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**Joint Subcommittee to Monitor the Implementation of
the West Kowloon Cultural District Project**

Meeting on 21 November 2017

**Updated background brief on the implementation of
public infrastructure works for the West Kowloon Cultural District**

Purpose

This paper summarizes the major views and concerns expressed by Members at meetings of the Joint Subcommittee to Monitor the Implementation of the West Kowloon Cultural District Project ("the Joint Subcommittee") and relevant committees of the Legislative Council ("LegCo") on issues relating to the implementation of public infrastructure works ("PIW") for the West Kowloon Cultural District ("WKCD").

Background

Public infrastructure works for the West Kowloon Cultural District

2. In July 2008, the Finance Committee ("FC") approved a one-off upfront endowment¹ of \$21.6 billion for the West Kowloon Cultural District Authority ("WKCDA") to implement the WKCD development covering the arts and cultural facilities, retail/dining/entertainment facilities, public open space and certain transport facilities. Other communal and government facilities and related engineering works (collectively known as PIW), such as

¹ The upfront endowment was intended to cover the capital costs of the following component parts of the WKCD project: (a) design and construction of various facilities (\$15.7 billion or 73%); (b) major repair and renovation of various facilities (\$2.9 billion or 13%); (c) collection and related costs for M+ (\$1.7 billion or 8%); and (d) planning of WKCD and project management (\$1.3 billion or 6%).

roads, drainage, fire station, public pier and other ancillary facilities to support the whole WKCD (including residential, commercial and hotel developments) would be undertaken by the Government with funding approval for such works to be sought separately.

3. In January 2013, FC approved \$478 million for the design and site investigation of PIW for supporting phase 1 of the WKCD development.² The project commenced in the fourth quarter of 2013 for phased completion from early 2014 to end-2017.

First construction package of public infrastructure works for the West Kowloon Cultural District (Phase 1)

4. In May 2015, the Administration consulted the former Joint Subcommittee formed in the Fifth LegCo on the funding proposal for carrying out the first construction package of PIW for WKCD (Phase 1) at an estimated cost of \$840.5 million in money-of-the-day ("MOD") prices. The scope of PIW in the first construction package and a site plan showing the works are respectively given in **Appendices I and II**. According to the Administration,³ completion of the works in time was essential for the commissioning and operation of the Park, Xiqu Centre and M+, and was a pre-requisite to the issuance of occupation permits for these venues targeted between 2017 and 2018.

5. The funding proposal was endorsed by the Public Works Subcommittee ("PWSC") in June 2015 and approved by FC in July 2015. The works were scheduled to commence in the fourth quarter of 2015 for completion in stages by the fourth quarter of 2018.

Second construction package of public infrastructure works for the West Kowloon Cultural District (Phase 1)

6. At the meeting of the Joint Subcommittee on 21 April 2017, the Administration consulted members on the funding proposal for the second construction package of PIW for WKCD (Phase 1) at an estimated cost of about \$490 million (in MOD prices) (i.e. the funding proposal for upgrading

² The scope of the project ([PWP item 753CL](#)) comprises the design and site investigation of underground and at-grade carriageways, a flyover, four pedestrian linkage systems, underground stormwater and sewerage systems, underground fresh and salt water supply systems, berthing/landing facilities for vessels, and other ancillary works.

³ [PWSC\(2015-16\)31](#)

part of 754CL to Category A ("754CL(part)"). The works would include the construction of the main section of a covered footbridge (namely, the Artist Square Bridge ("ASB")) at an estimated cost of about \$290 million,⁴ as well as beautification works for the existing subway across the junction of Austin Road West and Canton Road, and other associated road works, landscaping works, etc. Separately under the funding proposal for the third stage of construction works of the integrated basement for WKCD (i.e. the funding proposal for upgrading part of 763CL to Category A ("763CL(part)")), the Administration requested funding support at an estimated cost of about \$60 million for the construction of the remaining section of ASB.

