

For discussion
on 22 June 2022

PWSC(2022-23)21

ITEM FOR PUBLIC WORKS SUBCOMMITTEE OF FINANCE COMMITTEE

HEAD 708 – CAPITAL SUBVENTIONS AND MAJOR SYSTEMS AND EQUIPMENT

Technical Education and Industrial Training Vocational Training Council

22EM – Development of New Campus of Vocational Training Council at Kowloon East (Cha Kwo Ling)

Members are invited to recommend to the Finance Committee the upgrading of part of **22EM** to Category A as **23EM** entitled “Pre-construction works for the Development of New Campus of Vocational Training Council at Kowloon East (Cha Kwo Ling)”, at an estimated cost of \$459.3 million in money-of-the-day prices. The remainder of **22EM** is under preparation.

PROBLEM

The Vocational Training Council (VTC) needs to develop a new campus at Kowloon East (Cha Kwo Ling) to provide quality Vocational and Professional Education and Training (VPET) to students and enhance the image of VPET in Hong Kong.

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PROPOSAL

2. The Secretary for Education, on the advice of the Director of Architectural Services as the Technical Advisor, proposes to upgrade part of **22EM** to Category (Cat) A as **23EM** at an estimated cost of \$459.3 million in money-of-the-day (MOD) prices for the pre-construction works of the development of the new campus of VTC at Kowloon East (Cha Kwo Ling).

PROJECT SCOPE AND NATURE

3. The project site is located in the area near Wai Yip Street, neighbouring the Cha Kwo Ling waterfront. The relevant areas are zoned as “Government, Institution or Community” (G/IC), “Open Space” (O), “Other Specified Uses” (OU) annotated “Petrol Filling Station” (PFS), and shown as ‘Road’ on draft Cha Kwo Ling, Yau Tong, Lei Yue Mun Outline Zoning Plan (OZP) No. S/K15/26 and on draft Kai Tak OZP No. S/K22/7.

4. Taking into consideration its scale and complexity, the proposed project will be implemented in two phases. The part of **22EM** which we propose to upgrade to Cat A as **23EM** (i.e. first phase) comprises –

- (a) site investigation and tree survey;
- (b) site clearance, diversion of underground utilities and relocation technical studies;
- (c) tree clearance, protection and replanting works;
- (d) consultancy services for inception design, outline sketch design, detailed design and tender documentation for the main works;
- (e) provision of basketball courts and re-provisioning of the temporary soccer pitch;
- (f) re-provisioning of the whole of Wai Lok Street; and

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- (g) re-provisioning of the Liquefied Petroleum Gas (LPG) filling station.

5. The site location plan and the concept plan for the project are at **Enclosures 1 and 2** respectively. The VTC plans to commence the proposed pre-construction works upon obtaining funding approval from the Finance Committee for target completion in around three years. To meet the programme, the VTC has invited tenders in parallel to enable early commencement of the proposed works. The contract will only be awarded upon obtaining FC's funding approval. Upon completion of the pre-construction works and subject to the funding approval for the main works for the whole project by the Legislative Council (LegCo) to be sought at a later stage, the proposed site of the new campus will be made available for the VTC to undertake the main works of the project.

6. We plan to seek funding for the remainder of **22EM** (i.e. second phase) which is now under planning at a later stage to dovetail with the implementation programme of the project.

JUSTIFICATION

7. Established in 1982 under the VTC Ordinance (Cap. 1130), the VTC is the largest VPET provider in Hong Kong, offering diversified full-time and part-time VPET programmes which award formal qualifications ranging from Secondary three to the degree levels, and provides students with multiple progression pathways. Through a total of 13 member institutions, the VTC provides about 200 000 places each year through a full range of pre-employment and in-service programmes.

8. It has been the Government's policy to provide quality and diversified education pathways with multiple entry and exit points for young people with different aspirations and abilities through VPET. In the 2014 Policy Address, the Government invited the VTC to draw up a strategic development

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plan for its campuses to foster synergy and provide state-of-the-art facilities pivotal to enhancing the image and quality of vocational education. To meet the needs of the VTC for the development of new campuses, it was announced in the 2017 Policy Address that a site in Cha Kwo Ling in Kowloon East was identified for development of a new VTC campus with adequate capacity and state-of-the-art facilities.

