

LCQ11: Operation of residents' coach service for public rental housing estates

Following is a question by the Hon Leung Kwok-hung and a written reply by the Secretary for Transport and Housing, Ms Eva Cheng, at the Legislative Council meeting today (April 13):

Question:

I have received complaints from members of the public one after another alleging that the Transport Department (TD) did not follow the normal approval procedures and allowed a company to operate two residents' coach routes between Ma On Shan Town Centre / Tai Shui Hang Station of Ma On Shan (MOS) Rail to Yan On Estate in Ma On Shan before the residents move in, and that the Chairman of the aforesaid company is a member of Shatin District Council (SDC). Owing to this matter, members from the transport industry staged a slow drive protest in Ma On Shan in March this year, with some 20 taxis and minibuses participating. They have told the press that someone took advantage of the position of Chairman of the Traffic and Transport Committee (TTC) of SDC, and was able to file an advance application for operating the residents' coach routes to make profits, which may amount to \$3 million a year; they hope that the Independent Commission Against Corruption (ICAC) will investigate the case. In this connection, will the Government inform this Council:

(a) according to normal approval procedures, whether an operator is allowed to apply for operating residents' coach routes only if residents of the estate concerned have started to move in and have indicated that there is a need for the coach service; if so, why TD accepted the application for operating the aforesaid residents' coach routes before the residents of Yan On Estate move in;

(b) whether TD had accepted any applications in the past five years for operating residents' coach routes running to and from new estates before the residents started to move in; if it had, of the number of applications accepted, the districts serviced by these routes, the origins and destinations of these routes, the dates on which the operation rights were granted, and the relevant route numbers;

(c) given that as indicated in the letter of the Housing Department issued in March this year to the prospective residents of Yan On Estate, there are franchised bus routes

running via Yan On Estate or connecting the Estate to Heng On Station of MOS Rail, whether it was necessary for TD to accept the application for the two residents' coach routes before Yan On Estate's residents move in;

(d) whether TD had launched any open tender exercise for the operation rights of the aforesaid residents' coach routes; if it had, of the dates of publication of the tender notices and in which newspapers the notices were published; if not, the reasons for that, and whether the authorities know if the operator had been "predetermined" internally;

(e) whether TD had invited various minibus and taxi service operators to bid the operation rights of the aforesaid residents' coach routes; if not, whether it had merely informed individual operators privately; if so, of the number and names of the operators contacted; and whether such operators represent the voice of the transport industry as a whole;

(f) whether companies run by SDC members or members of TTC of SDC have priority in operating the aforesaid two residents' coach routes; if so, of the reasons for that; and

(g) when the TD officers concerned vetted and approved the applications for the aforesaid coach routes, whether any SDC members had pressurised, requested or contacted the TD officers so that they would accord priority to the applications from the companies of the SDC members concerned; if so, of the specific names of such SDC members and the political parties to which they belong; whether it has assessed if cases of "transfer of benefits", "taking unfair advantage of one's position" or "misconduct in public office" have been involved in this incident; whether the authorities had taken the initiative to refer this case to ICAC for investigation so as to address public concern; if they had, of the time of referral; if not, the reasons for that?

Reply:

President,

(a) For applications to operate residents' services (RS), applicants have to obtain the support from residents' representatives (including owners' corporations, estate management companies etc.) before submitting the applications to the Transport Department (TD). Residents' representatives of the estate concerned are responsible

for the selection of RS operators.

In general, applicants will submit applications for operating RS after they have obtained the consent from the relevant residents' representatives following the intake of residents in the housing estate. Regarding the case concerning an individual applicant having submitted an application for operating RS to TD before resident intake of Yan On Estate in Ma On Shan, TD, after consideration, has replied to the applicant that the application would not be accepted at the moment.

(b) In the past five years, TD has not approved any application to operate RS before resident intake of the public housing estates.

(c) TD has not approved any application to operate RS for Yan On Estate so far.

(d) and (e) Under the existing mechanism, individual applicants submit applications for operating RS to TD based on the needs of estate residents. The application process does not involve any open tender exercise by the Government.

When vetting RS applications, TD will consider in detail all relevant factors, including public transport services for the estate concerned and nearby residents, to determine if there is a need for the RS.

(f) and (g) Upon receipt of the RS application concerning Yan On Estate, TD vetted the application according to the established procedures without making any special arrangement. It has been TD's practice to handle all applications for operating RS in a fair and open manner. TD does not have any information indicating any misconduct of public officers in handling the RS application concerning Yan On Estate.

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