7. In response to members' concerns over the high estimated cost of the proposed ASB, the Administration had undertaken to review the ASB project with WKCD and consult the Joint Subcommittee on the updated funding proposal in respect of 754CL(part) at a later stage. As regards 763CL(part), the portion relating to ASB was taken out from the project scope and funding application. The revised funding proposal in respect of 763CL(part) was then re-submitted to the Joint Subcommittee for consideration at its meeting on 29 May 2017, and members raised no objection to the submission of it to PWSC.

Major views and concerns expressed by Members

8. The major views and concerns expressed by Members on the implementation of PIW for WKCD at the meetings of the Joint Subcommittee, PWSC and FC are summarized in the ensuing paragraphs.

General views

9. Some Members supported the Administration to implement PIW for WKCD as planned to facilitate early development of the topside facilities in WKCD for public enjoyment. On the other hand, some Members did not support the proposed works on the ground that there was serious cost overrun for the WKCD project, and that the extent of the cost overrun problem as well as the completion date of the whole project were yet to be confirmed.

⁴ The main section of ASB will be about 69 metres ("m") in length and about 7 m in width, with two lifts and two covered staircases. It will span across Austin Road West linking the Artist Square Development Area of WKCD and the existing developments above the MTR Kowloon Station.

Construction cost of the proposed Artist Square Bridge

10. Members of the Joint Subcommittee raised concern about the high estimated construction cost (i.e. totaling at about \$350 million) for the proposed ASB. Some members pointed out that the construction cost for a footbridge linking up the MTR Tsuen Wan West Station and the MTR Tsuen Wan Station (620 m long) was only about \$190 million. There was a suggestion that the Administration should consider alternatives to the proposed footbridge, such as an underground pedestrian walkway.

11. The Administration advised that the total length of ASB would be 112 m, including a main section of 69 m over the existing Austin Road West flyover, a remaining section comprising a 15 m-long bridge deck and a 28 m-long escalator(s)/staircase. The design and construction of ASB was subject to many challenges arising from technical difficulties and site conditions. First, to provide adequate headroom over the flyover, the walking level of ASB would be about 15 m above the existing footpaths on Austin Road West. Secondly, to avoid imposition of extra loads on the flyover, intermediate permanent columns or temporary support for the construction of ASB could not be erected on the flyover structure. The clear width of ASB would have to be at least 7 m to provide sufficient surface area to help resolve the peak crowd dispersal scenario (e.g. after the performances at major arts and cultural venues). WKCD advised that as the site was located right above the MTR Airport Express Line and between two major buildings yet to be built, various constraints and pre-existing factors had to be taken into account in the works design.

12. In response to members' queries regarding the provisions for contingency and price adjustment, the Administration advised that, in view of the critical challenges for the construction of the proposed ASB, which would take at least 40 months, a provision for contingency (amounted to about 10% of the capital cost estimate) and a provision for price adjustment (amounted to about 20% of the capital cost estimate plus contingency) had been allowed in the project cost estimate to accommodate unforeseen circumstances and cater for inflation respectively.

13. Some members of the Joint Subcommittee called on the Administration and WKCD to expedite the review of the funding proposal for ASB. They were concerned about possible project cost increases due to the delay.

14. WKCD advised that it was difficult to tell whether the project cost for ASB would increase after the review, but WKCD would exercise

stringent cost control in taking forward the project. It was expected that there might be an increase in the overall cost while the unit cost might be reduced slightly. Hence, the project cost would not be significantly different from the original cost after the review, as the changes in costs might offset each other.

15. Given that the proposed ASB would serve as a pedestrian link to The Elements shopping mall and the owner/tenants of the shopping mall would benefit from the increased pedestrian flows, some members of the Joint Subcommittee had suggested asking the owner of the shopping mall to finance the construction cost of ASB under a public-private partnership approach.

16. The Administration advised that since ASB was a Government public works item, it was incumbent upon the Government to finance the construction of the proposed ASB. WKCD also considered it inappropriate to deliver PIW for WKCD through the public-private partnership approach.