9. To achieve better synergy and better coordinate the overall development of the new campus in Cha Kwo Ling, in addition to the construction of the new campus, the VTC has agreed with other relevant government bureaux / departments (B/Ds) to provide assistance in the design and development of a public open space (POS) within the VTC campus site and a POS at the waterfront promenade, re-provisioning of the public soccer pitch and the whole Wai Lok Street (both of which are currently within the proposed project site), and to make the land available for the Government for re-provisioning of the LPG filling facilities. The VTC will maintain close liaisons with the relevant B/Ds on the development of all related government facilities, particularly with the Development Bureau, the Leisure and Cultural Services Department and the Architectural Services Department for the construction of POS at the waterfront. Upon completion of the construction works, the two POSes, the soccer pitch and Wai Lok Street will be handed over to the Government for management and open for public use. Upon completion of the worksite clearance works, the site for the LPG filling station will be handed over to the Government to carry out the construction works.

PRELIMINARY DESIGN AND USE OF THE NEW CAMPUS

10. The new VTC campus will mainly be used for the re-provisioning of its Hong Kong Institute of Vocational Education (IVE) (Haking Wong) and IVE (Kwun Tong) to provide a more conducive learning environment for VPET students and in-service employees. Upon completion, the new campus will continue to provide not only programmes being offered by the two aforesaid institutions but also relevant programmes in response to the latest industry and market needs. The programmes would mainly cover six disciplines, namely Business, Design, Engineering, Health and Life Sciences, Hospitality, and

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Information Technology. The new campus will provide secondary school graduates and in-service employees with diversified full-time and part-time programmes, and help them obtain qualifications of diploma, higher diploma and professional diploma levels as well as professional qualifications.

11. The proposed facilities in the new campus will comprise various types of advanced training workshops and laboratories, large-scale training and teaching venues, classrooms, exhibition space, outdoor and indoor learning spaces and facilities for students. Other teaching facilities include a retail laboratory, STEM (Science, Technology, Engineering and Mathematics) and other virtual reality (VR) facilities.

12. The site area of the new campus development is approximately 42 000 square meters (m²), inclusive of the POS of 10 000 m² which will be handed over to the Government for management. In response to the local comments, the VTC has adjusted the campus development scale by reducing the number of academic buildings from three to two and the total gross floor area (GFA) from approximately 230 000 m² to 180 000m². The maximum heights of the higher and lower block are about 14 storeys, and 11 storeys plus a half-storey underground carpark respectively. Ventilated and visual corridors will also be incorporated between the two blocks to avoid the wall effect.

13. Moreover, after consultation with the relevant B/Ds and consideration of the local needs, the tentative facilities to be provided in the POS within the VTC campus site and at the waterfront promenade would include landscaped gardens, a waterfront promenade and multi-purpose lawn space for leisure activities. The VTC will proactively explore the possibility of expediting the construction works for the waterfront promenade in the second phase and discuss with the relevant B/Ds an early opening of the waterfront promenade for public use in phases during the construction period of the main works.

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FINANCIAL IMPLICATIONS

14. The VTC estimates the capital cost of the proposed pre-construction works to be \$459.3 million in MOD prices, broken down as follows –

		\$ million (in MOD prices)
(a)	Site Works	9.0
(b)	Building	30.1
(c)	Building services	18.9
(d)	Drainage	13.5
(e)	External works	88.5
(f)	Energy conservation, green and recycled features	1.1
(g)	Furniture and equipment (F&E) ¹	1.1
(h)	Consultants' fees for	171.2
	(i) Design and tender documentation ²	168.1
	(ii) contract administration	2.6
	(iii) management of resident site staff (RSS)	0.5
(i)	Remuneration of RSS	7.6
(j)	Construction of new LPG station ³	76.6

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¹ The estimated cost is based on an indicative list of F&E required.

² Consultants' fees for design and tender documentation cover consultancy services for outline sketch design, detail design, preparation of tender documentation, and tender assessment for the whole project.

³ The Environmental Protection Department and Electrical and Mechanical Services Department are responsible for the construction of new LPG station as per the Government's normal practice.

	\$ million (in MOD prices)
(k) Contingencies	41.7
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Total	459.3
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15. The VTC proposes to engage consultants to undertake design and tender documentation for the pre-construction works and main works, and contract administration and site supervision for the pre-construction works of the project. A detailed breakdown of the estimates for consultants' fees and RSS costs by man-months is at **Enclosure 3**.

