

Land premium instalment option made available for private columbaria

The Chief Executive in Council has approved that an option of paying land premiums in respect of unsold niches by instalments be made available to private columbaria seeking a licence subject to the fulfilment of a number of requirements and terms.

Announcing this today (July 11), a government spokesman said, "The Government has the sole and absolute discretion to decide whether to allow the payment by instalments option depending on the circumstances and merits of a case.

"It is in the overall interest of the community to facilitate the development of private columbaria that have complied with all application requirements for a licence under our regulatory regime to cater for the growing demand for niches."

This initiative aims to help private columbaria overcome difficulties in raising finance from financial institutions. According to feedback received after the enactment of the Private Columbaria Ordinance, raising loans from financial institutions has been increasingly difficult. It is related to the uncertainty associated with obtaining a licence. As the licensing regime is new, it takes time for a financial institution to build up proficiency in assessing whether a private columbarium is likely or unlikely to obtain a licence.

"In other words, a private columbarium operator faces a catch-22 situation. On one hand, he or she needs to pay the land premium in order to obtain a licence. On the other hand, without a licence, he or she fails to obtain a loan for paying the land premium," the spokesman said.

Under the payment by instalments option, the land premium is assessed up front at the time of the land grant/transaction. The interest rate to be charged by the Government will be the rate of investment return on fiscal reserves announced in the latest Budget, subject to a cap at the prevailing best lending rate plus 2 per cent (P+2%). This interest rate is cost-neutral to the Government from the investment perspective as the return on fiscal reserves may be seen as the opportunity cost for money owed to the Government. The maximum number of instalments will be capped at the number of years under the remaining term of the land lease or 10 years, whichever is the less.

As part of safeguard measures, the Lands Department will put in place a control mechanism in the modified lease stipulating the maximum number of niches that could be sold or let out, with each instalment permitting the same number of niches. In any case, the aggregate number of niches that could be sold or let out is not allowed to exceed the total number of niches in

respect of which the full land premium has been paid.

In addition, the Private Columbaria Licensing Board has confirmed that it will formulate a suitable control mechanism under the licensing regime after seeking legal advice.

To protect the Government against default risks, there is restriction against the operator selling or letting out niches under the licence concerned beyond the niches under the lease where the applicable premium instalments have been paid or beyond the validity period of the licence. On grounds of breaching the lease conditions, the Government may also re-enter the columbarium land. Default in payment constitutes a breach of contractual obligation and the operator remains liable to pay all of the outstanding amount to the Government. The Food and Environmental Hygiene Department may also take enforcement actions against illegal operation of private columbaria under the Private Columbaria Ordinance. On conviction on indictment, the sanction could be as high as a fine of \$5 million and imprisonment for seven years.

"We must stress that operators of private columbaria will not automatically get a licence because of the instalment option. The Licensing Board will still consider each application in strict accordance with the requirements for applying for a licence as set out in the Ordinance," the spokesman said.

"Obtaining a licence requires satisfying more than 10 sets of legislative, government and other application requirements, including town planning, land use, building and fire safety, rights to use the premises, environmental protection, electricity and lift and escalator safety, crowd and traffic management, plans covering ash interment layout, ash interment capacity and ash interment quantity, as well as the financial plan for assuring sustainable operation. Applications failing to meet such stringent requirements may be refused by the Licensing Board."

A Legislative Council brief on the detailed arrangements can be downloaded from the Food and Health Bureau's website at www.fhb.gov.hk/en/press_and_publications/otherinfo/160700_columbarium/index.html.

HAD to open temporary night heat shelters

The Home Affairs Department will open 18 temporary night heat shelters tonight (July 11) for people in need of the service.

The shelters will be open from 10.30pm until 8am tomorrow.

For further information, please call the department's enquiries hotline before midnight on 2835 1473.

