

**For discussion
on 10 January 2001**

PWSC(2000-01)82

ITEM FOR PUBLIC WORKS SUBCOMMITTEE OF FINANCE COMMITTEE

HEAD 708 - CAPITAL SUBVENTIONS AND MAJOR SYSTEMS AND EQUIPMENT

Medical Subventions

3MG - Relocation of the Accident and Emergency Department of Tang Shiu Kin Hospital to Ruttonjee Hospital

Members are invited to recommend to Finance Committee the approval of a new commitment of \$153.53 million in money-of-the-day prices for the relocation of the Accident and Emergency Department of Tang Shiu Kin Hospital to Ruttonjee Hospital.

PROBLEM

Tang Shiu Kin Hospital (TSKH) lacks diagnostic and treatment facilities to provide critical care to patients admitted through its Accident and Emergency (A&E) Department. The provision of ambulatory care services in Wan Chai District is scattered over various locations and is far from being efficient in the delivery of health care services.

PROPOSAL

2. The Secretary for Health and Welfare proposes to create a commitment of \$153.53 million in money-of-the-day (MOD) prices to relocate the A&E Department of TSKH to Ruttonjee Hospital (RH) and to commence work in relation to the rationalisation of ambulatory care services in Wan Chai District.

/PROJECT

PROJECT SCOPE AND NATURE

3. The scope of the project comprises the construction of a new wing (in the form of three additional floors on top of the podium of RH) as well as conversion works in RH to cater for the following -

- (a) relocation of the A&E Department and associated X-ray facilities from TSKH to Ground Floor of RH;
- (b) consequential relocation of departments in RH displaced by the relocation of TSKH's A&E Department to RH;
- (c) relocation of allied health departments (including departments relocated from TSKH and merged with those of RH) to the new wing; and
- (d) expansion of the Specialist Out-patient (SOP) services as well as Pharmacy of RH.

A location map and the cross-sectional plans of RH before and after the relocation works are at Enclosures 1 to 3 respectively. The construction works will start in March 2001 with a view to completion by April 2003.

JUSTIFICATION

Rationalisation Programme

4. There are a total of nine hospital and out-patient facilities within the Hong Kong East cluster. Five of these facilities (namely, RH, TSKH, Tang Chi Ngong Specialist Clinic (TCNSC), Tung Wah Eastern Hospital and Southorn Centre (SC)) are located in Wan Chai District. Given their proximity, there is room for merging and consolidating the facilities in Wan Chai for more efficient use of resources. The proposed relocation of the A&E Department of TSKH to RH is part and parcel of this rationalisation programme.

Relocation of the Accident and Emergency Department to Ruttonjee Hospital

5. At present, the A&E Department of TSKH provides emergency and acute medical services to the community in Central, Wan Chai and Causeway Bay areas. Due to lack of diagnostic and treatment facilities, TSKH cannot provide critical care to patients admitted through its stand-alone A&E Department. Where hospital admissions are required, patients have to be transported to other hospitals by ambulance, mainly (about 80%) to the neighbouring RH. The transportation process (including waiting time for ambulance plus transport time) normally takes

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about an hour. Such an arrangement not only raises concerns about possible delay in providing medical treatment to patients, but also poses considerable inconvenience to patients and their relatives. At a meeting of the Community Building Committee of the Wan Chai District Board held on 29 October 1996, Committee members expressed concern about the possible delay of treatment under the existing arrangement and requested that an A&E Department be set up in RH.

6. We consider it desirable for an A&E Department to be backed up by in-patient support on-site. The anomaly at TSKH should be rectified. Both RH and TSKH are located in convenient and accessible locations in Wan Chai. Taking into account the rationalisation programme in Wan Chai District and the relative strengths of TSKH and RH as a health care provider, we propose to relocate the A&E Department of TSKH to RH. Upon relocation, the new A&E Department will be supported by in-situ in-patient, diagnostic and treatment facilities, thus providing better medical care to patients. It will also be equipped with the necessary ancillary facilities to enhance its service quality and disaster handling capacity.

Consequential Relocations within Ruttonjee Hospital

7. An A&E Department, for operational reasons, should be located on the Ground Floor of a hospital to enable easy access by patients transported by ambulance or other modes of transport to the A&E Department. At present, the Health Resource Centre, Medical Records Department, Physiotherapy Department and Occupational Therapy Department are located on the Ground Floor of RH. These departments have to be relocated elsewhere within RH to make way for the relocation of the A&E Department from TSKH.