16. Subject to funding approval, the VTC plans to phase the expenditure as follows –

Year	\$million (in MOD prices)
2022 – 23	22.8
2023 – 24	93.1
2024 – 25	200.3
2025 – 26	127.7
2026 – 27	13.6
2027 – 28	1.3
2028 – 29	0.5
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Total	459.3
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17. The MOD estimates are derived 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 2022 to 2029. The VTC will engage consultants to undertake the proposed consultancy services and contractors for the pre-construction works on a lump-sum given the clearly defined scope of works with contract provision for price adjustments as necessary.

18. The proposed pre-construction works will not give rise to any recurrent consequences.

PUBLIC CONSULTATION

19. In taking forward the project, the Government proposed amendments to the approved Kai Tak OZP No. S/K22/4 in 2017, rezoning the site from "O", "OU"⁴ and area shown as "Road" to "G/IC", "O", "OU(PFS)", and area shown as 'Road' for accommodating the proposed VTC campus development and related Government facilities. At its meetings in April and May 2018, the Town Planning Board (TPB) deliberated on the draft Kai Tak OZP No. S/K22/5 and considered the relevant representations and comments. The TPB agreed to the rezoning of the site earmarked for the proposed new campus of the VTC to "G/IC", and considered that the project's purpose of nurturing young people in Hong Kong was compatible with the objective of enhancing the vibrancy and diversity of the waterfront area.

20. The Education Bureau (EDB) and the VTC consulted the Task Force on Kai Tak Harbourfront Development under the Harbourfront Commission (HC) and the Housing, Planning, Lands, Development and Redevelopment Committee under the Kwun Tong District Council (KTDC) on the pre-construction works for the development of the new campus and the waterfront promenade on 1 and 16 November 2021 respectively. Public consultation was also conducted from late-November to early-December 2021.

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⁴ Including "OU" annotated "Sewage Treatment Plant with Landscaped Deck Above", "Petrol Filling Station" ("PFS") and "Tunnel Ventilation Shaft and Administration Building".

The EDB and the VTC will, in consultation with the relevant B/Ds, make reference to the comments from members of the HC, the KTDC and the public on the proposed facilities, including issues relating to their management, environment, traffic, etc., to further enhance the design and arrangements for the project and take appropriate follow-up actions.

21. We consulted the LegCo Panel on Education on 7 June 2022. Members of the Panel supported the project and had no objection to the submission of the funding proposal to the Public Works Subcommittee. We will provide supplementary information to Members before the meeting of the PWSC for the project.

ENVIRONMENTAL IMPLICATIONS

22. This is not a designated project under the Environmental Impact Assessment (EIA) Ordinance (Cap. 499). The VTC will carry out a Preliminary Environmental Review for the project at the design stage and submit the findings to the Director of Environmental Protection for agreement.

23. During construction, the VTC will control environmental nuisances to levels within established standards and guidelines through implementation of mitigation measures in the relevant contract. These measures include the use of silencers, mufflers, acoustic linings or shields for noisy construction activities, frequent cleaning and watering of the site, and provision of wheel-washing facilities to reduce dust emission, and proper treatment of site run-off to avoid illegal wastewater discharge. The VTC will carry out site inspections to ensure that the mitigation measures and good site practices are properly implemented.

24. The proposed pre-construction works will generate minimal construction waste. The VTC will require the consultant to fully consider measures to minimise the generation of construction waste and to reuse / recycle construction waste as much as possible in the future implementation of the construction project.

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25. The VTC estimates that the proposed pre-construction works will generate in total about 813 tonnes of construction waste. Of these, we will reuse about 203 tonnes (25%) of inert construction waste on site and deliver 537 tonnes (66%) of inert construction waste to public fill reception facilities for subsequent reuse. The VTC will dispose of the remaining 73 tonnes (9%) of non-inert construction waste at landfills. The total cost for disposal of construction waste at public fill reception facilities and landfill sites is estimated to be \$0.1 million for this project (based on a unit charge rate of \$71 per tonne for disposal at public fill reception facilities and \$200 per tonne at landfills as stipulated in the Waste Disposal (Charges for Disposal of Construction Waste) Regulation (Cap. 354N).

HERITAGE IMPLICATIONS

26. The project will not affect any heritage site, i.e. all declared monuments, proposed monuments, graded historic sites/buildings/structures, sites of archaeological interest, all sites, buildings/structures in the new list of proposed grading items; and government historic sites identified by the Antiquities and Monuments Office.

LAND ACQUISITION

27. We have checked the land requirements of project. According to the location of the boundary of the project site broadly defined by the VTC, land resumption and major land clearance are not required. The project boundary would affect twelve Government land allocations, two short-term tenancies, ten project/deposit/works limits, a right-of-way of another Government land allocation, Wai Yip Street and Wai Lok Street and Cha Kwo Ling Road.

