

**Drainage Services Department**  
**Technical Circular No. 4/2004**

**Public Works Subcommittee Submissions**

**Introduction**

A Public Works Subcommittee (PWSC) submission is required for upgrading a Public Works Programme (PWP) item to Category A or revising the scope and/or approved project estimate (APE) of a Category A item. Its purpose is to seek the approval of the Finance Committee (FC), through the recommendations of the PWSC, to the request of funding for the capital works projects. As funding approval is a key step in the implementation of a PWP item and the clearance of PWSC submissions will take time, it is essential to have an effective procedure within the department for the processing of PWSC submissions to ensure the quality and timeliness of PWSC submissions to policy bureaux.

**Scope**

2. This circular sets out the departmental procedure for preparing PWSC submissions for items under Capital Works Reserve Fund Head 704. It supersedes DSD Technical Circular No. 5/93, which is hereby cancelled.

**Submission Schedule for PWSC submissions**

3. At the start of each legislative session, the Financial Services and the Treasury Bureau (FSTB) will announce a provisional schedule of

PWSC/FC meetings together with the deadlines for the key steps for processing PWSC submissions for each meeting. Works Departments are required to provide forecast of their submissions and book preliminary slots for the PWSC meetings. The annual forecast will be provided to the PWSC and a year-end report will be submitted to PWSC to report the actual schedules and to account for the deviations from the forecast. Divisions should carefully assess their scheduled PWSC submissions in providing the returns for the annual forecast.

4. As a general rule, the Works Department is required to submit the departmental draft PWSC paper to Policy Bureau at least 10 weeks before the scheduled PWSC date in order to allow sufficient time for the vetting and clearance of PWSC papers by Bureaux Secretaries and FSTB. FSTB has reiterated that the key dates of submission schedule should be strictly followed so as to ensure that the PWSC papers (both English and Chinese) will be received by the PWSC members on time. To meet the submission schedule, the draft PWSC paper should be submitted to the Headquarters at least 14 weeks before the scheduled PWSC date. Divisions should therefore start the preparation of the PWSC paper as early as possible. As some of the details and figures may not have been finalised at this stage, the information can be updated as soon as possible in the course of processing the draft PWSC paper.

#### **Vetting of PWSC papers within Department**

5. The draft PWSC paper must be vetted by the Division Head before submitting to Senior Engineer/Headquarters (SE/HQ). SE/HQ shall provide comments, seek further information, check the format of the draft paper, and make necessary amendments. He shall forward the draft to Director for agreement to submission through the respective Assistant Director(s) and Deputy Director.

## Content of PWSC submission

6. In addition to the draft PWSC paper, divisions are required to provide the following documents in the PWSC submission : -

- (i) Aide-memoire checklist;
- (ii) PWSC checklist;
- (iii) Appraisal forms on total recurrent expenditures arising from the project (if there are recurrent consequences, see paragraph 10 to 12); and
- (iv) Clearance memos by other departments (paragraph 13).

7. Divisions should refer to the **“User’s Guide to the Finance Committee, Establishment Subcommittee and Public Works Subcommittee”** issued by the FSTB for the drafting of PWSC papers and the checklists required. The latest guide (current revision is FC No. 9/2000) is available in the Central Cyber Government Office, which can be accessed from the DSD Portal. There are also new requirements which have arisen or will arise from time to time and have not been covered in the User’s Guide, eg tree felling/planting proposals, job creation, more details on public consultations etc. To facilitate divisions to prepare the submission, the latest requirements, checklists and past PWSC papers are posted on the Headquarters Unit site on the DSD Portal for reference.

8. In essence, PWSC papers should be comprehensive but concise. They should contain facts and professional opinions only, always tell the truth and not conceal or distort the true picture. The contents must be easily understood by the layman in both English and Chinese.

### **Vetting of project estimates**

9. To ensure that the project estimate presented in the PWSC paper is appropriate and adequate, the project estimate must be vetted by the Committee to Update and Review Estimates (CURE). The details of its membership and terms of reference are given in DSD TC No. 2/2001. CURE submissions should follow the guidelines issued separately by the CURE.

### **Recurrent consequences**

10. If there are recurrent expenditures arising from the project, divisions are required to provide the assessment on recurrent consequences for the vetting of FSTB. The additional recurrent consequences shall be stated in the PWSC paper, together with a statement on the impact of the project on sewage charges if sewerage works are involved. However, the assessment and its supporting documents should not be included in the PWSC paper.

11. The assessment of recurrent consequences should be prepared in the standard appraisal forms specified in Financial Circular No. 5/86 and DSD Departmental Financial & Supplies Circular No. 4/2001. The forms shall be agreed and signed off by the departments or divisions responsible for the operation and maintenance of the new facilities. Divisions should also seek the clearance with STA/DSD for the assessment of the impact on sewage charges in accordance with Financial Circular No. 14/98.

