

立法會
Legislative Council

LC Paper No. FC274/20-21
(These minutes have been
seen by the Administration)

Ref : FC/1/1(37)

Finance Committee of the Legislative Council

Minutes of the 38th meeting
held in Conference Room 1 of the Legislative Council Complex
on Friday, 22 October 2021, from 2:30 pm to 3:39 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, SBS, JP
Dr Hon Priscilla LEUNG Mei-fun, SBS, JP
Hon WONG Kwok-kin, GBS, JP
Hon Mrs Regina IP LAU Suk-yee, GBM, GBS, JP
Hon Paul TSE Wai-chun, JP
Hon Michael TIEN Puk-sun, BBS, JP
Hon Steven HO Chun-yin, BBS, JP
Hon Frankie YICK Chi-ming, SBS, JP
Hon YIU Si-wing, SBS
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-kwok, GBS, 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, JP
Hon Kenneth LAU Ip-keung, BBS, MH, JP
Hon Vincent CHENG Wing-shun, MH, JP
Hon Tony TSE Wai-chuen, BBS, JP

Public officers attending:

Miss Cathy CHU Man-ling, 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 (G), Financial Services and the Treasury Bureau (The Treasury Branch)
Mr Jack CHAN Jick-chi, JP	Under Secretary for Home Affairs
Ms Eureka CHEUNG Yi, JP	Deputy Director of Home Affairs (1)
Ms Eugenia CHUNG Nga-chi, JP	Assistant Director of Home Affairs (2)

Clerk in attendance:

Ms Anita SIT	Assistant Secretary General 1
--------------	-------------------------------

Staff in attendance:

Miss Bowie LAM	Council Secretary (1)1
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 Procedure.

Item 1 — FCR(2021-22)81

**CAPITAL WORKS RESERVE FUND
HEAD 707 — NEW TOWNS AND URBAN AREA DEVELOPMENT
Subhead 7016 CX District Minor Works Programme**

2. The Chairman said that this item sought the approval of the Finance Committee ("FC") for a revision of the ambit of Subhead 7016CX - District Minor Works ("DMW") Programme under Head 707 to reflect the revised operational arrangement for the implementation of the Programme. The Programme was aimed at improving the district facilities, living environment and hygienic conditions in all districts across the territory. Under the revised operational arrangement, the Government would suspend the role played by District Councils ("DCs") in implementing projects under the Programme during the sixth term and, instead, task the Home Affairs Department ("HAD")/District Offices ("DOs") and the Leisure and Cultural Services Department ("LCSD with proposing worthwhile DMW projects having regard to local views. The Government consulted the Panel on Home Affairs on the proposal concerned on 20 October 2021.

3. At the Chairman's invitation, Mr LEUNG Che-cheung, Chairman of the Panel on Home Affairs, briefed members on the salient points of the Panel's discussion. Mr LEUNG said that members of the Panel on Home Affairs in general supported the Government's proposal. They reckoned that as the operation of the sixth-term DCs had become ineffective and too politicized, and a large number of DC members had left their posts, projects under the DMW Programme should not be left to the decision of the remaining handful of DC members. Members of the Panel had expressed concern about whether the implementation of the Programme would be affected by the revised operational arrangement, and suggested that the Government should strengthen consultation with Area Committees, District Fight Crime Committees and District Fire Safety Committees.

DMW Programme

Consultation mechanism

4. Mr Tommy CHEUNG, Mr KWOK Wai-keung, Mr Martin LIAO, Ir Dr LO Wai-kiwok, Mr Holden CHOW, Mr LUK Chung-hung, Mr Tony TSE, Mr LAU Kwok-fan, Mr Christopher CHEUNG, Mr LEUNG Che-cheung, Dr Priscilla LEUNG and Ms Elizabeth QUAT expressed support for this proposal. They opined that due to the sharp decline in the number of DC members in this term, a considerable proportion of DC seats had been left vacant. With insufficient DC members, some DCs could neither elect their Chairmen and hence convene DC meetings nor effectively reflect the views of local communities, hindering the implementation of DMW projects. Therefore, suspending the role played by DCs in implementing projects under the DMW Programme during the sixth term as currently proposed by the Government was a reasonable arrangement.

5. Mr LAU Kwok-fan, Mr Martin LIAO, Mr LUK Chung-hung and Mr Tony TSE enquired how relevant government departments would consult local communities on projects under the DMW Programme following a revision of the operational arrangement. Mrs Regina IP took the view that with the Government taking the lead in projects under the DMW Programme, the impact of political disputes among DC members on the implementation of such projects could be reduced. She suggested to the Government that in addition to consulting Area Committees, District Fight Crime Committees and District Fire Safety Committees, relevant officials might visit districts to listen to the views of the public, including exchanging views with such organizations as kaifong welfare associations, cultural and recreational organizations and sports associations in various districts. Ir Dr LO Wai-kiwok said that he looked forward to a new DC landscape with fewer political disputes in the future.

6. Mr Christopher CHEUNG said that members of the public were used to expressing their views on district facilities to DC members. If worthwhile DMW projects were to be proposed by the Government instead, it should actively gather public opinion by, for example, visiting districts to listen to public views to ensure that the projects to be implemented could meet the needs and expectations of the public. Dr Priscilla LEUNG said that officials responsible for district work should communicate more with residents and consider projects under the DMW Programme from a cross-constituency perspective. Ms Elizabeth QUAT expressed a similar view. Mr LEUNG Che-cheung suggested that the Government should widely publicize the revised operational arrangement so that the public would know

about it, especially the channels for expressing opinions on projects under the DMW Programme.