ENERGY CONSERVATION, GREEN AND RECYCLED FEATURES

28. This project may adopt various forms of energy efficient features and renewable energy technologies, in particular –

- (a) heat pump;

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- (b) demand control of supply air; and
- (c) photovoltaic system.

29. For greening features, there may be landscaping and vertical greening features at appropriate areas for environmental and amenity benefits.

30. For recycled features, we will adopt a rainwater harvesting system for landscape irrigation with a view to conserving water.

31. The total estimated cost for adoption of the above features is around \$1.1 million (including \$0.2 million for energy efficient features) which has been included in the cost estimate of this project. The energy efficient features will achieve 10% energy saving in the annual energy consumption with a payback period of about eight years.

BACKGROUND INFORMATION

32. The project scope of the proposed development (i.e. **22EM**) comprises –

- (a) the construction of a new multi-disciplinary campus for the VTC with the total construction floor area of approximately 183 700 m²;
- (b) the construction of a 1.0 hectare (Ha) POS within the site boundary of the VTC campus;
- (c) the construction of a 4.5 Ha POS at the waterfront promenade;

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- (d) the provisioning of basketball courts and re-provisioning of the temporary soccer pitch, which is currently within the proposed project site, in a total of about 8 700 m²;
- (e) the re-provisioning of Wai Lok Street of about 2 000 m² which is currently within the proposed project site; and
- (f) the re-provisioning of the LPG filling station.

The sites and facilities mentioned in items (b) to (e) will be handed over to the Government for management upon completion of the construction works. Upon completion of the site clearance mentioned in item (f) in the pre-construction phase, it will be handed over to the Government for carrying out the construction works of the LPG filling station.

33. The VTC engaged consultants to carry out the impact assessments at a total cost of about \$9.8 million. The services and works provided by the consultants were funded under block allocation **Subhead 8100QX** “Alterations, additions, repairs and improvements to subvented education buildings”. The impact assessments have facilitated the VTC in finalising the project scope and the cost estimate for seeking LegCo’s funding approval.

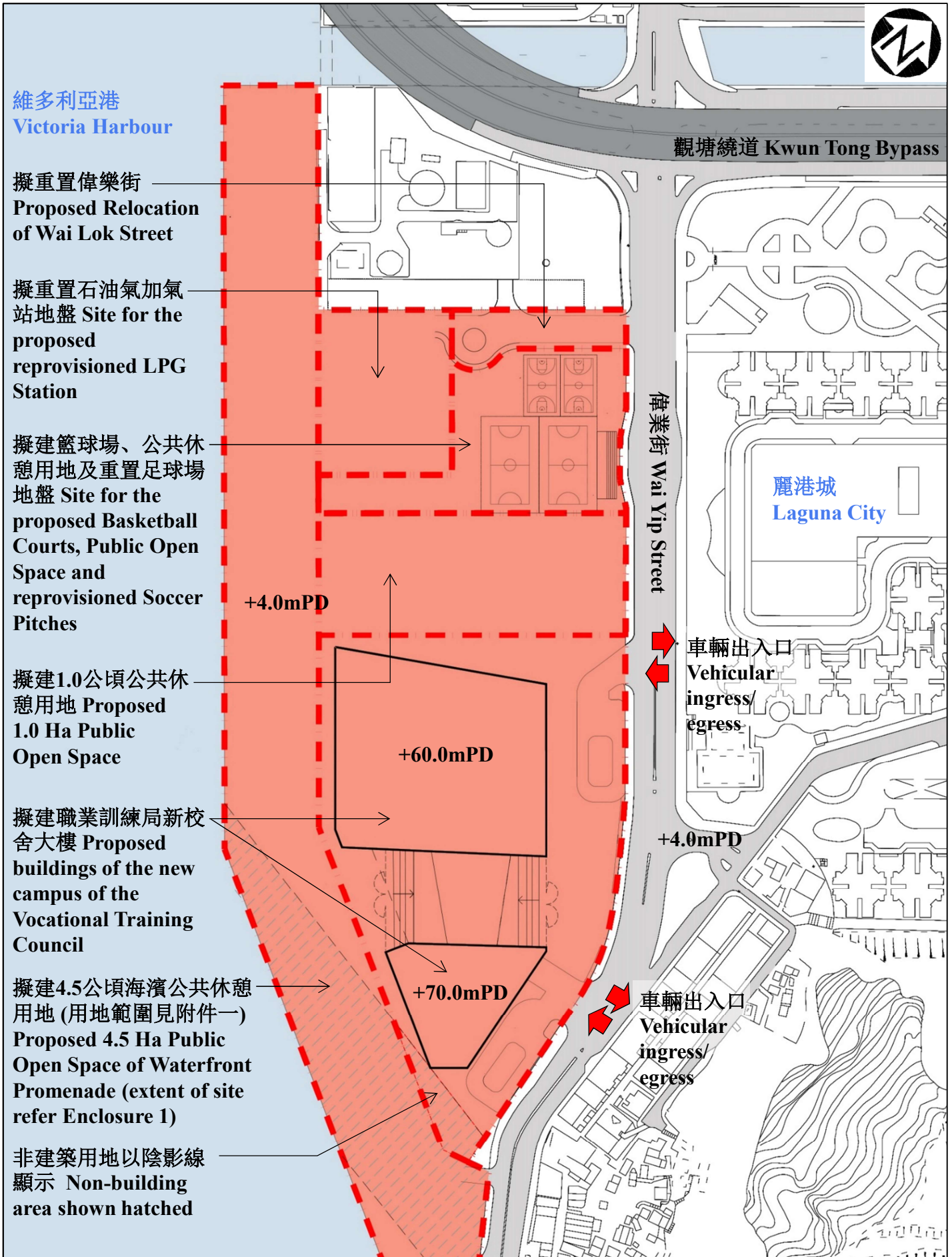
34. The proposed design services and site investigation works will not directly involve any tree removal or planting proposal. However, the site clearance in the pre-construction works stage will directly involve tree removal, either tree felling or transplanting. Upon upgrading the part of **22EM** as **23EM** to Cat A, the VTC will engage consultants to carry out detailed design (including landscape design) for the pre-construction works and main works of the whole project. The VTC will require the consultants to take into consideration the need for tree preservation during the planning and design stage of the project upon completion of tree survey. The VTC will then submit a tree preservation and removal proposal and tree compensatory plan to the Government for approval before the commencement of site clearance and re-provisioning works.