Relocation of Allied Health Departments to Ruttonjee Hospital

8. To consolidate the provision of in-patient services at TSKH and RH, 88 in-patient beds were relocated from TSKH to RH in October 1999. The consequential relocation of related in-patient allied health departments (namely Physiotherapy, Occupational Therapy, Prosthetics and Orthotics and Speech Therapy) from TSKH to RH cannot proceed without additional space provisions in RH. That apart, the service demand for allied health services at RH has been on the rise¹, necessitating expansion of its allied health departments.

/Expansion

¹ In 1999, allied health attendances at RH amounted to 148 887, registering a 52% increase over such attendances in 1995.

Expansion of Specialist Out-patient Services and Pharmacy of Ruttonjee Hospital

9. The existing SOP Department and Pharmacy in RH are grossly inadequate in terms of space, design and equipment provisions to meet the service requirements. The situation was further aggravated when as part of the rationalisation programme, RH took over the medical and surgical SOP services provided by Queen Mary Hospital at TCNSC in April 2000. The SOP Department and Pharmacy of RH need to be expanded to cope with increase in service demand² as well as anticipated further increase in service demand arising from the relocation of TSKH's A&E Department to RH. We therefore propose to expand the SOP Department in RH by increasing the number of consultation rooms from 13 to 22, and to expand the Pharmacy.

FINANCIAL IMPLICATIONS

10. The Hospital Authority (HA), in consultation with the Director of Architectural Services, estimates the total project cost to be \$158.53 million in MOD prices (see paragraph 12 below). A detailed breakdown is as follows –

	\$million	
(a) Demolition	5.40	
(b) Building	64.19	
(c) Building services	43.27	
(d) Consultant fees for	8.15	
(i) contract administration	5.01	
(ii) site supervision	3.14	
(e) Furniture and equipment	17.64	
(f) Contingencies	11.29	
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Sub-total	149.94	(in September 2000 prices)
(g) Provision for price adjustment	8.59	
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Total	158.53	(in MOD prices)
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² SOP attendances in RH amounted to 78 840 in 1999, almost double that in 1995. In 1999, TCNSC handled 34 077 medical and surgical SOP attendances.

The construction floor area of the project is 7 885 square metres. The construction unit cost, represented by building and building services costs, is \$13,628 per square metre in September 2000 prices. A breakdown by man-months of the estimates for consultant fees is at Enclosure 4.

11. The parent organisation of RH, the Hong Kong Tuberculosis, Chest and Heart Diseases Association (the Association), has undertaken to contribute \$5 million towards the capital cost of the project, which amounts to 3.2% of the total project cost in MOD prices. The proposed amount is lower than the usual 20% contribution required from subvented organisations in similar projects. Given that the Association has tried its utmost to secure private funding and that the proposed project will result in improved hospital services for the community, we accept that the Government's commitment be set at a percentage higher than the usual 80%. We therefore propose a commitment of \$153.53 million (in MOD prices) for this project, calculated as follows -

	\$ million	
(a) Total capital cost	158.53	
(b) Contribution from the Association	(5.00)	
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Commitment sought	153.53	(in MOD prices)
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12. Subject to Members' approval, HA will phase the expenditure as follows -

Year	\$ million (Sept 2000)	Price adjustment factor	\$ million (MOD)
2001 – 02	40.00	1.02550	41.02
2002 – 03	80.00	1.05627	84.50
2003 – 04	16.40	1.08795	17.84
2004 – 05	13.54	1.12059	15.17
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	149.94		158.53
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13. We derived the MOD estimate on the basis of Government's latest forecast of trend labour and construction prices for the period 2001 to 2005. HA will engage professional consultants for contract administration through competitive bidding in line with prevailing government procedures. The competitive bidding will be carried out on the basis of fixed-price lump sum fees. HA will tender the contract for the superstructure works under a fixed-price lump-sum contract.

14. We estimate the net additional annual recurrent expenditure arising from the project to be \$4.34 million, which will be met from the HA's existing resources.

PUBLIC CONSULTATION

15. HA briefed the then Wan Chai Provisional District Board on the proposed relocation of the A&E Department of TSKH to RH on 19 May 1998. The Wan Chai District Council was updated on progress relating to the proposed relocation on 16 May 2000. Members did not raise any objections to the proposal on either occasion.