The 18 night heat shelters are located at:

Hong Kong Districts:

Central and Western –
Sai Ying Pun Community Complex Community Hall
3/F, Sai Ying Pun Community Complex,
2 High Street, Sai Ying Pun

Eastern/Wan Chai –
Causeway Bay Community Centre
Waiting Lobby, 3/F, 7 Fook Yum Road, Causeway Bay

Southern –
Lei Tung Community Hall
Lei Tung Estate, Ap Lei Chau

Kowloon Districts:

Kowloon City –
Hung Hom Community Hall
Multi-purpose Room, 1/F, Kowloon City Government Offices,
42 Bailey Street, Hung Hom

Kwun Tong –
Lam Tin (West) Estate Community Centre
71 Kai Tin Road, Lam Tin

Sham Shui Po –
Shek Kip Mei Community Hall
G/F, Block 42, Shek Kip Mei Estate,
Nam Cheong Street, Sham Shui Po

Wong Tai Sin –
Tsz Wan Shan (South) Estate Community Centre
Hall, G/F, 45 Wan Wah Street, Tsz Wan Shan

Yau Tsim Mong –
Henry G Leong Yaumatei Community Centre
60 Public Square Street, Yau Ma Tei

New Territories Districts:

Islands –

Tung Chung Community Hall
G/F, Tung Chung Municipal Services Building,
39 Man Tung Road, Tung Chung

Kwai Tsing –

Kwai Shing Community Hall
Podium, Block 6, Kwai Shing West Estate, Kwai Chung

North –

Cheung Wah Community Hall
Cheung Wah Estate, Fanling

Sai Kung –

Hang Hau Community Hall
G/F, Sai Kung Tseung Kwan O Government Complex,
38 Pui Shing Road, Hang Hau, Tseung Kwan O

Sha Tin –

Lung Hang Estate Community Centre
Lung Hang Estate, Sha Tin

Tai Po –

Tai Po Community Centre
2 Heung Sze Wui Street, Tai Po

Tsuen Wan –

Lei Muk Shue Community Hall
G/F, Hong Shue House, Lei Muk Shue Estate, Tsuen Wan

Tuen Mun –

Butterfly Bay Community Centre
Butterfly Estate (near Tip Sum House), Tuen Mun

Yuen Long –

Long Ping Community Hall
Long Ping Estate, Yuen Long

Yuen Long –

Tin Yiu Community Centre
Tin Yiu Estate, Tin Shui Wai

The temporary night heat shelters will resume their functions as either community centres or community halls in the daytime for hire by the local community and cannot continue to be open as heat shelters. People may choose to take refuge from the heat during the daytime in the common areas in any of the 21 designated community centres or community halls. Their opening hours are from 9am to 10pm. For addresses of the community centres or community halls, please browse the following webpage:

www.had.gov.hk/file_manager/en/documents/public_services/emergency_services/List_CH_CC_Day_E.pdf.

LCQ1: Settlement of viaduct piers of Yuen Long Station

Following is a question by the Hon Kwong Chun-yu and a reply by the Acting Secretary for Transport and Housing, Dr Raymond So Wai-man, in the Legislative Council today (July 11):

Question:

Last month, the media uncovered that the MTR Corporation Limited (MTRCL) had discovered in 2013 that two viaduct piers of the Yuen Long section of West Rail Line showed subsidence of up to 20 millimetres, allegedly due to the construction works nearby. MTRCL had forthwith informed the Buildings Department (BD) but had not made public the incident. In this connection, will the Government inform this Council:

(1) of the relevant government departments and policy bureaux which BD had informed after learning of the incident of the subsidence of the viaduct piers; the follow-up actions taken by such departments and bureaux, and the reasons for not making public the incident;

(2) given that BD and MTRCL had learnt of the incident of the subsidence of the viaduct piers as early as in 2013, why the remedial works did not commence until last year; and

(3) of the mechanism in place for dealing with similar railway works problems in future?

Reply:

President,

Regarding the various parts of the question by the Hon Kwong Chun-yu, the following is my consolidated reply in consultation with the Development Bureau.

The Government has always accorded top priority to railway safety and has put in place a stringent regulatory system. The Electrical and Mechanical Services Department (EMSD) regulates and monitors the safe operation of the railway system according to the Mass Transit Railway Ordinance and its subsidiary regulations. The Buildings Department (BD) regulates the planning, design and construction of buildings and associated works on private land to prescribe building safety standards according to the Buildings Ordinance (BO).

To safeguard the safety of railway structures, construction works located within the railway protection area as stipulated under Schedule 5 of

the BO should comply with a more stringent set of standards. BD would require the registered building professionals to monitor the effect arising from the building works to the adjacent railway structures according to the requirements set out in the BO and its subsidiary regulations, and the issued "Practice Note for Authorized Persons, Registered Structural Engineers and Registered Geotechnical Engineers" (PNAP). Agreement and comments of the MTR Corporation Limited (MTRCL) have to be sought for the plans of the proposed works and the monitoring proposal. The registered building professionals are also required to inform MTRCL direct before the commencement of any building works to enable the formulation of appropriate monitoring plan.

