

ITEM FOR PUBLIC WORKS SUBCOMMITTEE OF FINANCE COMMITTEE

HEAD 703 – BUILDINGS

Health – Clinics

76MC – Development of a District Health Centre at Caroline Hill Road Site

Members are invited to recommend to the Finance Committee the upgrading of **76MC** to Category A at an estimated cost of \$168.0 million in money-of-the-day prices for the development of a District Health Centre at a site in Caroline Hill Road.

PROBLEM

To accord with the development of District Health Centres (DHCs) in all 18 districts of Hong Kong for enhancing district-based primary healthcare services, an initiative announced by the Chief Executive in the Policy Address, there is a need for a DHC to be provided in Wan Chai District as part of the initiative.

PROPOSAL

2. The Director of Architectural Services, with the support of the Secretary for Food and Health, proposes to upgrade **76MC** to Category A at an estimated cost of \$168.0 million in money-of-the-day (MOD) prices for the development of a DHC at a site in Caroline Hill Road (the Site).

/PROJECT

PROJECT SCOPE AND NATURE

3. The DHC in Wan Chai (WCDHC) will be incorporated into the commercial development planned for the Site with a site area of 1.6 hectares. It is located at the junction of Leighton Road and Caroline Hill Road in Causeway Bay. The proposed scope of the project comprises the following facilities –

- (a) a core centre for the WCDHC which includes the facilities below for provision of primary healthcare services –
 - (i) reception and registration;
 - (ii) physiotherapy / exercise room;
 - (iii) multi-purpose room and activity area;
 - (iv) interview rooms, assessment rooms and counselling rooms; and
 - (v) general office and staff room;
- (b) ancillary facilities; and
- (c) ancillary parking spaces.

4. The location and site plan of the proposed project is at **Enclosure**.

5. The Site has been included in the Land Sale Programme for the financial year of 2020/21, and the Government's plan is to dispose of the Site as soon as the preparatory works relating to land sale are completed. Subject to funding approval by the Finance Committee, the Government will require the successful developer-tenderer of the Site (the Purchaser) to provide the WCDHC at the lower floor of the planned commercial development in accordance with the Land Sale Conditions and the Technical Schedule to be appended therein. The Purchaser is required to design and construct, as well as provide the fitting-out and finishing works for the facilities. Upon completion of the works, the WCDHC will be handed over to the Government as a Government property. The relevant cost of the WCDHC would be borne by the Government.

/JUSTIFICATION

JUSTIFICATION

DHCs in 18 Districts

6. In a bid to shift the emphasis of the present healthcare system and people's mind-set from treatment-oriented to prevention-focused, the Government is committed to enhancing district-based primary healthcare services by setting up DHCs in 18 districts progressively. DHC would be a hub for providing primary healthcare services in a coordinated, comprehensive, continuing and person-centred manner. Through stepping up efforts in promoting individual and community involvement, enhancing co-ordination among various medical and social sectors, and strengthening district-level primary healthcare services, the Government aims to encourage the public to maintain a healthy lifestyle and enhance their capability in self-care and home care, thereby reducing the demand for specialist services and hospitalisation that would be largely avoidable.

7. DHCs adopt a brand new service model by providing district-based primary healthcare services through public-private partnership and medical-social collaboration, and would become a key component of the public healthcare system. Services provided in DHCs focus on primary, secondary and tertiary prevention of diseases, covering health promotion, health assessment, chronic disease management and community rehabilitation. DHCs will be operated by non-governmental organisations.

8. Further to the planned establishment of DHCs in three districts (namely Kwai Tsing, Sham Shui Po and Wong Tai Sin), we plan to set up DHCs in four other districts, including Tsuen Wan, Yuen Long, Tuen Mun and Southern District, within the current term of the Government. As for the other 11 districts, we have invited proposals for the operation of smaller interim "DHC Expresses" with a view to commencing service provision within 2021.

