

CONTROLLING OFFICER'S REPLY**THB(T)026****(Question Serial No. 0539)**Head: (60) Highways DepartmentSubhead (No. & title): (-) Not SpecifiedProgramme: (-) Not SpecifiedControlling Officer: Director of Highways (Jimmy P M CHAN)Director of Bureau: Secretary for Transport and HousingQuestion:

1. Over the past ten years, what are the average annual total values of contracts awarded by the Highways Department (HyD)?
2. What are the respective amounts and percentages of cost overruns of the projects each year?

Asked by: Hon TIEN Puk-sun, Michael (LegCo internal reference no.: 13)Reply:

1. The total sum of the major works contracts (i.e. each with a contract sum exceeding \$30 million) awarded by HyD under the Public Works Programme (PWP) from 2011-12 to 2020-21 are tabled as follows:

| Year | Total Contract Sum (\$ billion) |
|--|------------------------------------|
| 2020-21 (up to the fourth quarter of 2020) | 6.8 |
| 2019-20 | 10.2 |
| 2018-19 | 6.3 |
| 2017-18 | 12.2 |
| 2016-17 | 1.0 |
| 2015-16 | 4.4 |
| 2014-15 | 24.9 |
| 2013-14 | 33.6 |
| 2012-13 | 27.5 |
| 2011-12 | 7.3 |

2. Over the past ten years, additional funding provision was sought from the Finance Committee for three PWP items under HyD's purview. Details are tabulated below:

| Year | Subhead | Project Title | Original approved project estimate (\$ billion) | Additional provisions approved (\$ billion) (% of the total funding approved) |
|---------|---------|--|---|---|
| 2012-13 | 844TH | Hong Kong-Zhuhai-Macao Bridge Hong Kong Link Road | 16.2 | 8.9 (35%) |
| 2013-14 | 579TH | Central-Wan Chai Bypass and Island Eastern Corridor Link | 28.1 | 7.9 (22%) |
| 2015-16 | 845TH | Hong Kong-Zhuhai-Macao Bridge Hong Kong Boundary Crossing Facilities - Reclamation and Superstructures | 30.4 | 5.5 (15%) |

On the other hand, for the 48 Category A PWP items under HyD's purview with their final accounts settled in the past ten years, their final expenditure totalled about \$12.6 billion while their total original approved project estimate was about \$14.5 billion. Though some of these finalised projects needed to apply for additional provisions from the Finance Committee, the surplus from other projects were not only able to offset the cost overruns but also managed to secure a balance of \$1.9 billion. In short, the total expenditure of these projects only accounted for near 90 percent of their total original approved project estimate.

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