

Legislative Council Panel on Housing Meeting

Public Works Programme Items No. B880CL and B883CL

Site formation and infrastructure works for public housing developments in Eastern District

Supplementary Information

Purpose

At the Legislative Council (LC) Panel on Housing meeting held on 6 May 2024, Members requested the Government to provide supplementary information on the unit costs of soil excavation works, rock excavation works and construction of retaining walls of the two projects **B880CL** “Site formation and infrastructure works for public housing development at A Kung Ngam Village, Eastern” and **B883CL** “Site formation and infrastructure works for public housing development near Chai Wan Swimming Pool, Chai Wan”, and how the relevant costs compared with prevailing market prices. Further to our reply to the Panel on 18 June 2024 (see LC Paper No. CB(1)831/2024(01)), the further response is now provided in the ensuing paragraphs.

Unit Costs of Works Items

2. In the funding applications submitted to the LC Public Works Subcommittee, we will list clearly the public works project proposal, project scope and nature, justifications, financial implications, etc. In addition to the total project cost, the applications will also present a breakdown of the project estimate, the situation of phasing expenditure and the estimated additional recurrent expenditure per year. With a view to providing more information on project cost estimates for Members’ reference when considering the applications concerned, we will list in the funding applications the unit costs of major works items of the proposed public works projects and the unit cost range of works items of other past public projects of similar scale and nature for Members’ information.

3. The Civil Engineering and Development Department has reviewed the returned tender prices for **B880CL** and **B883CL**. The unit cost of site formation works for the two projects is about \$103.4 million and \$92.0 million per hectare (both in September 2024 prices) respectively. These unit costs fall within the

range of about \$86 million to \$143 million per hectare (in September 2024 prices) for other public works projects of similar nature and scale in recent years¹.

4. For the unit costs of the two projects **B880CL** and **B883CL**, after making reference to the returned tender prices for the two projects, the unit costs of the relevant works items (in September 2024 prices) are tabulated as follows.

Works Items	Unit Cost of Works Item for B880CL	Unit Cost of Works Item for B883CL	Unit Cost of Works Item for Other Similar Public Works Projects ¹ in Recent Years
Soil Excavation Works ^{2,3}	\$160/m ³	\$240/m ³	\$150 - \$360/m ³
Rock Excavation Works ^{2,3}	\$830/m ³	\$1,450/m ³	\$800 - \$2,000/m ³
Retaining Walls ⁴	\$604,000/m	\$325,000/m	\$310,000 - \$670,000/m

¹ Including the following relevant public works projects for which funding has been approved by LC Finance Committee – **B848CL** Site formation and infrastructure works for public housing developments at Chak On Road South and Pak Tin Extension, Sham Shui Po in 2023, **7771CL** Site formation and infrastructure works for development of ex-Cha Kwo Ling Kaolin Mine Site (Phase 2) in 2023, **B778CL** Site formation and infrastructure works for public housing developments at Chung Nga Road and Area 9, Tai Po – Phase 2 in 2023, **B811CL** Site formation and infrastructure works for public housing developments at Tuen Mun Central – Phase 2 in 2023, etc.

² Including works such as land clearance, excavation, waste disposal, land decontamination (if applicable), etc.

³ For the works items of soil and rock excavation works, due to the site constraints of **B883CL**, the contractor has to use San Ha Street as the only access point, while the contractor of **B880CL** can use both A Kung Ngam Road and Island Eastern Corridor as the site accesses after completion of the land resumption works. In addition, as the soil condition in part of the site area of **B883CL** is relatively weak, the contractor of **B883CL** will have to carry out the excavation by phases so as to minimise the impact on existing slopes. Hence, the unit cost for excavation works in **B883CL** is relatively higher than that in **B880CL**.

⁴ For the works item of retaining wall, due to the difference of topographical conditions of the two projects, about 30% of the retaining walls in **B880CL** are soldier pile walls, which involves more complicated construction works, with a maximum supporting height of about 8m, while most retaining walls in **B883CL** are relatively simple mass concrete walls and therefore, the unit cost of **B883CL** is relatively lower.

5. As the unit costs of individual sub-works items for different public works projects vary due to various factors, including different site conditions, on-site constraints, works scale, the tender strategies of bidders, etc., it is difficult to make direct comparison. Nevertheless, as shown in the table above, the unit costs of soil excavation works, rock excavation works and retaining walls of the two projects **B880CL** and **B883CL** fall within the range of unit costs of works items for other similar public works projects in recent years. Therefore, we consider that the costs of the two projects **B880CL** and **B883CL** are reasonable.

Housing Bureau
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