mr IP Kin-yuen
Dr Elizabeth QUAT	Mr POON Siu-ping
Dr CHIANG Lai-wan	Ir Dr LO Wai-kuok
Mr Alvin YEUNG	Mr Andrew WAN Siu-kin
Mr CHU Hoi-dick	Dr Junius HO Kwan-yiu
Mr HO Kai-ming	Mr LAM Cheuk-ting
Mr Holden CHOW Ho-ding	Mr SHIU Ka-fai
Mr SHIU Ka-chun	Mr Wilson OR Chong-shing
Ms YUNG Hoi-yan	Dr Pierre CHAN
Mr CHAN Chun-ying	Ms Tanya CHAN
Mr CHEUNG Kwok-kwan	Mr HUI Chi-fung
Mr LUK Chung-hung	Dr CHENG Chung-tai
Mr KWONG Chun-yu	Mr Gary FAN Kwok-wai
Mr AU Nok-hin	Mr Vincent CHENG Wing-shun
Mr Tony TSE Wai-chuen	
(45 members)	

*Against:*

Mr WONG Ting-kuong  
(1 member)

30. The Chairman declared that the item was approved by FC.

Voting on 291RS—Redevelopment of Yuen Long Stadium—pre-construction activities vide PWSC(2018-19)22

31. There being no further questions from members on the item, the Chairman put 291RS—Redevelopment of Yuen Long Stadium—pre-construction activities vide PWSC(2018-19)22 to vote. At the request of members, the Chairman ordered a division. The Chairman declared that 40 members voted in favour of and 1 member voted against the item, and 4 members abstained from voting. The votes of individual members were as follows:

*For:*

Mr Tommy CHEUNG Yu-yan	Ms Starry LEE Wai-king
Mr CHAN Hak-kan	Dr Priscilla LEUNG Mei-fun
Mr WONG Kwok-kin	Mrs Regina IP LAU Suk-ye
Mr Paul TSE Wai-chun	Mr Steven HO Chun-yin
Mr WU Chi-wai	Mr YIU Si-wing
Mr MA Fung-kwok	Mr Charles Peter MOK
Mr LEUNG Che-cheung	Mr KWOK Wai-keung
Dr Fernando CHEUNG Chiu-hung	Mr IP Kin-yuen
Dr Elizabeth QUAT	Mr POON Siu-ping
Dr CHIANG Lai-wan	Ir Dr LO Wai-kwok
Mr Alvin YEUNG	Mr Andrew WAN Siu-kin
Dr Junius HO Kwan-yiu	Mr HO Kai-ming
Mr LAM Cheuk-ting	Mr Holden CHOW Ho-ding
Mr SHIU Ka-fai	Mr SHIU Ka-chun
Mr Wilson OR Chong-shing	Ms YUNG Hoi-yan
Dr Pierre CHAN	Mr CHAN Chun-ying
Ms Tanya CHAN	Mr CHEUNG Kwok-kwan
Mr HUI Chi-fung	Mr LUK Chung-hung
Mr KWONG Chun-yu	Mr Gary FAN Kwok-wai
Mr Vincent CHENG Wing-shun	Mr Tony TSE Wai-chuen

(40 members)

*Against:*

Mr CHU Hoi-dick  
(1 member)

*Abstained:*

Mr LEUNG Yiu-chung	Mr CHAN Chi-chuen
Dr CHENG Chung-tai	Mr AU Nok-hin

(4 members)

32. The Chairman declared that the item was approved by FC.

**Item 2 — FCR(2018-19)35**  
**CAPITAL WORKS RESERVE FUND**  
**HEAD 708 — CAPITAL SUBVENTIONS AND MAJOR SYSTEMS**  
**AND EQUIPMENT**  
**Education Subventions**  
**61EC — Hostel Development Fund**

33. The Chairman advised that the item sought FC's approval of a one-off grant of \$10,303.7 million in MOD prices to the six University

Grants Committee ("UGC")-funded universities as a new funding arrangement for expediting the development of student hostels for meeting their hostel shortfalls in full. The Education Bureau ("EDB") had consulted the Panel on Education on the relevant proposal on 1 December 2017. At the invitation of the Chairman, Dr CHIANG Lai-wan, Chairman of the Panel on Education, gave a report at the meeting on the outcome of the Panel's discussion.

Justification for the proposed funding arrangement

34. Mr Gary FAN enquired about the justification for the proposed funding arrangement (i.e. making capital injection to various hostel development projects through setting up the Hostel Development Fund ("HDF")). Mr FAN considered that as individual hostel projects could circumvent the scrutiny of the relevant LegCo committees under the said arrangement, the monitoring function of such committees would be undermined. Moreover, it would set a precedent for other public works projects of the Government.