7. In view of the failure of officers in some DOs to consult the respective Area Committees on district affairs regularly, Mr KWOK Wai-keung, Ir Dr LO Wai-kwok and Mr Holden CHOW urged the Government to include consultation with incumbent DC members in the district consultation mechanism, visit districts to understand residents' demands, and provide more channels for collecting public opinion (e.g. creating electronic mailboxes).

8. Under Secretary for Home Affairs ("USHA") said that DOs had always been maintaining close contact with residents and different district organizations to understand matters and issues of concern to them. After the implementation of the revised operational arrangement, DOs would continue to collect views from different organizations and persons in their respective districts through different existing channels, such as Area Committees, District Fight Crime Committees, District Fire Safety Committees and incumbent DC members, in considering proposed DMW projects, so that the works projects could meet district needs. USHA also pointed out that without constituency constraints in proposing projects under the DMW Programme, the Government could therefore consider such projects in a more holistic manner from the perspective of the overall interests of districts.

Implementation time for the revised operational arrangement

9. Dr Priscilla LEUNG enquired whether the revised operational arrangement was temporary in nature and whether the arrangements for the DMW Programme would be further revised in the light of changes to the DC electoral system in the future. She was concerned that, under the revised operational arrangement, relevant government departments (e.g. HAD) had to take up the role originally played by DCs in implementing projects under the DMW Programme. Their workload was expected to increase significantly and consideration should be given to increasing their manpower. Mr Tony TSE enquired whether the Government or DCs would be responsible for proposing projects under the DMW Programme in the new term (i.e. the seventh term) of DCs. Mr Tommy CHEUNG reckoned that the Government should review the functions and mode of operation of DCs.

10. USHA responded that the revised operational arrangement would apply to the sixth term of DCs, and if there was a need to revise the arrangement in the future, the Government would seek the approval of FC in a timely manner, subject to the nature of the revisions.

DMW funding arrangements

11. Mr LEUNG Che-cheung enquired whether the funding arrangements for projects under the DMW Programme would be affected after the operational arrangement was revised. Mr KWOK Wai-keung opined that the Government should allocate resources appropriately based on the population and the demand for facilities in districts, and equal allocation was not desirable. USHA said that the revised operational arrangement served mainly to suspend the role played by DCs in implementing projects under the DMW Programme, and would not affect the specific funding criteria and arrangements under the Programme. In accordance with the existing well-established arrangements, HAD would allocate the basic provision under the Programme to the 18 districts based on such considerations as the population, size and socio-economic conditions of each district. In response to the enquiry of Mr LUK Chung-hung, USHA said that if additional resources were required by individual districts to carry out projects under the DMW Programme, HAD would deploy resources in accordance with the existing mechanism and ensure the proper use of the resources. If necessary, additional funding would be sought from FC in a timely manner.

Monitoring of works

12. Ms Elizabeth QUAT was concerned that for many previous projects under the DMW Programme, the fees for conducting studies or engaging consultants had been high, and some of the projects had been implemented slowly or had impractical design. She requested the Government to make improvements in the planning and supervision of projects, including streamlining the workflow, reducing expenses and adopting practical and humanized design to maximize the cost-effectiveness of projects. Mr Tony TSE was concerned whether the Government could smoothly take forward minor works projects meeting district needs after the operational arrangement was revised.

13. Mr Martin LIAO enquired whether the Government would regularly release progress reports on projects under the DMW Programme for public monitoring, and how the Government would follow up if there were project delays or cost overruns. Mr KWOK Wai-keung reckoned that the Government should step up monitoring to ensure that the quality and progress of works were up to standard.

14. Mr LUK Chung-hung said that a number of public facilities were vandalized during the social incidents in 2019 and were still awaiting repairs. The Government should gather the views of the districts concerned, seek

funding and carry out repair works as soon as possible. Given an upward trend in construction costs, Ir Dr LO Wai-kwok and Mr LUK opined that the Government should allocate more resources to speed up the proposing, approval and implementation of suitable projects under the DMW Programme.

15. USHA agreed that the design of district facilities should be practical, humanized and cost-effective. Under the revised operational arrangement, the Government could plan and design projects under the DMW Programme from a district-wide perspective, which was believed to be able to achieve greater synergy and cost-effectiveness. Besides, dispensing with the procedures for DCs to propose works projects and endorse funding could reduce the time for planning works projects and speed up their implementation. As in the past, relevant departments would monitor the progress and quality of works and control project costs in accordance with the established mechanism. In addition, a list of works projects proposed to be implemented under the DMW Programme would be provided, when the Government applied to FC for a block allocation under the Capital Works Reserve Fund.

Voting on FCR(2021-22)81

16. At 3:38 pm, the Chairman put item FCR(2021-22)81 to vote. The Chairman declared that the majority of the members present and voting were in favor of the item. The item was approved.

17. The Chairman said that this was the last FC meeting of the current-term Legislative Council, and all the financial proposals submitted by the Government had been considered. During the current session, FC approved 120 financial proposals (including the item approved at this meeting), involving a total commitment of \$320 odd billion. He also thanked members for their support for the work of FC.

18. The meeting ended at 3:39 pm.

Legislative Council Secretariat

14 December 2021