

For information

Legislative Council Panel on Education

Education Subventions for 26EA – A Direct Subsidy Scheme Primary School at Nam Fung Path, Wong Chuk Hang for Reprovisioning Purpose

PURPOSE

At the Legislative Council Panel on Education on 24 October 2005, we briefed Members on our review of the School Building Programme. Members raised no objection to our recommendation to proceed with six projects for redevelopment and reprovisioning of existing schools housed in sub-standard premises. This paper informs Members of our plan to seek funding approval for one of the six projects in February 2006, viz. the construction of a new primary school for the reprovisioning of the two existing non-profit-making Direct Subsidy Scheme (DSS) primary schools (the “Schools”) in Central at an estimated cost of \$106.5 million in money-of-the-day (MOD) prices. The project will be considered by the Legislative Council Public Works Subcommittee on 15 February 2006.

BACKGROUND

2. With the provision of nine-year free education since 1978, the majority of schools in Hong Kong have been public sector schools comprising government schools and aided schools. There is however a need to inject more diversity into our school system and give parents more choices in the selection of schools and curricula by encouraging alternatives to public sector schools, in the face of increasingly diverse attitude and values in the community, a multitude of demand in our workplace, fast changing technology and increasing globalisation. With greater flexibility in setting the school curriculum and in school operation, DSS schools could provide viable alternatives to government and aided schools.

JUSTIFICATIONS

3. The proposed school project is for reprovisioning the two existing Schools at MacDonnell Road and Kennedy Road, each of which being a 12-classroom whole-day primary school with an enrolment rate of 100% in the 2005/06 school year. Both Schools are accommodated in sub-standard school premises. Together they offer facilities which fall short of the provision as stipulated in the current standard schedule of accommodation for a 24-classroom primary school. Certain essential

facilities for effective teaching and learning, such as multi-purpose room, language room and student activity centre are lacking. As improvement works under the School Improvement Programme¹ would not be feasible due to site constraints, reprovisioning is considered to be the most cost-effective way to provide a quality teaching and learning environment for teachers and students of the Schools. In line with the policy for DSS, the Secretary of Education and Manpower allocated the school site at Nam Fung Path, Wong Chuk Hang, for reprovisioning the two non-profit making DSS primary schools in 2002.

4. The Schools are co-educational through-train schools which have changed from aided to DSS schools since 2002. The Schools are committed to nurturing their students as future leaders by instilling in them a culture of excellence, high moral values, an altruistic spirit, a passion for lifelong learning and a global perspective. The curriculum concentrates on establishing language proficiency; building a broad knowledge base; acquiring IT and life skills; participating in various extra-curricular and co-curricular activities; and offering gifted programmes. The Schools place a strong emphasis on nurturing students' gifts and talents. Furthermore, the Schools provide enrichment programmes like multi-intelligence courses, leadership training programmes for prefects, English drama with opportunities for public performance and Mathematics Olympiad, etc.

5. Upon completion, the new school premises will provide a total of 30 classrooms. We propose a scope slightly larger than the current total of 24 classrooms because we can optimize the development potential of the school site by building a 30-classroom primary school. Well established in Hong Kong, the Schools are very popular and renowned among parents and students. The additional six classes will be welcomed by the community.

6. Since the proposed school will continue to recruit students from all over the territory, its relocation to Southern District will only have a marginal impact on the supply and demand balance of public sector school places in that District.

¹ The School Improvement Programme provides additional space and upgraded facilities to some 740 existing schools.

FINANCIAL IMPLICATIONS

7. The capital grant for the school premises will be capped at \$106.5 million in MOD prices. It is calculated with reference to the costs of standard design public sector 24-classroom and 30-classroom primary schools and additional costs to be incurred due to the site topography and difficult ground conditions of the school site at Nam Fung Path, Wong Chuk Hang. The additional costs relate to site formation, slope upgrading, piling, water channel diversion, utilities diversions, construction of staircase from Nam Fung Road, bus stops and bus lay-by and signalised pedestrian crossing at Nam Fung Road, and Construction Waste Disposal Charging Scheme. A comparison of the facilities proposed under **26EA** with those at standard design schools is at Enclosure.

8. The estimated construction cost is \$171.5 million in MOD prices, with the difference of \$65.0 million being borne by the school sponsor. In addition, the school sponsor will be responsible for any additional funding requirements over and above the estimated cost, whether due to higher-than-expected tender outturn or other variations, except for any additional costs attributable to the site specific slope upgrading works, water channel diversion works, utilities diversion works and construction of staircase from Nam Fung Road, bus stops and bus lay-by and signalised pedestrian crossing at Nam Fung Road, which are fully subvented by Government. The Government and the school sponsor will share all savings arising from lower-than-expected tender outturn (excluding the site specific construction works²) pro-rata to their estimated contribution to the project (i.e. 59.6% for the Government and 40.4% for the school sponsor). For the site specific construction works under Government's subvention, the Government will retain all savings in case these arise³.

9. The cost of furniture and equipment for the school will be borne by the school sponsor. This is in line with the existing policy. The annual recurrent expenditure of the Schools was \$19.6 million in the 2004/05 school year. Upon reprovisioning of the Schools, the annual recurrent expenditure is estimated to be \$21.9 million, with the difference being largely attributable to the anticipated increase in the number of operating classes upon completion of the new school premises.

² These include the slope upgrading works, water channel diversion works, utilities diversion works, construction of staircase from Nam Fung Road, bus stops and bus lay-by and signalised pedestrian crossing at Nam Fung Road.

³ The school sponsor will tender the site specific works under the construction contracts. Those Government's subvented site specific construction works at footnote 2 will be demarcated from the other cost items. If the tender sum for these works is lower than the tender estimate, the Government will retain all savings.

IMPLEMENTATION TIMETABLE

10. Subject to the approval of the capital grant by Finance Committee, the school sponsor plans to start the construction works in April 2006 for completion in December 2007.

PUBLIC CONSULTATION

11. We consulted the Southern District Council on **26EA** on 15 September 2005. Members of the Council supported the project.

12. We consulted the Legislative Council Panel on Education on 24 October 2005 on our recent review of projects under planning in the School Building Programme. The Panel has always been supportive of Government's policy to improve the physical conditions of existing school premises. The Panel noted our recommendation to proceed with all six redevelopment and reprovisioning projects, including the current proposal.

**Education and Manpower Bureau
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A comparison of the facilities proposed under 26EA with those of a standard design 30-classroom primary school

Facilities	26EA	Standard design primary school
Classroom	30	30
Special room	18	6
Small group teaching room	4	4
Guidance activity room	1	1
Interview room	2	2
Staff room	1	1
Staff common room	1	1
Student activity centre	1	1
Conference room	1	1
Prefect room	1	-
Parents' teachers association room	1	-
Library	1	1
Assembly hall	1	1
Multi-purpose area	1	1
Basketball court	1	2
Green corner	1	1
Ancillary accommodation, including a lift and relevant facilities for the handicapped	Available	Available