35. The VTC estimates that the proposed pre-construction works will create about 150 jobs (110 for labourers and 40 for professional or technical staff) providing a total employment of 2 300 man-months.

Education Bureau
June 2022



Site Location Plan (Not to Scale) 發展項目位置圖（不按比例）



施工前工程的概念圖 (不按比例) Concept Plan for the Pre-Construction Works (Not to Scale)

22EM (part) – Pre-construction works for the Development of New Campus of Vocational Training Council (VTC) at Kowloon East (Cha Kwo Ling)

**Breakdown of estimates for consultants' fees and resident site staff costs
(in September 2021 prices)**

			Estimated man- months	Average MPS* salary point	Multiplier (Note 1 and 2)	Estimated fee (\$ million)
(a)	Consultants' Fees for design and tender documentation for main works ^(Note 3)	Professional	566	38	2.0	97.2
		Technical	847	14	2.0	51.2
					Sub-total	<hr/> 148.4#
(b)	Consultants' Fees for contract administration ^(Note 3)	Professional	9	38	2.0	1.5
		Technical	13	14	2.0	0.8
					Sub-total	<hr/> 2.3#
(c)	Resident site staff (RSS) costs ^(Note 4)	Professional	-	-	-	-
		Technical	147	14	1.6	7.1
					Sub-total	<hr/> 7.1
Comprising -						
	(i) Consultants' fees for management of RSS					0.4#
	(ii) Remuneration of RSS					6.7#
					Total	<hr/> 157.8

* MPS = Master Pay Scale

Notes

1. A multiplier of 2.0 is applied to the average MPS salary point to estimate the full staff cost including the consultant's overheads and profit as the staff will be employed in the consultants' office (as at now, MPS salary point 38 = \$85,870 per month and MPS salary point 14 = \$30,235 per month.)

2. A multiplier of 1.6 is applied to the average MPS salary point to estimate the cost of RSS supplied by the consultants (as at now, MPS salary point 14 = \$30,235 per month).
3. The actual man-months and actual costs will only be known after consultants have been selected.
4. The actual man-months and actual costs of RSS will only be known after completion of the pre-construction works.

Remarks

The figures in this Enclosure are shown in constant prices to correlate with the MPS salary point of the same year. The figures marked with # are shown in money-of-the-day prices in paragraph 14 of the main paper.