35. Secretary for Education ("SED") responded that HDF was not established to circumvent LegCo's monitoring process. He explained that under the prevailing arrangement where each and every university hostel project must first complete its pre-construction work and be successful in the Government's internal resource allocation bid before the same could be presented to the relevant Panel, PWSC and FC for scrutiny, it would invariably take considerable time for a hostel development project to materialize.

36. SED further pointed out that the proposed HDF was a one-off arrangement to meet the outstanding hostel shortfall in full. With the establishment of HDF, the Administration expected that the projected shortfall of student hostel places (13 473 places) could be fully met within 10 years. HDF provided certainty on the availability of funding from the Government and in turn facilitated the universities, which were required to bear at least 25% of the construction cost of student hostel projects, to enlist donations from the community early. HDF also had the added advantage of allowing greater flexibility for the universities to exercise creativity in architectural design of the buildings, so as to better suit their students' needs. The Administration did not envisage any need to construct additional student hostels after meeting the total projected shortfall in full under the current student number target and the student hostel policy.

37. SED also clarified that unlike other public works projects which were fully funded by the Government, the Government's commitment in university hostel projects would be capped at 75% of the construction cost, and the remaining 25% of the construction cost would be met by the universities concerned. Hence costing and monitoring of university hostel projects could be different from other public works projects.

38. Mr Abraham SHEK supported the present funding proposal. He called on the Administration and UGC to give the universities greater autonomy over the relevant projects and minimize undue restrictions to enable more effective use of resources by the universities.

39. Mr Alvin YEUNG was concerned whether the proposed funding arrangement would become an established policy of EDB. SED reiterated that the proposed HDF was a one-off arrangement to meet the outstanding hostel shortfall in full. He added that hostel projects were different from primary and secondary school building projects or academic building projects of the universities. As the latter projects were fully funded by the Government, the Government did not have any plan to seek funding approval from FC for those projects according to the present funding arrangement. As the request of Mr Alvin YEUNG, SED undertook at the meeting that he would not seek funding approval from FC for primary and secondary school building projects, as well as academic building projects of the universities according to the present funding arrangement. He also elaborated the proposed penalty system under HDF (as set out in Enclosure 3 to FCR(2018-19)35) for members' reference.

#### Supervision of works projects

40. Dr CHENG Chung-tai was concerned that the universities concerned might compress the construction schedule to avoid incurring penalty under the penalty system for delay in delivering the hostel places. Individual universities of a smaller scale might also have difficulty in enlisting donations, such that construction costs would have to be reduced. Under such circumstances, the quality of construction works could be adversely affected. Dr CHENG also said that under the proposed funding arrangement, LegCo could not monitor the building quality of individual university hostel projects.

41. SED advised that UGC had already reached a preliminary agreement with the universities concerned on the completion date of individual hostel projects. Moreover, a grace period of 180 days would apply before the penalty (which was calculated on a daily basis) kicked in. It was only when the universities concerned could not complete the projects

within four years after the agreed completion date that the Administration would claw back the total capital grants for the hostel places involved. SED also advised that the universities were all confident about their ability to enlist donations. Regarding supervision over the building quality of the projects, SED pointed out that as in previous hostel projects, the universities concerned would be responsible for monitoring the quality of construction works and ensuring their compliance with relevant statutory requirements. In case of any contraventions, law enforcement agencies would handle such cases in accordance with the law.

42. Ms Tanya CHAN pointed out that under the proposed funding arrangement, LegCo could only learn about the development progress of the relevant hostel projects through the annual reports on HDF submitted by EDB to the Panel on Education. Ms CHAN also noted that the universities concerned must submit quarterly progress reports to UGC Secretariat until project completion. In this connection, Ms CHAN asked whether UGC would monitor the progress of individual projects, and she queried whether it would suffice to only require the universities concerned to submit quarterly progress reports to UGC. Separately, she asked how EDB could monitor the relevant projects in conjunction with UGC.

43. SED said that the Administration would request the universities concerned to each set up a subcommittee or a task force under the Council to monitor the progress of each hostel project. UGC would also monitor the progress of hostel projects as per EDB's request. Apart from the annual reports to be submitted by the Government to the Panel on Education, the Government and the universities concerned could also brief the Panel on individual hostel projects if and when necessary. At the request of Ms Tanya CHAN, the Administration would provide further information on the basic facilities in student hostels to members for reference.

*[Post-meeting note: The supplementary information provided by the Administration was circulated to members vide LC Paper No. FC304/17-18(01) on 9 July 2018.]*

#### Allocation of hostel places

44. Mr LEUNG Yiu-chung was concerned that individual universities might tend to provide hostel places for non-local students' thereby reducing the chance of local students being allocated with hostel places. In this regard, Mr LEUNG asked whether the Administration could guarantee that upon completion of various hostel projects, all local undergraduate students would be provided with hostel places for at least one year during their



four-year period of studies, and the penalty to be imposed on those universities which were unable to make the said arrangement.

