

## **ITEM FOR PUBLIC WORKS SUBCOMMITTEE OF FINANCE COMMITTEE**

### **HEAD 703 – BUILDINGS**

#### **Quarters – Internal security**

#### **45JA – Junior police officers' married quarters in Area 44, Tuen Mun**

Members are invited to recommend to Finance Committee the upgrading of **45JA** to Category A at an estimated cost of \$352.1 million in money-of-the-day prices for the construction of departmental quarters for married junior police officers of the Hong Kong Police Force at Wu Hong Street, Castle Peak of Area 44, Tuen Mun.

### **PROBLEM**

There is a substantial shortfall in departmental quarters for married junior police officers<sup>1</sup> (JPOs) of the Hong Kong Police Force (HKPF).

### **PROPOSAL**

2. The Director of Architectural Services, with the support of the Secretary for Security, proposes to upgrade **45JA** to Category A at an estimated cost of \$352.1 million in money-of-the-day (MOD) prices for the construction of quarters for married JPOs at Wu Hong Street, Castle Peak of Area 44, Tuen Mun.

**/PROJECT .....**

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<sup>1</sup> Junior police officers include Police Constable, Sergeant and Station Sergeant.

## PROJECT SCOPE AND NATURE

3. The project comprises the design and construction of two 22-storey quarter blocks on top of a two-level podium, of total construction floor area (CFA) of 29 000 square metres (m<sup>2</sup>). The building height will be compatible with the surrounding residential developments. The quarter blocks will comprise of the following -

- (a) 336 quarters; and
- (b) ancillary facilities of about 256 m<sup>2</sup>, including a management office, a guard booth, 91 vehicle parking spaces, ten motorcycle parking spaces, and a multi-purpose room.

———— A site layout plan is at Enclosure 1. We plan to start the proposed works in November 2007 for completion in March 2010.

## JUSTIFICATION

4. Like their counterparts in other disciplined services, married JPOs are provided with quarters subject to the availability of resources. The provision of this discretionary housing benefit is a long-established practice, which helps maintain the morale of disciplined services staff.

5. As at 31 March 2006, the Force had a total of 11 687 married quarters for JPOs (72% are Government-built units and 28% are purchased quarters in private development sites). However, there are 12 751 eligible JPOs and hence a shortfall of 1 064 quarters. The average waiting time for a newly married JPOs to be allocated a quarter is 4.6 years. At the present rate, the projected waiting time will increase to 5.8 years by 2010.

6. It is the Force's policy to try and facilitate JPOs living and working in the same or adjacent Police region as far as possible. At present, only 8% (i.e. 939 units) of married quarters for JPOs are located in Northwest New Territories (NWNT) area (i.e. Tuen Mun and Yuen Long), which are practically fully taken up. The relevant distribution statistics are at Enclosure 2.

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7. The Administration, with the endorsement of the Legislative Council in 2004, purchased some surplus Home Ownership Scheme flats to re-provision certain old or substandard departmental quarters, including Au Tau Departmental Quarters and Tai Lam Chung Police Married Quarters (located in NWNT). Upon the moving out of occupants, these two dilapidated sites will be handed over for disposal in June 2006. Subsequently, the number of married quarters for JPOs in NWNT will be reduced by 240 units (or 25.6%) to only 699 by July 2006. At the same time, various infrastructural and tourism development projects (e.g. the Shenzhen Western Corridor, major boundary crossing facilities at Dongjiatou, Shekou and Sheung Shui to Lok Ma Chau Spur Line at the East Rail Extension) will give rise to a greater policing need in NWNT in the coming years, and we expect that the demand for JPOs married quarters in NWNT will increase. It is important that additional quarters be provided in NWNT to accommodate the increasing number of married police officers who will be working in the vicinity.

## FINANCIAL IMPLICATIONS

8. We estimate the capital cost of the project to be \$352.1 million in MOD prices (see paragraph 9 below), made up as follows –

	<b>\$ million</b>
(a) Site works	1.9
(b) Piling	46.1
(c) Building	172.8
(d) Building services	49.8
(e) Drainage	1.7
(f) External works	8.3
(g) Noise abatement measures	5.3
(h) Building domestic appliances (e.g. refrigerators, cooking appliances, etc.)	5.4

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	<b>\$ million</b>	
(i) Furniture and equipment <sup>2</sup>	7.3	
(j) Consultants' fees -	3.8	
(i) quantity surveying services	2.8	
(ii) soft landscape services	0.5	
(iii) risk management	0.5	
(k) Contingencies	28.6	
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Sub-total	331.0	(in September 2005 prices)
(l) Provision for price adjustment	<hr/> 21.1	
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Total	352.1	(in MOD prices)
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We propose to engage consultants to undertake quantity surveying services, soft landscape services and risk management of the project. A breakdown of the estimate for consultants' fees by man-months is at Enclosure 3. The CFA of the proposed quarters is 29 000 m<sup>2</sup>. The estimated construction unit cost, represented by the building and the building services costs, is \$7,676 per m<sup>2</sup> of CFA in September 2005 prices. We consider this unit cost reasonable as compared with other construction works of a similar nature undertaken by the Government.