As for MTRCL, its dedicated railway protection team will monitor the status of various railway facilities in accordance with a set of stringent railway protection measures and procedures, including regular machinery inspection of railway structures to ensure that the track is always maintained in a safe and good condition. The contractor responsible for the building works will also be required to set up additional monitoring checkpoints at appropriate locations to assist MTRCL to monitor the situation. If there are any defects, MTRCL will immediately notify the relevant persons. Moreover, MTRCL maintenance team has been conducting annual inspections of the viaducts in accordance with the rigorous railway infrastructure and asset maintenance and repair systems, inspecting the bridges and piers in details to ensure their structural safety.

As to the present case involving settlement of the viaduct piers of Yuen Long Station, after MTRCL and BD were informed about the slight settlement of the two viaduct piers in mid-2012, jointly with the Geotechnical Engineer Office (GEO) under the Civil Engineering and Development Department, they met with the registered building professionals responsible for the piling works for the project, representatives of the developer and the registered contractors (RC), requiring them to increase the frequency of measuring the settlement monitoring checkpoints and to regularly report to BD, GEO and MTRCL on the readings of the settlement monitoring checkpoints and changes of settlement levels of the monitoring checkpoints, so as to be informed promptly of the settlement situation and take necessary follow-up action. In addition, the Registered Structural Engineer responsible for the development project also submitted a revised plan including remedial measures to BD so as to minimise the effect of piling works on the two viaduct piers. After consulting GEO and MTRCL, such revised plan was approved.

Although the settlement has not exceeded the maximum tolerable settlement limit of 20 millimetres which is stipulated in the PNAP, upon the request of MTRCL, the developer of the development project voluntarily suspended the piling works in September 2013, and the situation has remained so until present. After the suspension of the piling works at the site concerned, BD has continued to closely monitor the changes of the settlement levels, and has requested the RC to continue to monitor settlement readings of the monitoring checkpoints, and submit settlement records. During the period, MTRCL has also been closely monitoring the structure of the viaduct piers and the tracks, and confirmed that railway safety has not been affected by the settlement of the two viaduct piers.

At the same time, to further strengthen the relevant railway facilities, MTRCL submitted a proposal for the preventive underpinning works for the two concrete columns to BD in October 2014. It was accepted by BD in June 2015. As the underpinning works concern the structure of the railway facilities, and involve complicated procedures, MTRCL commissioned an independent consultant to assist in examining the implementation details of the underpinning works to ensure that the works will not affect railway safety and services, and minimise the impact to nearby residents. The underpinning works commenced in September 2017 and are expected to be completed within this year.

I would like to stress that this case has not affected railway safety. BD, EMSD and MTRCL have worked in accordance with the abovementioned mechanism to effectively monitor the safe operation of the railway system, and the building works within the railway protection area. That said, in response to this incident, various government departments, including BD and EMSD, and MTRCL will review the communication and information dissemination arrangements of similar incidents in order to enhance transparency.

We have reviewed information on projects within the railway protection area. According to the MTRCL, there are 64 projects under settlement monitoring within the railway protection area, of which 56 involves construction works in the vicinity of the heavy rail, 8 involves construction works in the vicinity of light rail. There have been 2 cases of suspension of works due to settlement, one concerns the viaduct pier of Yuen Long Station and the other concerns the platform of Tin Wing Stop of the light rail. The future communication and information dissemination arrangements aims to enhance transparency. Thank you, President.

[Hong Kong Deposit Protection Board](#) **[Annual Report 2017-2018](#)**

The following is issued on behalf of the Hong Kong Monetary Authority:

The Hong Kong Deposit Protection Board (the Board) today (July 11) published its Annual Report for 2017-2018. The Report reviews the operations of the Deposit Protection Scheme (the Scheme) in 2017-2018 and highlights the Board's plans for 2018-2019. During the year, the Board focused on further advancing payout readiness and deepening public understanding of the Scheme, with a view to enhancing public confidence in the Scheme.

The Hong Kong Deposit Protection Board's Annual Report 2017-2018 is available on the Board's website (www.dps.org.hk).