16. We circulated a paper on the proposal to the LegCo Panel on Health Services in early December 2000. Members had no adverse comments on the project.

ENVIRONMENTAL IMPLICATIONS

17. The consultant engaged by HA completed a Preliminary Environmental Review (PER) of the project in February 1998. The PER concluded and the Director of Environmental Protection agreed that the project will not cause long-term environmental impacts and that an Environmental Impact Assessment is not necessary. For short term impacts relating to the construction and building works, HA will control noise, dust and site run-off nuisances within the established standards and guidelines through the implementation of mitigation measures in the relevant works contracts.

18. HA has considered ways to reduce the generation of construction and demolition (C&D) materials as much as possible, and estimates that about 1 000 cubic metres (m³) of C&D materials will be generated under this project. Of these, 800 m³ (80%) will be reused as fill in public filling areas³, and 200 m³ (20%) will be
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³ A public filling area is a designated part of a development project that accepts public fill for reclamation purposes. Disposal of public fill in a public filling area requires a licence issued by the Director of Civil Engineering.

disposed of at landfills. HA will require the contractor to submit a waste management plan to HA's project consultants for approval with appropriate mitigation measures including allocation of an area for waste segregation. HA will ensure that the day-to-day operations on site comply with the approved plan. HA will require the contractor to reuse excavated material on site or on other construction sites as filling materials as far as possible to minimise the disposal of public fill. To further minimise the generation of C&D materials, HA will require the contractor to use metal hoarding, to separate public fill from C&D waste for disposal at appropriate locations and to sort the C&D materials by category on site to facilitate reuse/recycling. HA will control the disposal of public fill and C&D waste to designated public filling facilities and landfills respectively through a trip ticket system, and record the disposal, reuse and re-cycling of C&D materials for monitoring purposes.

LAND ACQUISITION

19. This project does not require land acquisition.

BACKGROUND INFORMATION

20. TSKH runs an A&E Department and provides allied health services (including Speech Therapy, Prosthetics and Orthotics, Physiotherapy and Occupational Therapy) to the community.

21. RH is an acute general hospital with 599 beds. It provides a wide spectrum of in-patient and ambulatory services. Its clinical specialties include medicine, respiratory medicine, surgery and orthopaedics. It also provides comprehensive geriatric care by running a day hospital, an SOP clinic and community geriatric assessment services.

22. HA engaged consultants to carry out site investigation and detailed design work for the proposed project in March 2000. We funded the consultancy fee, which is in the region of \$10.06 million, under block allocation **Subhead 8100MX** "Hospital Authority - improvement works, feasibility studies, investigations and pre-contract consultancy services for building projects". The site investigation and detailed design work have been substantially completed.

23. We estimate that the proposed project will create some 235 new jobs, comprising 10 professional staff, 25 technical staff and 200 labourers.