45. SED responded that upon completion of all hostel projects under HDF, all universities would be provided with sufficient hostel places in accordance with the hostel policy. To allow all undergraduate students to have a chance to stay in a student hostel for at least one year of their study programme as per the hostel policy, universities would be requested to accord priority to eligible students under their allocation mechanism, and such a requirement would also be specified in the agreements to be signed between EDB and individual universities concerned. The Administration was confident that the universities could provide their undergraduate students with the chance of staying in hostels during their four-year period of studies.

46. The meeting ended at 7:02 pm.

Legislative Council Secretariat  
23 November 2018

點名表決 DIVISION: 2  
日期 DATE: 06/07/2018  
時間 TIME: 06:26:02 下午 PM

動議 MOTION: 動議其後就相同議程項目下任何議案或待議議題進行點名表決時，委員會須在點名表決鐘聲響起一分鐘後進行點名表決  
Motion that in the event of further divisions being claimed of any motions or questions under the same agenda item, the Committee do proceed such divisions immediately after the division bell has been rung for one minute

動議人 MOVED BY:

出席 Present : 48  
投票 Vote : 47  
贊成 Yes : 35  
反對 No : 12  
棄權 Abstain : 0  
結果 Result : 通過 Passed

個別表決如下 THE INDIVIDUAL VOTES WERE AS FOLLOWS:

議員	MEMBER	投票	VOTE	議員	MEMBER	投票	VOTE
陳健波	CHAN Kin-por	出席	PRESENT	葛珮帆	Dr Elizabeth QUAT	贊成	YES
涂謹申	James TO	贊成	YES	廖長江	Martin LIAO		
梁耀忠	LEUNG Yiu-chung	反對	NO	潘兆平	POON Siu-ping	贊成	YES
石禮謙	Abraham SHEK			蔣麗芸	Dr CHIANG Lai-wan	贊成	YES
張宇人	Tommy CHEUNG	贊成	YES	盧偉國	Ir Dr LO Wai-kiok	贊成	YES
李國麟	Prof Joseph LEE			鍾國斌	CHUNG Kwok-pan		
林健鋒	Jeffrey LAM			楊岳橋	Alvin YEUNG	反對	NO
黃定光	WONG Ting-kiwong	贊成	YES	尹兆堅	Andrew WAN	贊成	YES
李慧琼	Starry LEE	贊成	YES	朱凱迪	CHU Hoi-dick	反對	NO
陳克勤	CHAN Hak-kan	贊成	YES	吳永嘉	Jimmy NG		
梁美芬	Dr Priscilla LEUNG	贊成	YES	何君堯	Dr Junius HO	贊成	YES
黃國健	WONG Kwok-kin	贊成	YES	何啟明	HO Kai-ming	贊成	YES
葉劉淑儀	Mrs Regina IP	贊成	YES	林卓廷	LAM Cheuk-ting	贊成	YES
謝偉俊	Paul TSE	贊成	YES	周浩鼎	Holden CHOW	贊成	YES
毛孟靜	Claudia MO			邵家輝	SHIU Ka-fai	贊成	YES
田北辰	Michael TIEN			邵家臻	SHIU Ka-chun	反對	NO
何俊賢	Steven HO	贊成	YES	柯創盛	Wilson OR	贊成	YES
易志明	Frankie YICK			容海恩	YUNG Hoi-yan	贊成	YES
胡志偉	WU Chi-wai	贊成	YES	陳沛然	Dr Pierre CHAN	贊成	YES
姚思榮	YIU Si-wing	贊成	YES	陳振英	CHAN Chun-ying	贊成	YES
馬逢國	MA Fung-kiok	贊成	YES	陳淑莊	Tanya CHAN	反對	NO
莫乃光	Charles Peter MOK	反對	NO	張國鈞	CHEUNG Kwok-kwan	贊成	YES
陳志全	CHAN Chi-chuen	反對	NO	許智峯	HUI Chi-fung	贊成	YES
陳恒鑾	CHAN Han-pan			陸頌雄	LUK Chung-hung	贊成	YES
梁志祥	LEUNG Che-cheung	贊成	YES	劉國勳	LAU Kwok-fan		
梁繼昌	Kenneth LEUNG			劉業強	Kenneth LAU		
麥美娟	Alice MAK			鄭松泰	Dr CHENG Chung-tai	反對	NO
郭家麒	Dr KWOK Ka-ki			鄭俊宇	KWONG Chun-yu	贊成	YES
郭偉强	KWOK Wai-keung	贊成	YES	譚文豪	Jeremy TAM		
郭榮鏗	Dennis KWOK			范國威	Gary FAN	反對	NO
張華峰	Christopher CHEUNG			區諾軒	AU Nok-hin	反對	NO
張超雄	Dr Fernando CHEUNG	反對	NO	鄭泳舜	Vincent CHENG	贊成	YES
黃碧雲	Dr Helena WONG			謝偉銓	Tony TSE	贊成	YES
葉建源	IP Kin-yuen	反對	NO				

