

Minutes of the 9th Meeting of
the Finance, Administration and Publicity Committee of
the Tuen Mun District Council

Date : 21 April 2017 (Friday)

Time : 9:32 a.m.

Venue : Tuen Mun District Council (TMDC) Conference Room

<u>Present</u>		<u>Time of Arrival</u>	<u>Time of Departure</u>
Mr AU Chi-yuen (Chairman)	TMDC Member	9:30 a.m.	End of meeting
The Hon HO Kwan-yiu, JP (Vice-chairman)	TMDC Member	9:32 a.m.	End of meeting
Mr LEUNG Kin-man, BBS, MH, JP	TMDC Chairman	9:30 a.m.	End of meeting
Mr LEE Hung-sham, Lothar, MH	TMDC Vice-Chairman	9:32 a.m.	End of meeting
Mr SO Shiu-shing	TMDC Member	9:35 a.m.	End of meeting
Mr TO Shek-yuen, MH	TMDC Member	9:32 a.m.	End of meeting
Ms KONG Fung-yi	TMDC Member	9:30 a.m.	End of meeting
Mr CHAN Yau-hoi, BBS, MH, JP	TMDC Member	9:30 a.m.	End of meeting
Ms WONG Lai-sheung, Catherine	TMDC Member	9:30 a.m.	End of meeting
Ms HO Hang-mui	TMDC Member	9:32 a.m.	End of meeting
Mr LAM Chung-hoi	TMDC Member	9:35 a.m.	End of meeting
Ms CHING Chi-hung	TMDC Member	9:30 a.m.	End of meeting
Ms LUNG Shui-hing, MH	TMDC Member	9:30 a.m.	End of meeting
Mr CHAN Man-wah, MH	TMDC Member	9:30 a.m.	End of meeting
Mr CHEUNG Hang-fai	TMDC Member	9:30 a.m.	End of meeting
Ms CHU Shun-nga, Beatrice	TMDC Member	9:30 a.m.	End of meeting
Mr TSANG Hin-hong	TMDC Member	9:30 a.m.	End of meeting
Ms SO Ka-man	TMDC Member	9:30 a.m.	End of meeting
Mr KAM Man-fung	TMDC Member	9:35 a.m.	End of meeting
Mr MO Shing-fung	TMDC Member	9:30 a.m.	End of meeting
Mr YIP Man-pan	TMDC Member	9:30 a.m.	End of meeting
Mr Yeung Chi-hang	TMDC Member	9:55 a.m.	End of meeting
Mr YAN Siu-nam	TMDC Member	9:30 a.m.	End of meeting
Mr TAM Chun-yin	TMDC Member	9:30 a.m.	End of meeting
Ms LEE Wen-choi, Winnie (Secretary)	Executive Officer I (District Council)2, Tuen Mun District Office, Home Affairs Department		

In Attendance

Ms FUNG Ngar-wai, Aubrey

Mr CHAU Ka-nin, Eric

District Officer (Tuen Mun), Home Affairs Department

Senior Liaison Officer (2), Tuen Mun District Office,
Home Affairs Department

I. Opening Remarks

The Chairman welcomed all to the 9th meeting of the Finance, Administration and Publicity Committee ("FAPC").

2. The Chairman asked Members to note that any Member who was aware of a personal interest in a discussion item should declare the interest before the discussion. The Chairman would, in accordance with Order 39(12) of the Tuen Mun District Council Standing Orders, decide whether the Member who had declared an interest might speak or vote on the matter, might remain in the meeting as an observer, or should withdraw from the meeting. All cases of declaration of interests would be recorded in the minutes of the meeting.

3. The Chairman further said that the financial year of 2016-2017 had just finished. To help Members understand the draft budget to be discussed, he suggested that Members should read Agenda IV: Reporting Items (A) Position of TMDC Funds up to 31 March 2017 (FAPC Paper No. 10/2017) before discussion of matters. Members had no objections to the above arrangements.