WCDHC

9. As regards Wan Chai District, it is our plan that the WCDHC provided at the Site will act as the core centre as a service hub and be complemented by satellite centres to be set up in each of the sub-districts of Wan Chai. The WCDHC will be complemented by a multi-disciplinary healthcare network of medical and healthcare practitioners in the district with multiple service points. The WCDHC will strive to better co-ordinate with other district-based primary healthcare services and facilities, making it more convenient to meet individual healthcare needs of the community.

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10. The construction programme of the WCDHC will tie in with the completion of the development of the Site. The proposed arrangement enables the

WCDHC to be provided in a timely and integrated manner and allows for better planning, optimising the use of limited land.

11. Under the proposed arrangement, the Purchaser will be responsible for the design and construction of the WCDHC according to the Government's specifications and to the Government's satisfaction. The Purchaser will provide the fitting-out and finishing works for the facilities. The WCDHC will be handed over to the Food and Health Bureau upon completion for operation, management and maintenance.

12. The Government will reimburse the Purchaser the actual cost of construction of the facilities, subject to a pre-determined financial ceiling established with reference to the design and construction costs of the facilities as if they were to be designed and constructed by the Government.

13. As regards the services to be provided in the WCDHC, we will, taking the Kwai Tsing DHC as a blueprint, closely liaise with relevant stakeholders in the district in the course of taking forward the setting up of the DHC in a proactive manner. On the other hand, to lay a foundation for the establishment of a prevention-focused primary healthcare system, as mentioned in paragraph 8, we will provide funding for non-governmental organisations to set up interim "DHC Expresses" in 11 districts, including Wan Chai, where DHCs would yet to be set up.

FINANCIAL IMPLICATIONS

14. We estimate the capital cost of the project to be \$168.0 million in MOD prices, broken down as follows –

/(a)

		\$ million (in MOD prices)
(a)	Foundation	5.9
(b)	Building	72.8
(c)	Building services	37.5
(d)	Drainage	0.4
(e)	Additional energy conservation, green and recycled features	0.6
(f)	On-cost payable to the Purchaser ¹	14.7
(g)	Furniture and equipment (F&E) ²	20.9
(h)	Contingencies	15.2
Total		168.0

15. The construction floor area (CFA) of the WCDHC is about 2 865m². The estimated construction unit cost, represented by the building and building services costs, is \$38,499 per m² of CFA in MOD prices. We consider this unit cost comparable to that of similar projects built by the Government.

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¹ The amount will cover the Purchaser's on-cost for design and construction supervision, which is estimated based on the average on-costs of similar outsourced projects of other government departments. The on-cost will be reimbursed to the Purchaser of the land on an actual cost basis.

² The estimated cost is based on an indicative list of F&E required.

16. Subject to funding approval, we plan to phase the expenditure as follows –

Year	\$ million (MOD)
2025 – 2026	131.3
2026 – 2027	36.7
	<hr/>
	168.0
	<hr/>

17. We have derived the MOD estimates on the basis of the Government's latest set of assumptions on the trend rate of change in the prices of public sector building and construction output for the period from 2025 to 2027.

18. We estimate the annual recurrent expenditure arising from this project to be \$141.0 million.

PUBLIC CONSULTATION

19. Wan Chai District Council (WCDC) was consulted on the WCDHC proposal together with the rezoning proposal of the Site on 8 January 2019. WCDC noted the proposal.

20. We consulted the Legislative Council Panel on Health Services on 13 November 2020. Members of the Panel are supportive of the proposal.

ENVIRONMENTAL IMPLICATIONS

21. The project is not a designated project under the Environmental Impact Assessment Ordinance (Cap. 499). The Director of Environmental Protection agreed with the findings of the Preliminary Environmental Review (PER) in September 2020. We have included in the project estimates the cost to implement suitable environmental mitigation measures mentioned in the PER during construction to control short-term environmental impacts. The project will have no long-term adverse environmental impact.