Special traffic arrangements for race meeting in Happy Valley

Special traffic arrangements will be implemented in Happy Valley today (July 11). The arrangements will come into effect one and a half hours before the start of the first race and will last until the crowds have dispersed after the race meeting.

A. Traffic arrangements before the commencement of the first race

1. Road closure

Southbound Wong Nai Chung Road between Queen's Road East and the up-ramp outside Hong Kong Jockey Club (HKJC) will be closed except for vehicles heading for Aberdeen Tunnel.

2. Traffic diversions

- Southbound Wong Nai Chung Road between Village Road and the up-ramp outside HKJC will be re-routed one way northbound;
- Vehicles from eastbound Queen's Road East heading for Wan Chai and Happy Valley will be diverted to turn left to Morrison Hill Road;
- Traffic along southbound Morrison Hill Road heading for Happy Valley will be diverted via Sports Road and Wong Nai Chung Road;
- Traffic along Queen's Road East cannot turn right to Wong Nai Chung Road except for vehicles heading to Aberdeen Tunnel;
- Traffic from Cross Harbour Tunnel heading for Queen's Road East will be diverted via the down-ramp leading from southbound Canal Road flyover to Morrison Hill Road to turn right at the junction of Wong Nai Chung Road and Queen's Road East; and
- Traffic from Cross Harbour Tunnel heading for Happy Valley or Racecourse will be diverted via the down-ramp leading from southbound Canal Road flyover to Canal Road East, southbound Morrison Hill Road, Sports Road and Wong Nai Chung Road.

B. Traffic arrangements during the race meeting

1. Road closure

The following roads will be closed from 35 minutes before the start of the last race:

- The up-ramp on Wong Nai Chung Road outside HKJC leading to Aberdeen Tunnel;
- Southbound Wong Nai Chung Road between Queen's Road East and the up-ramp leading to Aberdeen Tunnel;
- Southbound Wong Nai Chung Road between Village Road and the Public Stands of HKJC;

- Westbound Leighton Road between Wong Nai Chung Road and Canal Road East; and
- Southbound Morrison Hill Road between Leighton Road and Queen's Road East.

In addition, southbound Wong Nai Chung Road between the up-ramp leading to Aberdeen Tunnel and the Public Stands of HKJC will be closed from about 10 minutes before the start of the last race.

2. Traffic diversions

The following traffic arrangements will be implemented from 35 minutes before the start of the last race:

- Eastbound Queen's Road East at its junction with Morrison Hill Road will be reduced to one-lane traffic heading for northbound Canal Road flyover;
- Vehicles from Cross Harbour Tunnel heading for Wan Chai will be diverted via the down-ramp leading from Canal Road East, U-turn slip road beneath Canal Road flyover, Canal Road West and Hennessy Road;
- Vehicles from Cross Harbour Tunnel heading for Happy Valley will be diverted via the down-ramp leading from Canal Road East, eastbound Leighton Road and Wong Nai Chung Road;
- Traffic on southbound Morrison Hill Road will be diverted to turn left to eastbound Leighton Road;
- Traffic along southbound Morrison Hill Road heading for Happy Valley will be diverted via eastbound Leighton Road and Wong Nai Chung Road; and
- Traffic along westbound Leighton Road will be diverted to Wong Nai Chung Road.

C. Learner drivers prohibition

Learner drivers will be prohibited to turn left from Caroline Hill Road to Leighton Road between one and a half hours before the start of the first race and one hour after the last race. In addition, learner drivers will be prohibited from accessing the following roads within the above period of time:

- Shan Kwong Road between Yik Yam Street and Wong Nai Chung Road;
- Village Road between its upper and lower junctions with Shan Kwong Road;
- Percival Street between Hennessy Road and Leighton Road;
- Canal Road East; and
- The service road leading from Gloucester Road to Canal Road flyover.

D. Suspension of parking spaces

Parking spaces on southbound Wong Nai Chung Road between Sports Road and Blue Pool Road will be suspended from 11am to 7pm during day racing, from 4.30pm to 11.59pm during evening racing, and from 5pm to 11.59pm during night racing.

Any vehicles found illegally parked within the precincts of the above affected areas will be towed away without prior notice.

Actual implementation of road closure and traffic diversion will be made

by the Police at the time depending on traffic conditions in the areas.
Motorists should exercise tolerance and patience, and follow the instructions
of Police on site.