II. Absence from Meetings

4. The Secretary reported that no application for leave of absence had been received from Members.

III. Confirmation of Minutes of The Last Meeting

5. As Members proposed no amendments to the minutes of the 8th meeting of the FAPC (2016-17), the Chairman announced that the minutes were confirmed.

IV. Matters Arising

(A) Adjustment to the Ceilings of Expenditure Items in TMDC Funding Guidelines on Implementation of "Community Involvement Projects" (Paras. 10-17 of the minutes of the 8th meeting of FAPC in 2016-2017) (FAPC Paper No. 6/2017)

6. The Chairman said that the FAPC resolved at last meeting to invite Members to submit proposals to the Secretariat on the proposed ceilings of the items and amount concerned for scrutiny and confirmation at this meeting. Subsequently, the Secretariat collected views submitted by Members on the matter concerned and prepared this paper No. 6. As many district organisations and DC Members had reflected that the ceilings of the items in the funding were too low and the block vote for the new financial year had increased, it was proposed in the paper that the ceilings of the items in the funding within

the funding requirement should be increased by about 10%. The items of which ceiling needed to be revised specifically as submitted by Members would be increased additionally according to the proposal. The proposed amount to be revised was set out in the appendix to the paper in the form of revision.

7. The Chairman further said it was also proposed in the paper that the highest amount of funds in each period and the ceiling of funds in each application of ordinary district organisations would be increased by about 10%, i.e. the highest amount of funds in each period of ordinary district organizations would be revised to \$30,000 from \$27,000 while the ceiling of funds in each application would be revised to \$18,000 from \$16,000. If Members agreed, the proposal concerned would be submitted to the DC meeting for confirmation and the approved revision would be applicable to the applications for activities which would be held between December 2017 and March 2018.

8. A Member said that the proposed increase of the ceilings for the funds of individual items set out in the appendix to the paper was more than 10%. Therefore, it should be clarified whether the proposed revision was 10% across the board or the revisions were made according to the individual proposed amount set out in the appendix. The Secretary responded that the revisions set out in the appendix was made according to the following principles: (1) on the items for which no views were made by Members, the ceilings of the funds would be increased by about 10% across the board; and (2) on the items of which ceilings of funds needed special revision as proposed by Members, revision would be made according to the higher amount of the ceilings proposed by Members.

9. A Member opined that the expenditure for carnival activities was normally higher and the paper this time proposed that the ceiling of item like music royalty should be increased. Therefore, it was proposed that the ceiling of funds in each application for carnival activities would be increased to \$20,000 from \$18,000 as proposed by the paper so that district organisations would have more resources to serve the residents. However, a Member considered that the DC funds were subsidies and would not ensure full payment for the activities. The increase set out in the paper was reasonable and organisations should arrange appropriate activities according to the amount of resources. Moreover, a Member said that the increase of the ceilings of funds to \$20,000 would increase Members' workload in monitoring the activities of DC funds.

10. A Member said that the increase of the block vote for the "Gifts" in the "Visits /Social Service Items" was quite high but the amount of subsidy for each gift was not increased significantly. It was enquired whether the number of people benefited would

increase accordingly. The Secretary responded that the overall amount for the item of “Gift” was increased according to Members’ proposals. As the increase of the amount of gifts was not high, the number of people benefited would increase accordingly.

11. The Chairman concluded that the Secretariat had consulted Members on the revision of the ceiling of funds some time ago and the views were reflected in the paper. To strike a balance between resources and proper use of public money, it was suggested the revision set out in the paper should be adopted and would be reviewed according to the actual situations and resources. As Members had no objections, the Chairman announced that the proposed revision concerned would be submitted to the DC meeting for endorsement and confirmation.

(Post-meeting note: the above revision was endorsed at the DC meeting on 2 May 2017.)