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22. At the planning and design stages, the Purchaser will be required to consider measures to reduce the generation of construction waste where possible. In addition, the Purchaser will require the contractor to reuse inert construction waste (e.g. use of excavated materials for filling within the project site) on site or in other suitable construction sites as far as possible, in order to minimise the disposal of inert construction waste at public fill reception facilities (PFRFs)³. We will encourage the Purchaser to require the contractor to maximise the use of recycled or recyclable inert construction waste, and the use of non-timber formwork to further reduce the generation of construction waste.

23. At the construction stage, the Purchaser will require the contractor to submit for approval a plan setting out the waste management measures, which will include appropriate mitigation means to avoid, reduce, reuse and recycle inert construction waste. The Purchaser will be required to ensure that the day-to-day operations on site comply with the approved plan. The Purchaser will require the contractor to separate the inert portion from non-inert construction waste on site for disposal at appropriate facilities and to control the disposal of inert and non-inert construction waste at PFRFs and landfills respectively through a trip-ticket system.

24. We estimate that the project will generate in total about 8 430 tonnes of construction waste. Of these, the Purchaser will reuse about 1 190 tonnes (14.1%) of inert construction waste on site and deliver about 6 710 tonnes (79.6%) of inert construction waste to PFRFs for subsequent reuse. The Purchaser is expected to dispose of the remaining 530 tonnes (6.3%) of non-inert construction waste at landfills. The total cost for disposal of construction waste at PFRFs and landfill sites is estimated to be about \$0.6 million for the project (based on a unit charge rate of \$71 per tonne for disposal at PFRFs and \$200 per tonne at landfills as stipulated in the Waste Disposal (Charges for Disposal of Construction Waste) Regulation (Cap. 354N)).

/HERITAGE

³ PFRFs are specified in Schedule 4 of the Waste Disposal (Charges for Disposal of Construction Waste) Regulation (Cap. 354N). Disposal of inert construction waste at PFRFs requires a licence issued by the Director of Civil Engineering and Development.

HERITAGE IMPLICATIONS

25. The project site is in close vicinity to three historic buildings with Masonry Wall and Earthenware Pipes at Caroline Hill Road (Both Grade 3) in the Site and the main building of Po Leung Kuk (Grade 2) within 50 meter of the Site. As the project is to be entrusted to the Purchaser through land sale and the exact design and location of the WCDHC have yet to be ascertained at this stage, the Antiquities and Monuments Office advised that the project is considered outside the ambit of the Heritage Impact Assessment mechanism pursuant to DEVB TC(W) No. 6/2009.

LAND ACQUISITION

26. The project does not require any land acquisition.

ENERGY CONSERVATION, GREEN AND RECYCLED FEATURES

27. The WCDHC shall be designed and constructed by the Purchaser with due consideration for its environmental performance such as application of energy efficient building services installations. The Purchaser will be requested to adopt a green building design and environmental and energy conservation measures in the construction of the WCDHC according to the prevailing guidelines and requirements of the Government. The cost estimates of the WCDHC have included the costs of such design and measures.

28. This project will adopt various forms of energy efficient features, in particular -

- (a) variable speed drive for chillers; and
- (b) demand control of supply air.

29. The total estimated additional cost for the adoption of the above features is around \$0.6 million, which has been included in the cost estimates of this project. The energy efficient features will achieve 5.1% energy savings in the annual energy consumption with a payback period of about nine years.

/BACKGROUND

BACKGROUND INFORMATION

30. We upgraded **76MC** to Category B in October 2020.

31. As the design of the project will be prepared by the Purchaser, no tree removal and planting proposal will be confirmed at this stage. According to the tree survey conducted in November 2019, there are about 54 existing trees, including the presence of two Old and Valuable Trees (OVTs) (Registration Nos. HKP WCH/1 and EMSD WCH/1) located within and in the proximity of the Site. Besides the two OVTs, there are also two important trees⁴ of significant size subject to further assessments by the Purchaser upon development of the Site. The Purchaser will be required to take into consideration the need for tree preservation during the planning and design stages of the project, and follow the procedures stipulated in the prevailing guidelines and requirements of the Government if tree felling or transplanting is required.