Beautification works for the existing pedestrian subway across Austin Road West and Canton Road

17. Some members of the Joint Subcommittee enquired whether the public would be engaged in the interior design of the pedestrian subway. Since the subway would be one of the main pedestrian passageways leading to Xiqu Centre, members asked whether appropriate spaces would be provided along the pedestrian subway for displaying photographs of Xiqu/Cantonese Opera performance.

18. The Administration assured members that the design of all the pedestrian facilities linking up WKCD with its neighbouring areas would blend in well with the overall ambience of WKCD. For instance, Xiqu-related elements would be incorporated into the interior design of the subway. WKCD said that the Authority would consider members' suggestions of vitalizing the space within the subway by installing light boxes, display panels, etc.

19. Some members of the Joint Subcommittee enquired whether the existing pedestrian subway would continue to be open to the public when the proposed beautification works for the subway had commenced. The Administration advised that beautification works for the existing pedestrian subway would be carried out in stages so that the subway would still be opened to public use during the construction period. The Administration would also implement a number of measures to minimize the nuisances caused

by the works to the pedestrians. For example, disruptive works would only be conducted at night time or during non-peak hours as far as practicable.

20. Some members of the Joint Subcommittee enquired whether the Administration would lease out the advertisement spaces in the existing pedestrian subway to generate revenue for financing its maintenance. The Administration advised that, since the existing pedestrian subway was the main pedestrian linkage between Xiqu Centre and MTR Austin Station, advertisement spaces in the subway should mainly be provided for promoting the programmes and events organized by WKCDA.

Traffic impact

21. Regarding the construction of two lay-bys at Austin Road West and an at-grade dual two-lane carriageway connecting the Park and the Artist Square Development Area to Austin Road West and Nga Cheung Road under the first construction package of PIW, some Members expressed concern over the traffic congestion that might be caused by the construction works and asked about the relevant traffic arrangements.

22. The Administration advised that the construction works would be carried out mainly within the site of WKCD. There might be some temporary traffic arrangements at Austin Road West during the construction of the above-mentioned carriageway and lay-bys, but there would not be significant adverse impact on the traffic in the area.

Entrustment arrangement

23. Some Members enquired about the reason for the low consultants' fee under the first construction package of PIW at only 1.6% of the total cost, whereas such fee in other public works projects was typically over 10% of the project cost. The Administration advised that the construction sites and programme for the related works had critical interfacing issues such as overlapped works sites and major programming interdependence with those of the earlier batches of facilities of WKCD, in particular the Park, Freespace, Xiqu Centre and M+. It would be necessary and cost-effective for the works to be carried out in conjunction with the implementation of WKCD's facilities in a holistic manner. In view of the significant interfacing issues, the Administration had planned to entrust the works under the first construction package of PIW to WKCDA, thereby reducing the cost (including the consultants' fees) and time required for the design and construction of the works. WKCDA would be reimbursed for its actual in-house management cost incurred for the entrusted works capped at a sum of \$12 million.

24. Some members of the Joint Subcommittee had expressed concern about the potential lack of supervision by the Administration over the projects under entrustment. Some other members urged WKCDA to seriously consider having a pre-set limit on the in-house management cost that it would receive for entrusted works, taking in view that project costs would be affected by various unknown factors. They asked for information on the percentage (in the project cost) and the amount of the in-house management cost to be payable to WKCDA under 754CL(part) and 763CL(part), and how the percentage/amount was comparable to the management costs paid by the Administration for projects entrusted to other parties, such as MTR Corporation Limited.

25. The Administration advised that WKCDA's in-house management cost would cover the services stipulated in the entrustment agreement, including but not limited to, procurement of construction contracts for the entrusted works, procurement of consultancy services for contract administration and site supervision including employment and management of resident site staff, management and supervision of contractors and consultants, and such other services as reporting to the Government on the cost and programme of the entrusted works. The Administration considered it not appropriate to make a direct comparison between the proposed in-house management cost payable to WKCDA under the WKCD project and the project management costs for entrusted works in respect of other projects that were of a different scale, nature and complexity, such as railway projects.