12. For new capital works projects with recurrent consequences costs to be absorbed, the above assessments will still be required for record purposes. Since the recurrent consequences may be absorbed by different parties/other departments, it is essential that the maintenance responsibility and liability of each maintenance party are clearly defined and agreed before the PWSC

submission. To avoid any misunderstanding and provide records for future reference, divisions should obtain agreement from maintenance agents in writing and copy them to STA and SE/HQ for record purposes.

### **Clearance of specific sections by other departments**

13. Endorsement/agreement should also be acquired from relevant parties on some sections of the PWSC paper. Divisions should liaise with the departments concerned for the drafting of these sections and obtain their official clearance as early as possible. Copies of the memos confirming the agreement have to be submitted to the policy bureaux for record purposes. Sections that require clearance are as follows : -

<u>Section</u>	<u>Parties concerned</u>
Environmental Implication	Director of Environmental Protection and Public Filling Sub-committee (WBTC No. 25/99)
Public Consultation	Relevant District Officer
Land Acquisition	Relevant District Land Officer

### **Consultation with LegCo Panels**

14. To facilitate subsequent discussions of the PWSC submissions at the FC/PWSC, FSTB expect Bureaux to consult the relevant Legislative Council (LegCo) Panels on capital works project proposals before submitting to PWSC for consideration. FSTB have suggested that all major projects

costing \$500 million or more, or projects of a controversial nature including all increases in the APE requiring approval by FC should be submitted to the relevant LegCo Panels for consideration. As the annual forecast in paragraph 3 will be circulated to LegCo Panels, they may also request discussion at their panels any projects they deem necessary. The need and details of the panel consultation are to be agreed with the Policy Bureau but sufficient time should be allowed in the PWSC submission schedule.

15. Divisions are required to prepare the draft panel paper. In general, draft panel paper should go through the same vetting procedure as PWSC papers for the clearance of the Director for submission to Policy Bureau.

#### **Briefing to the Director**

16. With the increasing demand for information from the PWSC Members, it is essential that the Director is fully briefed on the submission before it is discussed at a PWSC meeting. SE/HQ shall arrange a Briefing Meeting attended by relevant project staff before each PWSC Meeting.

17. Divisions are required to submit briefing notes to SE/HQ for onward submission to Director at least one week before the PWSC Meeting. The briefing notes should provide information to supplement the PWSC paper and should aim at drawing Director's attention to important, sensitive or controversial issues. The suggested content of the briefing notes is given in Appendix. To facilitate reading and quick reference, the notes should be prepared using point form, tables and lists as far as possible. Information on the PWSC paper should not be simply repeated on the notes and should be elaborated and supported where necessary. Chinese translation of specific terms should also be provided where necessary.

**Enquiries**

18. Enquiries on this circular should be directed to SE/HQ.

A handwritten signature in black ink, appearing to read 'R T K Cheung', with a long horizontal stroke extending to the left.

( R T K CHEUNG )

Director of Drainage Services

**Content of Briefing Notes**

*(Note: The sub-paragraphs are provided for reference only. Contents may be added or omitted as appropriate.)*

1. Agenda  
*(to be provided by SE/HQ when available)*
  
2. PWSC paper English and Chinese (issued version)  
*(to be provided by SE/HQ when available)*
  
3. Chronological rundown of project
  
4. Works packaging
  - scope, cost, start and completion dates, population/areas benefited of relevant packages/projects (in table form)
  - the total cost of relevant projects
  - explanation for the long time taken to implement the project (or in Q&A)
  
5. Drawings (other than the drawings attached to the PWSC paper)
  - catchment areas
  - whole scheme, with different stages/phases coloured
  - other relevant or interfacing projects
  - land resumption plan highlighting objection lots
  
6. Detailed Problems and justifications
  - extent/degree of problems, blackspots
  - complaints
  - people affected

- other known blackspots/complaints within/around the catchments
- if problems cannot be solved by the project, say why and what other measures are in hand
- name/locations of major new/(re-)developments catered for by the project, intake time and population changes
- political considerations
- justifications for the use of consultancy
- justifications for the entrustment works
- alternative schemes vs the scheme adopted

#### 7. Financial Implications

- unit cost on individual elements
- a percentage over total cost for environmental, consultants' fees, RSS, on-cost items
- costs of similar works to show the above costs are reasonable
- breakdown of recurrent costs
- calculation of impact on sewage charges
- costs comparison for an increasing APE proposal with detailed explanation

#### 8. Public Consultation

- objections details under statutory provisions and consultations – summary of objections received and how they are handled
- DC and LegCo consultations – summary of questions asked (when, who and what) and answered
- PWSC meetings for previous packages or similar projects – summary of questions asked and answered

#### 9. Environmental Implications

- environmentally friendly design

- nightworks
- C&DM (sources and disposal sites)
- reasons for abnormal C&DM volume
- greening proposals
- breakdown of the environmental costs

#### 10. Traffic Implications

- temporary traffic arrangements for some critical/controversial locations/junctions

#### 11. Land Acquisitions

- areas to be acquired, resumed, cleared, structures affected and rehousing etc.
- number of people affected and their entitlement to public housing
- costs of land resumption

#### 12. Background

- any other support information for the background

#### 13. Q&A