32. We estimate that the proposed works will create about 25 jobs (20 for labourers and five for professional or technical staff) providing a total employment of 1 050 man-months.

33. Apart from the WCDHC, the Government has also included welfare facilities of a Child Care Centre and a Day Care Centre for the Elderly in the land sale conditions of the Site. In accordance with the prevailing funding arrangement, the Social Welfare Department (SWD) will seek funding from the Lotteries Fund to reimburse the Purchaser for the construction cost of the bare-shell premises for the welfare facilities. SWD will take over the premises upon their completion.

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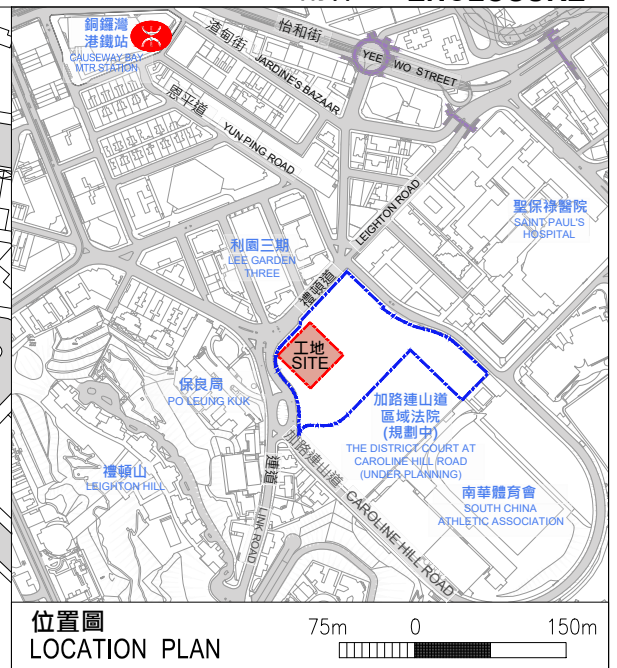
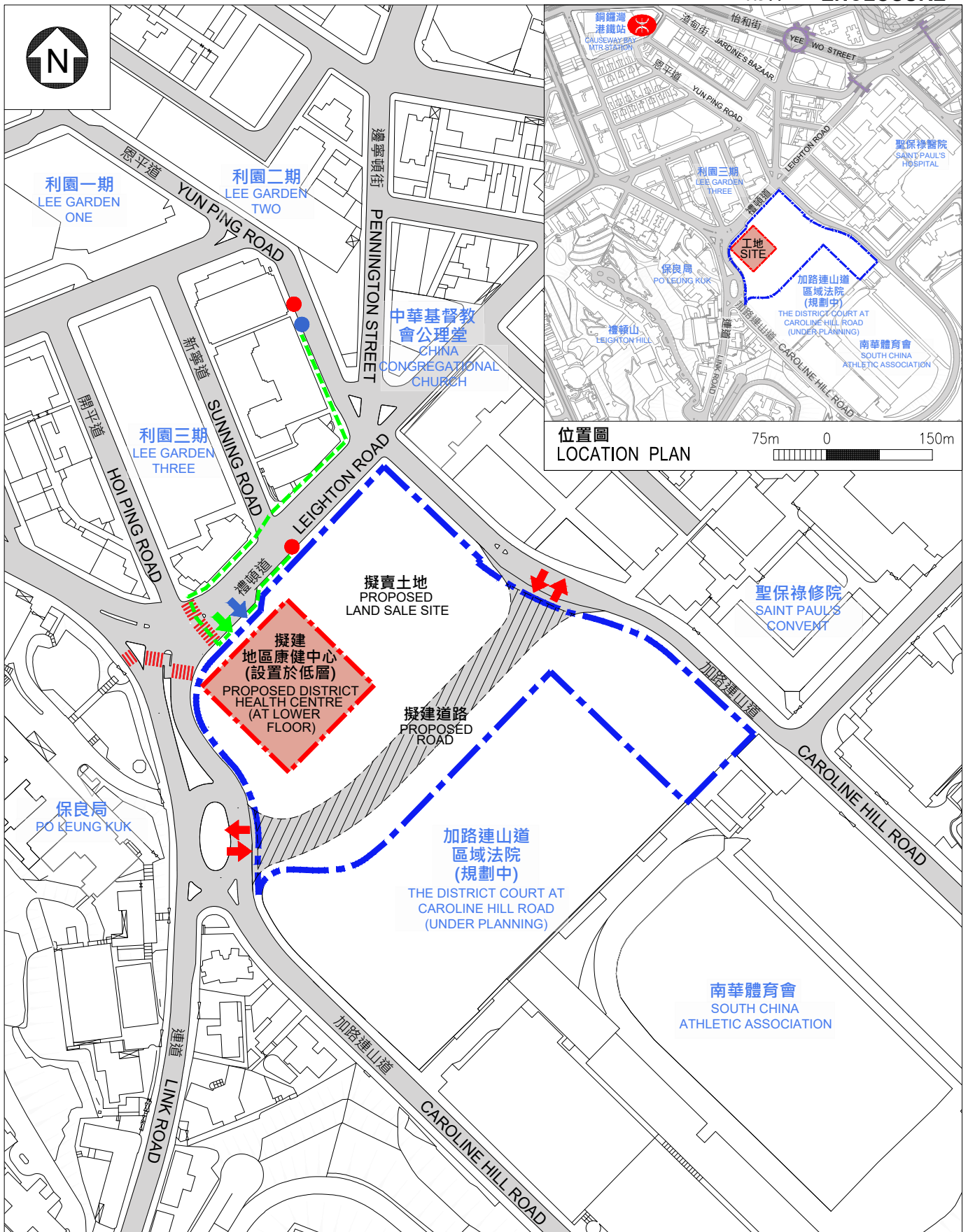
34. The project estimate was \$175.0 million when we briefed the Legislative Council Panel on Health Services on 13 November 2020. The reduction in project estimate is due to the latest update of the project costs