9. Subject to approval, we will phase the expenditure as follows –

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<sup>2</sup> Based on an indicative list of furniture and equipment items required.

Year	\$ million (Sep 2005)	Price adjustment factor	\$ million (MOD)
2007 – 08	1.0	1.03023	1.0
2008 – 09	40.0	1.04568	41.8
2009 – 10	230.0	1.06136	244.1
2010 – 11	34.0	1.07728	36.6
2011 – 12	26.0	1.10152	28.6
	331.0		352.1

10. We have derived the MOD estimates on the basis of the Government's latest forecast of trend rate of change in the prices of public sector building and construction output for the period 2007 to 2012. We will tender the project as a design-and-build contract. We will deliver the works through a lump-sum contract with price fluctuations because the contract will exceed 21 months.

11. We estimate the annual recurrent expenditure of the project to be about \$5.2 million.

## **PUBLIC CONSULTATION**

12. We consulted the Environment, Hygiene and District Development Committee of the Tuen Mun District Council on the proposed project on 19 May 2006. Members of the Committee generally supported the proposal and suggested that the Administration should minimise the possible noise nuisance to both occupants of the proposed quarters and residents in the neighbourhood.

13. We briefed the Legislative Council Panel on Security on 6 June 2006. Panel Members noted the shortfall in departmental quarters for married JPOs and supported the proposal.

**/ENVIRONMENTAL .....**

## ENVIRONMENTAL IMPLICATIONS

14. The project is not a designated project under the Environmental Impact Assessment Ordinance (Cap. 499). We employed a consultant to conduct a Preliminary Environmental Review (PER) on the project in December 1996, which was updated in May 2006. The Director of Environmental Protection vetted the PER and its updates which concluded that subject to the provision of suitable noise abatement measures such as incorporation of noise barriers, window insulation, fixed glazing and/or installation of air-conditioners, the project will have no long term environmental impact. We will require the contractor to carry out further environmental review to work out the exact package of the noise abatement measures at the detailed design stage. We have included \$5.3 million in September 2005 prices in the project estimate for implementation of such measures.

15. During construction, we will control noise, dust and site run-off nuisances to within established standards and guidelines through the implementation of mitigation measures in the relevant contracts. These include the use of silencers, mufflers, acoustic lining or shields for noisy construction activities, and frequent cleaning and watering of the site, and the provision of wheel washing facilities.

16. We have considered measures in the planning and design stages to reduce the generation of construction and demolition (C&D) materials. We will encourage the contractor to maximise the use of recycled or recyclable C&D materials, as well as the use of non-timber formwork to further minimise the generation of construction waste. We will use suitable excavated materials for filling within the site or in other suitable construction sites as far as possible, in order to minimise the disposal of C&D materials to public fill reception facilities. In addition, we will require the contractor to use metal hoardings and signboards so that these materials can be recycled or reused in other projects.

17. We will also require the contractor to submit a waste management plan (WMP) for approval. The WMP will include appropriate mitigation measures to avoid, reduce, reuse and recycle C&D materials. We will ensure that the day-to-day operations on site comply with the approved WMP. We will control the disposal of public fill, C&D materials and C&D waste to public fill

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reception facilities<sup>3</sup>, sorting facilities<sup>3</sup> and landfills respectively through a trip-ticket system. We will require the contractor to separate public fill from C&D waste for disposal at appropriate facilities. We will record the disposal, reuse and recycling of C&D materials for monitoring purposes.

18. We estimate that the project will generate about 29 160 tonnes of C&D materials. Of these, we will reuse about 830 tonnes (2.9%) on site, deliver 25 000 tonnes (85.7%) to public fill reception facilities for subsequent reuse, and 330 tonnes (1.1%) to sorting facilities in order to retrieve the inert portion for reuse as public fill. In addition, we will dispose of 3 000 tonnes (10.3%) at landfills. The total cost for accommodating C&D materials at public fill reception facilities and landfill sites, together with the cost for handling the materials at sorting facilities is estimated to be \$1.1 million for this project (based on a unit cost of \$27/tonne for disposal at public fill reception facilities, \$100/tonne at sorting facilities and \$125/tonne<sup>4</sup> at landfills).