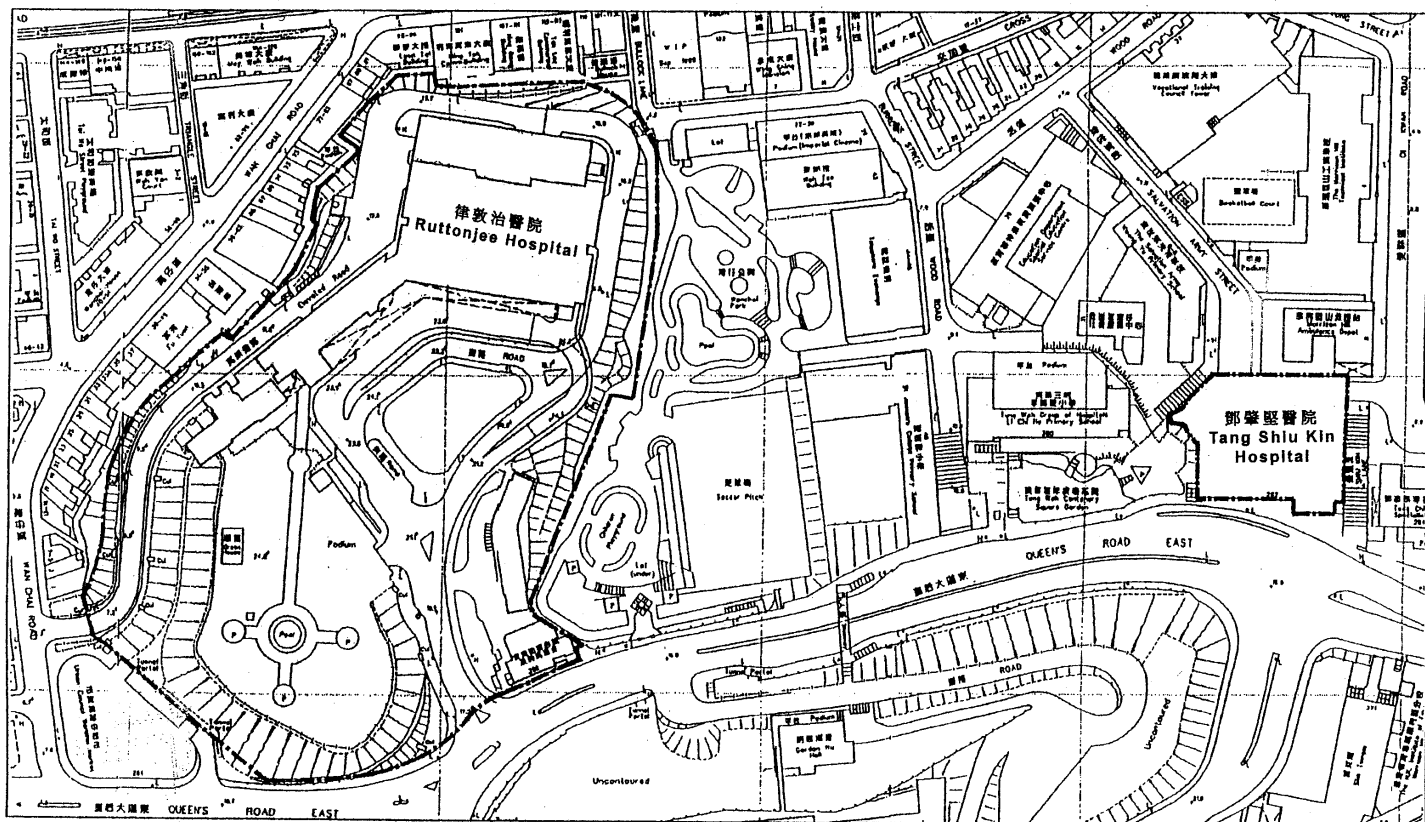
24. We upgraded **3MG** to Category B on 3 September 1998. We announced our plan to rationalise the services provided at TSKH, RH and TCNSC in the 1999 Policy Address.

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25. As a separate but related project under the rationalisation programme referred to in paragraph 4 above, HA will remodel TSKH into an ambulatory care centre by consolidating the ambulatory care services at RH, TSKH, TCNSC and SC, and introducing additional services (including the establishment of a Rehabilitation Centre and an Integrated Clinic) to strengthen the ambulatory care focus of TSKH. As part of this project, the Geriatric Day Hospital and its associated allied health service in RH will be relocated to TSKH upon relocation of TSKH's A&E Department to RH. A separate funding request will be put up for Members' consideration in due course.