Latest development

26. At the meeting of the Joint Subcommittee to be held on 21 November 2017, the Administration will seek the Joint Subcommittee's support for a funding application for (a) beautification works for the existing pedestrian subway across the junction of Austin Road West and Canton Road; (b) construction of a pedestrian linkage system between MTR Austin Station and Xiqu Centre; and (c) ancillary works.

Relevant papers

27. A list of the relevant papers on the LegCo website is in **Appendix III**.

Council Business Division 1
Legislative Council Secretariat
15 November 2017

Scope of the works of 754CL (part) proposed to be upgraded to Category A (as at May 2015)

The first construction package comprises:

- (a) construction of an at-grade dual 2-lane carriageway of about 600 m long connecting the Park and the Artist Square Development Area ("ASDA") to Austin Road West and Nga Cheung Road, two lay-bys totalling about 300 m long at Austin Road West, footpaths and associated underground protection works for Western Harbour Crossing ("WHC")⁵;
- (b) construction of two drainage outfalls of 2.5 m wide by 2.5 m high each, upgrading of an existing drainage outfall of 2.4 m in diameter, construction of drainage pipes up to about 2.5 m in diameter and a box culvert of 2.5 m wide by 2.5 m high totalling about 4 km long mainly underneath the Park, at-grade road and lay-bys;
- (c) construction of about 0.9 km sewage pipes up to 450 mm in diameter, and sewage pumping facilities below proposed ground level mainly underneath the Park, at-grade road and lay-bys;
- (d) laying of about 2.6 km water mains up to 450 mm in diameter mainly underneath the Park, at-grade road and lay-bys;
- (e) diversion of existing underground drainage pipes of 900 mm in diameter within the site of Xiqu Centre and cooling mains of 600 mm in diameter within the site of ASDA;
- (f) ancillary works including earthworks, retaining walls, electrical and mechanical works, and landscaping works; and
- (g) necessary environmental mitigation measures, and related monitoring and auditing works.

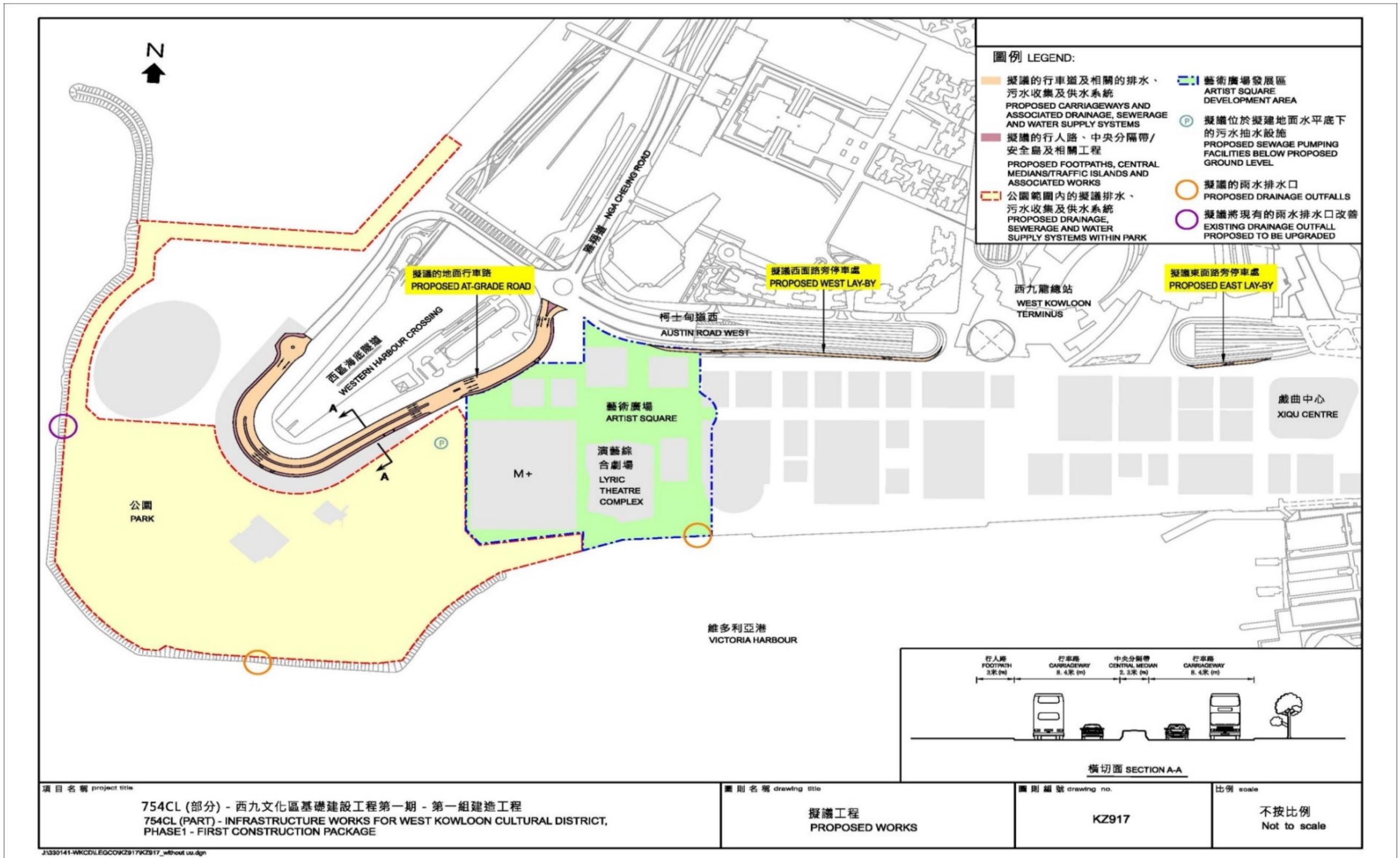
⁵ Of the 600 m long carriageway and footpath, 32 m of which will be constructed on top of the existing WHC. Protection works in the form of special filling material and construction method will be carried out in order not to affect the WHC tunnel during the construction and operation of the proposed at-grade road.