V. Reporting Item

(A) Position of TMDC Funds up to 31 March 2017 **(FAPC Paper No. 10/2017)**

12. The Chairman said that as at 31 March 2017, the total amount of DC funds was 27,957,651, subsidising 1,111 community involvement activities. In light of the actual use of funds, Tuen Mun district received a supplementary provision from the Home Affairs Department (“HAD”) before the end of the financial year and the final amount approved was \$24,640,000. The actual expenditure of the DC for the financial year of 2016-2017 was \$24,639,185 and the amount used was 100%. The total outstanding payments for the financial year of 2016-2017 being \$1,837,143.84 would be postponed to the financial year of 2017-2018 for payment.

13. A Member enquired about the settlement arrangement of the outstanding payments. The Secretary replied that the last financial year was finished and the amount used was 100%. The outstanding payments would be postponed to the new financial year (i.e. the financial year of 2017-2018) for payment

VI. Discussion Items

(A) Outstanding Payments for Projects Approved in 2016-2017 **(FAPC Paper No. 7/2017)**

14. The Chairman said that the FAPC would adopt the usual practice to postpone the outstanding payments for the approved activities listed in the paper to the new financial year (i.e. the financial year of 2017-2018) for settlement. As Members had no objections, the Chairman announced that the funds for the activities set out in the paper were endorsed.

The amount of funds at one hundred thousand dollars or above would be submitted to the DC meeting on 2 May 2017 for approval and confirmation according to the normal procedure.

(Post-meeting note: the above application was endorsed at the DC meeting on 2 May 2017.)

(B) Draft Budget of TMDC Funds (2017-2018)
(FAPC Paper No. 8/2017)

15. The Chairman drew Members' attention to the discussion of the TMDC Draft Budget and DC Funds Applications below. They should avoid speaking if found associated with any application for the DC funds during their discussion. However, they should tell him in advance if they would like to speak or participate in voting on the application for the DC funds. Some time ago, Members had submitted the Forms of Declaration of Interest for Projects Financed by DC Funds. Therefore, they needed not declare again at the meeting unless Members would like to speak or participate in voting on the application associated with them.

16. The Chairman said that the paper set out the draft of the budget for the financial year of 2017-2018. Although the HAD had not announced the approved amount of funds to the TMDC for the financial year of 2017-2018, it was estimated that the amount concerned was about \$29,900,000. The Secretariat had consulted the DC and the chairmen and vice-chairmen of the functional committees in connection with the draft budget and included their views in the draft.

17. The Secretary briefed on the main points of the draft budget, which were summarised as follows:

- (i) The HAD had not announced the approved amount of funds to the DC for the financial year of 2017-2018 but it was estimated that the amount of funds was about \$29,900,000 of which \$27,100,000 would be used to subsidise the ordinary community involvement projects while the thematic funds of \$1,400,000 would be used to promote district arts and cultural activities. The HAD also approved an additional thematic funds of \$1,400,000 with time limit for the promotion of district arts and cultural activities as well;
- (ii) As the block vote for this year had risen, the amount of funds for all the items in the draft budget was increased. The amount of funds for most of the items had an increase of about 15%;