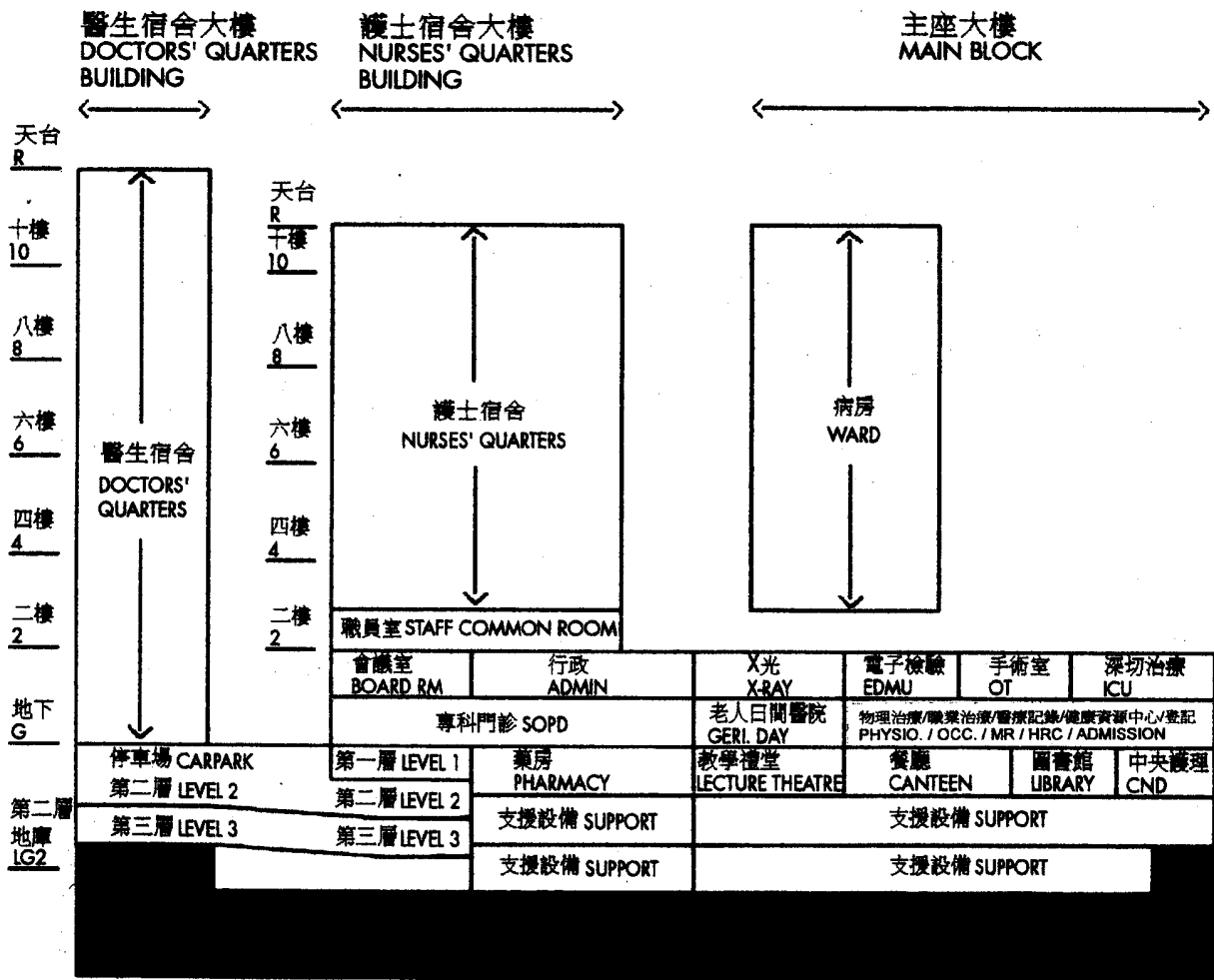
Health and Welfare Bureau
December 2000

(PWSC0331/WIN14)

