LEGCO QUESTION NO. 6 (Written Reply)

Asked by: <u>Hon Albert CHAN</u> Date of meeting: <u>12 November 2003</u>

Replied by: Secretary for Housing,

<u>Planning and Lands</u>

Question:

It is learnt that in undertaking public works projects, the Government may pay Tun Fu fees to the people concerned when they claim that the projects will adversely affect the "fung shui" of their villages. In this connection, will the Government inform this Council of:

- (a) the total amount of Tun Fu fees paid out over the past three years and, among those payments, the sum paid through contractors of government projects, together with the project name, reasons for paying the fees, amount paid and name(s) of payee(s) in each case;
- (b) the measures in place to ensure that public officers approve Tun Fu fees in accordance with the established criteria; and
- (c) the monitoring measures in place for ensuring that the contractors make full payment of Tun Fu fees to the intended payees?

Reply:

President,

My replies to the three parts of the question are as follows:

(a) Since 1960, Tun Fu fees have been paid prior to the construction work of Government projects normally involving land acquisition and clearance, and the work may affect the "fung shui" of the villages concerned. The purposes of such payment are to expedite the

progress of Government projects and to maintain an amicable relationship with villagers. Tun Fu payments are discretionary in nature. Each case has to be considered on its own merits and particular circumstances. The payments are normally agreed through negotiation with villagers concerned.

Tun Fu fees are not paid through contractors of government projects. In most cases, they are paid to the Village Representatives or Rural Committee Chairmen who are accountable for the expenses incurred in the Tun Fu ceremonies. For a few claims submitted by the clans of indigenous villagers in the New Territories, the clan representatives are accountable for the expenses incurred.

Given that each case is considered on its own merits and involved negotiation with villagers concerned on their claims, the Administration is not in a position to disclose details of each claim. For Members' reference, a summary of the total payments effected in the past three financial years are set out below:

Financial year	No. of projects involving Tun Fu payment	No. of total claims	Total Tun Fu payment
2001/2002	17	29	\$1,120,000
2002/2003	13	26	\$2,810,000
2003/2004	6	9	\$1,412,000
(up to 30.9.2003)			

(b) All claims of Tun Fu fees must be justified and a list of itemized costs in respect of the Tun Fu ceremonies must be provided for consideration. In determining the level of Tun Fu payment, the authority will take into account the reasonableness of the claim with reference to previous similar claims, the distance between the project site and the village or locality where "fung shui" is alleged to be affected, the deity spots where the Tun Fu ceremonies are to be performed etc. The advice of relevant District Officers will also be sought.

To ensure consistency, officers handling Tun Fun claims are issued with established guidelines which are reviewed regularly. As a financial control measure, claims for different level of payments are approved by different authorities. Payment for a claim under \$20,000 is approved by the relevant District Lands Officer. Payment between \$20,001 and \$30,000 has to be approved by the Director of Lands. A claim above \$30,000 has to be approved by the Secretary for Financial Services and the Treasury.

(c) As explained above, Tun Fu fees are not paid through contractors of government projects.