The Administration will retain the remainder of 754CL in Category B and will seek funding for the works according to the phased implementation programme of the West Kowloon Cultural District ("WKCD"). The scope of the remainder mainly comprises:

- (a) a 2-lane flyover (including approaching roads) across the toll plaza of WHC;
- (b) four pedestrian linkage systems linking WKCD with Kowloon Station, Austin Station and Kowloon Park;
- (c) berthing/landing facilities for vessels and modification of existing seawall;
- (d) remaining underground drainage, sewerage and water supply systems; and
- (e) associated footpaths, lighting, ventilation, traffic system, landscaping, as well as related engineering and ancillary works.

Source: [LC Paper No. CB\(2\)1463/14-15\(05\)](#) and [PWSC\(2015-16\)31](#)

西九文化區公共基礎建設工程第1期——第一組建造工程平面圖
Site plan for the public infrastructure works for
the West Kowloon Cultural District Phase 1 — First construction package



**Implementation of the public infrastructure works for
the West Kowloon Cultural District**

List of relevant papers

Committee	Date of meeting	Paper
Panel on Home Affairs	—	Administration's paper (issued on 2.11.2012)
Public Works Subcommittee	17.12.2012 Item 6	Agenda Minutes
Finance Committee	11.1.2013 Item 2	Agenda Minutes
Former Joint Subcommittee to Monitor the Implementation of the West Kowloon Cultural District Project	19.5.2015 Item III	Agenda Minutes
Public Works Subcommittee	16.6.2015 Item 2	Agenda Minutes
Finance Committee	10.7.2015 Item 1	Agenda Minutes of meeting at 4:43 pm Minutes of meeting at 7:11 pm
Joint Subcommittee to Monitor the Implementation of the West Kowloon Cultural District Project	21.4.2017 Item II	Agenda Minutes The Administration's response to members' concerns raised at the meeting
Joint Subcommittee to Monitor the Implementation of the West Kowloon Cultural District Project	29.5.2017 Item II	Agenda Minutes Response from the Administration and the West Kowloon Cultural District Authority to members' concerns raised at the meeting