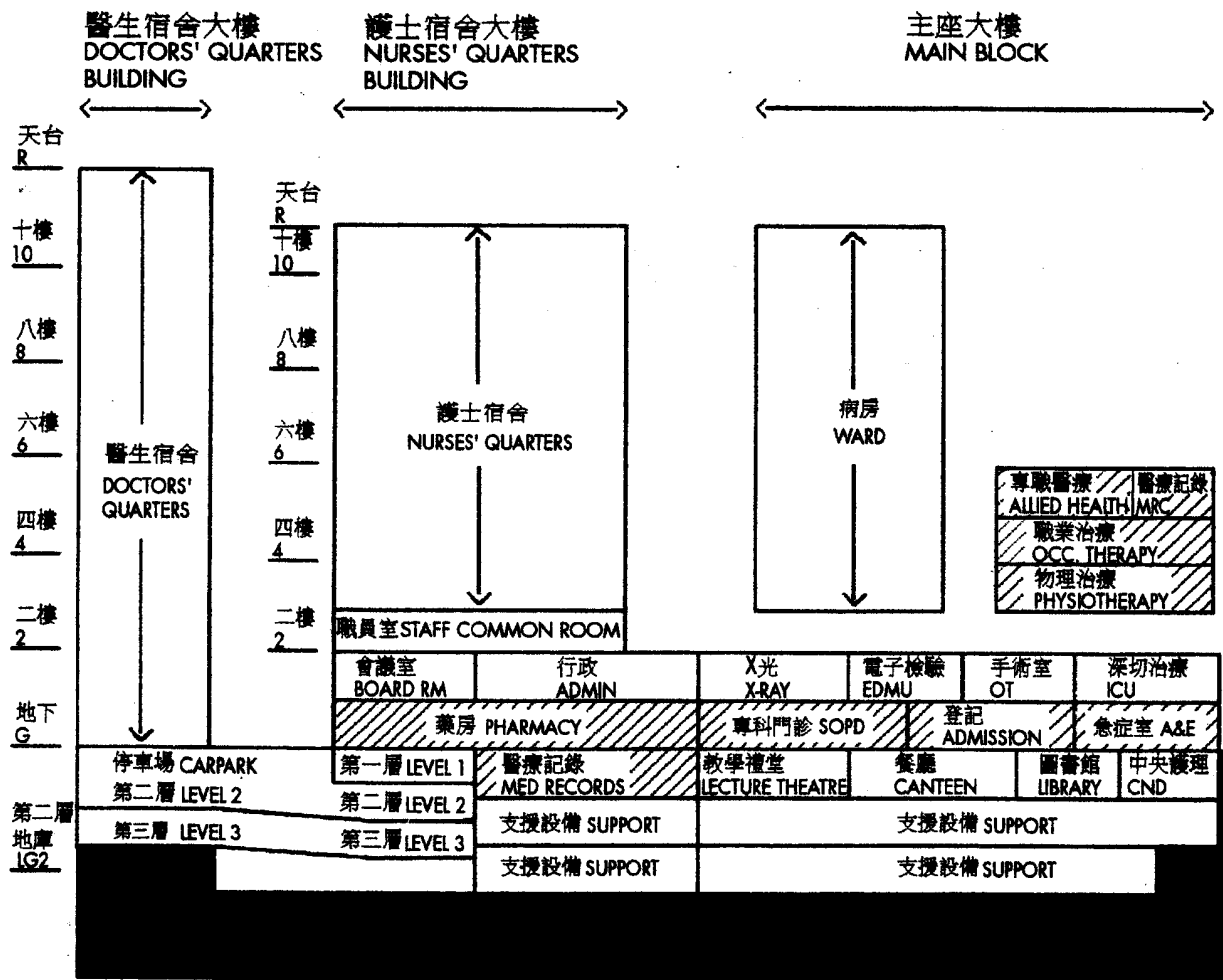


A MAP SHOWING THE EXISTING LOCATION OF TANG SHU KIN HOSPITAL & RUTTONJEE HOSPITAL (N.T.S)

鄧肇堅醫院及律教治醫院現址圖 (不按比例)



律敦治醫院現時部門的橫剖圖
CROSS-SECTIONAL PLAN FOR EXISTING DEPARTMENTS IN RUTTONJEE HOSPITAL



律敦治醫院將來部門的橫剖圖
CROSS-SECTIONAL PLAN FOR FUTURE DEPARTMENTS IN RUTTONJEE HOSPITAL

擴建及改建範圍
A&A WORK AREA

Enclosure 4 to PWSC(2000-01)82

**3MG - Relocation of the Accident and Emergency Department
of Tang Shiu Kin Hospital to Ruttonjee Hospital**

Breakdown of estimates for consultant fees

Category of works/items			Estimated man- months	Average MPS* salary point	Multiplier factor	Estimated fee (\$ million)
Contract administration						
(a)	Architectural discipline	Professional	6.6	38	2.4	0.91
		Technical	20.0	14	2.4	0.91
(b)	Building services discipline	Professional	6.2	38	2.4	0.86
		Technical	18.5	14	2.4	0.85
(c)	Structural engineering discipline	Professional	0.6	38	2.4	0.08
		Technical	5.6	14	2.4	0.26
(d)	Quantity surveying discipline	Professional	4.0	38	2.4	0.55
		Technical	13.0	14	2.4	0.59
					Sub-total	5.01
Site supervision		Technical	97.0	14	1.7	3.14
					Sub-total	3.14
Total consultants' staff costs						8.15

* MPS = Master Pay Scale

Notes

1. A multiplier factor of 2.4 is applied to the average MPS point to arrive at the full staff costs for the staff employed by the consultants. The staff costs include the consultants' overheads and profit. (As at 1 April 2000, MPS point 38 = \$57,525 per month and MPS point 14 = \$19,055 per month). A multiplier factor of 1.7 is applied in the case of site staff supplied by the consultant.

2. The figures given above are based on estimates prepared by the Director of Architectural Services and the Hospital Authority. The actual man-months and actual fees will only be available upon selection of the consultants through a competitive bidding system.

(PWSC0331/WIN14)