⁴ “Important trees” refer to trees in the Register of Old and Valuable Trees, or any other trees that meet one or more of the following criteria –

- (a) trees of 100 years old or above;
- (b) trees of cultural, historical or memorable significance e.g. Fung Shui trees, trees at landmark of monastery or heritage monument, and trees in memory of an important person or event;
- (c) trees of precious or rare species;
- (d) trees of outstanding form (taking account of the overall tree sizes, shape and any special features) e.g. trees with curtain like aerial roots, trees growing in unusual habitat; or
- (e) trees with trunk diameter equal to or exceeding 1.0 metre (m) (measured at 1.3 m above ground level), or with a height/canopy spread equal to or exceeding 25 m.

information. We consider that the latest estimate, which is 4% lower than our earlier estimate as stated in the Panel paper (LC Paper No. CB(2)191/20-21(03)) should be adequate to deliver the proposed works with the same project scope.

Food and Health Bureau
December 2020



圖例 LEGEND	
擬賣土地界線 BOUNDARY OF PROPOSED LAND SALE SITE	擬建道路 PROPOSED ROAD
擬建地區康健中心 (參考範圍以將來土地買家的設計為準) PROPOSED DISTRICT HEALTH CENTRE (INDICATIVE BOUNDARY SUBJECT TO FUTURE PURCHASER'S DESIGN INTENT)	車輛出入口 VEHICULAR INGRESS / EGRESS
行人出入口 PEDESTRIAN ENTRANCE / EXIT	現有巴士站 EXISTING BUS STOP
無障礙出入口 BARRIER-FREE ENTRANCE / EXIT	現有巴士站 EXISTING MINI-BUS STOP
	現有行人過路處 EXISTING AT-GRADE PEDESTRIAN CROSSING
	無障礙通道 BARRIER-FREE ACCESS



工地平面圖
SITE PLAN

76MC
在加路連山道用地興建地區康健中心
DEVELOPMENT OF A DISTRICT HEALTH CENTRE AT CAROLINE HILL ROAD SITE

ARCHITECTURAL SERVICES
DEPARTMENT 建築署