## LAND ACQUISITION

19. The project does not require any land acquisition.

## BACKGROUND INFORMATION

20. We upgraded **45JA** to Category B in October 2005. We engaged contractors to carry out ground investigations in December 1996 and a topographical survey in December 2005. We employed consultants to undertake the PER in November 1996 (and reviewed the assessment in April 2006), a traffic impact assessment in December 2005 and utility mappings in February 2006. The above consultancy services were completed in May 2006. We also employed a quantity surveying consultant to prepare the tender document in June 2006. The total cost of these minor investigations and consultancies services is \$1.7 million. We charged this amount to block allocation **Subhead 3100GX** "Project feasibility

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<sup>3</sup> Sorting facilities and public fill reception facilities are specified in Schedule 3 and Schedule 4 respectively of the Waste Disposal (Charges for Disposal of Construction Waste) Regulation. Disposal of public fill in public fill reception facilities requires a licence issued by the Director of Civil Engineering and Development.

<sup>4</sup> This estimate has taken into account the cost for developing, operating and restoring the landfills after they are filled and the aftercare required. It does not include the land opportunity cost for existing landfill sites (which is estimated at \$90/m<sup>3</sup>), nor the cost to provide new landfills, (which is likely to be more expensive) when the existing ones are filled.

studies, minor investigations and consultants' fees for items in Category D of the Public Works Programme". We are now finalising the tender document with the consultant.

21. The proposed construction of quarters will not involve any tree removal or planting proposals.

22. We estimate that the proposed works will create about 232 jobs (210 for labourers and another 22 for professional/technical staff) providing a total employment of 4 900 man-months.

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Security Bureau

June 2006





**45JA – Junior police officers' married quarters at Area 44, Tuen Mun**

**Distribution of married quarters for junior police officers (JPOs)**

	<b>As at 31 March 2006</b>	<b>As at 31 March 2007 (Projected)</b>
<b>Location</b>	<b>No. of Quarters<sup>Note</sup></b>	<b>No. of Quarters<sup>Note</sup></b>
Hong Kong Island	2 209 (18.9%)	1 396 (11.9%)
Kowloon East	4 144 (35.5%)	6 035 (51.7%)
Kowloon West	1 047 (9.0%)	577 (4.9%)
New Territories North*	1 537 (13.1%)	1 297 (11.1%)
New Territories South	2 750 (23.5%)	2 383 (20.4%)
<b>Total</b>	<b>11 687</b>	<b>11 688</b>

\* As at 31 March 2006, there were 939 JPO quarters (8.0%) in North West New Territories. As at 31 March 2007, the projected number of quarters in North West New Territories will fall to 699 (6.0%).

Note

Numbers in brackets represent the regional percentage against the total number of married quarters for JPO in Hong Kong.

## Enclosure 3 to PWSC(2006-07)32

### 45JA – Junior Police Officers’ Married Quarters at Area 44, Tuen Mun

#### Breakdown of the estimate for consultants’ fees

Consultants’ staff costs		Estimated man- Months	Average MPS* salary point	Multiplier (Note 1)	Estimated fee (\$ million)
(i) Quantity surveying services (Note 2)	Professional	-	-	-	1.4
	Technical	-	-	-	1.4
(ii) Soft landscape services (Note 3)	Professional	4.6	38	2.0	0.5
	Technical	-	-	-	-
(iii) Risk management (Note 3)	Professional	3.7	38	2.0	0.4
	Technical	2.8	14	2.0	0.1
<b>Total</b>					3.8

\*MPS = Master Pay Scale

#### Notes

- (1) A multiplier of 2.0 is applied to the average MPS point to estimate the full staff costs including the consultant’s overheads and profit, as the staff will be employed in the consultant’s office. (As at 1 January 2005, MPS point 38 = \$54,255 per month and MPS point 14 = \$18,010 per month.)
- (2) The consultant’s staff cost for quantity surveying services is calculated in accordance with the existing consultancy agreement for the provision of quantity surveying services for **45JA**. The assignment will only be executed subject to Finance Committee’s approval to upgrade **45JA** to Category A.
- (3) We will only know the actual man-months and actual fees after we have selected the consultant through the usual competitive bidding system.