- (iii) As the application for funds of individual items had been endorsed by the FAPC or DC some time ago, the current arrangement to increase the amount of funds might not benefit the organisations concerned. However, it was stated in the remark of the paper that the amount of funds to the organisations concerned would be increased correspondently by about 15%. The organisations concerned/projects included:
- (a) Working Group on Tuen Mun Major Activities - Major Activities (Beach Festival);
 - (b) FAPC – Cleaning of DC Notice Boards and Posting of Notices; and
 - (c) Tuen Mun District Dragon Boat Race Committee;
- (iv) Individual items had a higher increase as some Members or organisations concerned had reflected insufficient amount of funds. The organisations concerned/projects included:
- (a) Environment, Hygiene and District Development Committee – Working Group on Markets and Illegal Hawking Activities;
 - (b) Social Services Committee – Working Group on Medical and Rehabilitation Services;
 - (c) Traffic and Transport Committee;
 - (d) District Facilities Management Committee – Lighting Production;
 - (e) Fight Crime Committee;
 - (f) Tuen Mun District Road Safety Campaign Organising Committee;
 - (g) Ordinary district organisations;
 - (h) Mutual Aid Committees;
 - (i) Employing functional staff to assist the DC in performing its duties; and
- (v) Currently, the over-commitment amount in the draft budget was about 7.9%. Although the HAD had not announced the amount of funds, it was estimated that the total amount of funds would not be greatly different from the amount of current estimation. If the final amount of funds was slightly different from the estimated amount, it was not necessary to revise the amount of funds of individual items but the percentage of over-commitment needed to be adjusted slightly. If the actual amount of funds was greatly different from the estimated amount and the amount of funds of individual items needed to be adjusted, the Secretariat would consult the DC again to endorse the final draft budget of the funds.

18. As Members had no objections to the draft budget of funds, the Chairman announced that the content of the paper was endorsed. He further said that the paper concerned would be submitted to the DC meeting for endorsement and confirmation. If the total amount of funds announced by the HAD subsequently was greatly different from the current estimation, the Secretariat might make a minor adjustment of the budget of the funds and would consult Members again at the DC meeting.

(Post-meeting note: the above draft budget of funds was endorsed by the DC at the meeting on 2 May 2017. Subsequently, the HAD announced that the total amount of funds for Tuen Mun district was \$30,330,000, slightly higher than the original amount in the budget. As the difference was not great, it was not necessary for the DC to adjust the amount of sub-items endorsed. The Secretariat informed TMDC Members of the total amount of funds by email on 5 May 2017.)

(C) **DC Funds Applications (Projects to be Held or Commence in September 2017)**
(FAPC Paper No. 9/2017)

19. The Chairman said that, to facilitate discussion, the Secretariat had scrutinised the applications for funds stated in the paper before hand in accordance with the funding requirements of the DC for Members' reference. On this occasion, there was only one application for funds submitted by the Tai Hing and Shan King Area Committee in Tuen Mun and the amount of the application was slightly higher than the amount of funds allocated to the area committee last year. However, as it was not higher than the draft amount of funds set out in paper No. 8, the Secretariat recommended the provision of all the amount of \$69,000 in the application to the organisation. As Members did not offer any views on the application, the Chairman announced that the content of the paper was endorsed.

VII. Any Other Business

20. A Member said it was allowed by the HAD that the over-commitment amount of the DC every year would not be higher than 25% of the total amount of funds. He enquired if the annual amount used by the DC for last financial year was higher than the total amount of funds originally provided at or below 25%, would the HAD provide supplementary provisions for the new financial year to make up for the amount of over-commitment for the last financial year?

21. The Secretary responded that although it was allowed by the HAD that the over-commitment amount of the DC every year would not be higher than 25% of the

total amount of funds, the actual amount used by the DC for the financial year should not be higher than the actual amount of funds. Unless the HAD had provided additional funds before the end of the financial year, the actual amount of payment would not be higher than the original amount of funds provided by the HAD even though there was over-commitment during the budget stage. Then the outstanding amount would be paid by the funds for the new financial year. The HAD allowed over-commitment in the hope that all the districts could use up 100% of the funds. Where the amount of over-commitment was very high, thus causing the outstanding amount to be postponed to the next financial year for payment eventually, it would not agree.

22. The Chairman said that the DC should have financial prudence and use up the funds allocated by the HAD. He did not agree with the arrangement of high over-commitment.

23. There being no other business, the Chairman announced the meeting closed at 10:06 am. The next meeting would be held at 9:30 am on Friday, 16 June 2017.

Tuen Mun District Council Secretariat

Date: 8 June 2017

File Ref: HAD TM DC/13/25/FAPC/17