

Legislative Council Panel on Welfare Service

**The Construction of two Rehabilitation Complexes
at the Lai King Headland
and Ex-staff quarters site of the Castle Peak Hospital,
and provision of temporary Long Stay Care places
at the Lai Chi Kok Hospital**

Purpose

The purpose of this paper is to inform Members of plans to –

- (a) develop two purpose-built rehabilitation complexes at the Lai King Headland and ex-staff quarters site of the Castle Peak Hospital; and
- (b) provide, on a temporary basis, 400 long stay care places at the Lai Chi Kok Hospital pending completion of the two rehabilitation complexes.

Background

2. We have secured the two captioned sites to develop purpose-built facilities to meet the needs of the disabled for day and residential services. Purpose-built rehabilitation complex has the advantages of overcoming difficulties in incorporating such facilities in public housing estates and private developments due to local sensitivity regarding such services and optimising use of resources through sharing common support services. Location maps showing the two sites are at Annex 1 and 2 respectively. A summary of the existing and planned provision and the waiting list of the various types of rehabilitation services is at Annex 3. The planned provision of additional rehabilitation services at the two complexes would help to meet part of the demand for services.

3. The Director of Architectural Services has completed a preliminary project feasibility study on each project. The Study Reports confirm the viability of the Lai King and Castle Peak projects with an indicative hand-over date of January and August 2004 respectively. The Government would retain ownership of the land and premises concerned with the management being entrusted to a non-government organisation to be selected through an open process.

4. There are 1 378 applicants on the waiting list for long stay care (LSC) places, including 854 chronic mentally-ill persons who are at present receiving care in various public psychiatric hospitals. Pending the construction and commissioning of the LSC Homes in the two new complexes, and taking advantage of the Lai Chi Kok Hospital (LCKH) premises¹ which are considered suitable for operating as LSC facilities, we have secured the co-operation of the Hospital Authority (HA) to establish 400 temporary LSC places at its LCKH to facilitate earlier provision of services to the chronic mentally-ill persons. A location map of the LCKH is at Annex 4.

Details of the Projects

The two rehabilitation projects

5. The sites at the Lai King Headland and ex-staff quarters of Castle Peak Hospital are 3 719m² and 4 194m² respectively. We will construct a 7-storeyed and 9-storeyed building at the two sites respectively, to provide accommodation for the following facilities –

Facility	No. of Unit	Total Capacity
<u>Lai King Headland</u>		
- Long Stay Care Home	2	400
- Halfway House	2	80
- Sheltered Workshop	1	120

¹ Arising from a review of the psychiatric service, the HA has plans to rationalise inpatient psychiatric service and enhance community service which will result in returning the LCKH premises to government.

Ex-staff quarters site of Castle Peak Hospital

- Long Stay Care Home	2	400
- Halfway House	2	80
- Hostel for Severely Mentally Handicapped	2	100
- Day Activity Centre	2	100
- Hostel for Moderately Mentally Handicapped	2	100
- Sheltered Workshop	1	120

6. The Director of Architectural Services will manage both projects, from inception and design through tender documentation and subsequent supervision of construction works. Both will be fast-track developments with commencement and completion dates as follows-

Project	Commencement Date	Completion Date
Lai King Headland	May 2002	January 2004
Ex-staff quarters site at Castle Peak Hospital	February 2002	August 2004

7. We have consulted the Kwai Tsing District Council on the Lai King Headland project which the Council supported. We plan to consult the Tuen Mun District Council on the project at the ex-staff quarters site of the Castle Peak Hospital project on 9 January 2001. We do not expect adverse reaction from the Tuen Mun District Council and the local community.

Temporary Long Stay Care places at Lai Chi Kok Hospital

8. The LCKH is a public hospital administered and managed by the HA. It is spread over an extensive area with about 20 single or two-storeyed buildings scattered over a terraced slope. Pursuant to a review of its psychiatric service, the HA has plans to release the LCKH premises. In the normal event, the premises will be returned to the Government Property Agency for alternative use or demolition. Through discussions with HA, we consider it most appropriate to establish LSC places on a temporary basis at these premises. Given its temporary nature and to ensure a smooth transition from a psychiatric hospital to LSC places, we have invited and the HA has agreed to provide 400 temporary LSC places in the LCKH.

9. The operation of the temporary LSC places in LCKH will be subvented by SWD, with the HA taking up the management work. For the latter purpose, the HA proposes to set up a subsidiary company as provided for under the Hospital Authority Ordinance to ensure clear delineation of accountability, and facilitate the management of the LSC places according to SWD's subvention provision and requirements. The management and operation of the temporary LSC places will be governed by a Funding and Service Agreement (FSA) to be signed between SWD and HA. The FSA is similar to all FSAs signed between SWD and other NGOs and funding to HA will be in a lump sum grant mode. A Board with nominated directors from the HA and SWD will oversee the operation of the company.

10. Admission to the temporary LSC places at LCKH will be in two phases. Phase I admission scheduled for March 2001 would accept 200 applicants on SWD's waiting list for LSC places and who are currently staying in the LCKH. It will be followed by a gradual process of admission of patients from our Central Waiting List, many of whom require rehabilitation in a LSC setting. The admission to 400 places is scheduled to be completed by August 2001. These temporary LSC places will be closed down and the residents would be transferred to the new rehabilitation complexes upon their commissioning in 2004. We will decide on whether these temporary places should be transferred to the new facility at the Lai King Headland or the ex-staff quarters site of the Castle Peak Hospital in the light of the works progress.

Funding Arrangement

The two rehabilitation projects

11. The total capital cost of the two rehabilitation projects as at December 1999 price levels is estimated at \$551 million. This will be met from the Lotteries Fund. A breakdown is as follows –

Item	Lai King Headland	Ex-staff quarters site of Castle Peak Hospital
	(\$)	(\$)
Construction and fitting-out	196,416,000	338,519,000
Furniture and equipment	6,820,000	9,720,000
	203,236,000	348,239,000
Total cost		551,475,000

The estimated annual operating costs of these two complexes are \$56 million and \$85 million respectively.

Temporary LSC places at the LCKH

12. The estimated annual subvention for a 400-place LSC home is \$34.5 million excluding rent and rates subsidy to be met on an actual reimbursement basis. We have obtained Finance Bureau's agreement to make available recurrent subvention for the 400 LSC places for setting up the temporary LSC places at LCKH in advance of the completion of the capital projects, having regard to the acute shortfall of this service.

13. In order to provide a home-like environment for the social rehabilitation of chronic mental patients, we will also provide \$2,180,000 for HA to meet the costs of replacement and additional furniture and equipment at its LCKH.

14. We have obtained the endorsement of the Subventions and Lotteries Fund Advisory Committee for the two projects to be financed from the Lotteries Fund and for the grant of \$2,180,000 for the procurement of furniture and equipment for the temporary LSC places at LCKH. An early submission to Finance Committee will enable us to develop these two projects in a fast-track manner.

15. Since the recurrent expenditure of both projects exceeds \$10 million per year, in line with the established convention, we will shortly seek Finance Committee's approval to implement the two projects.

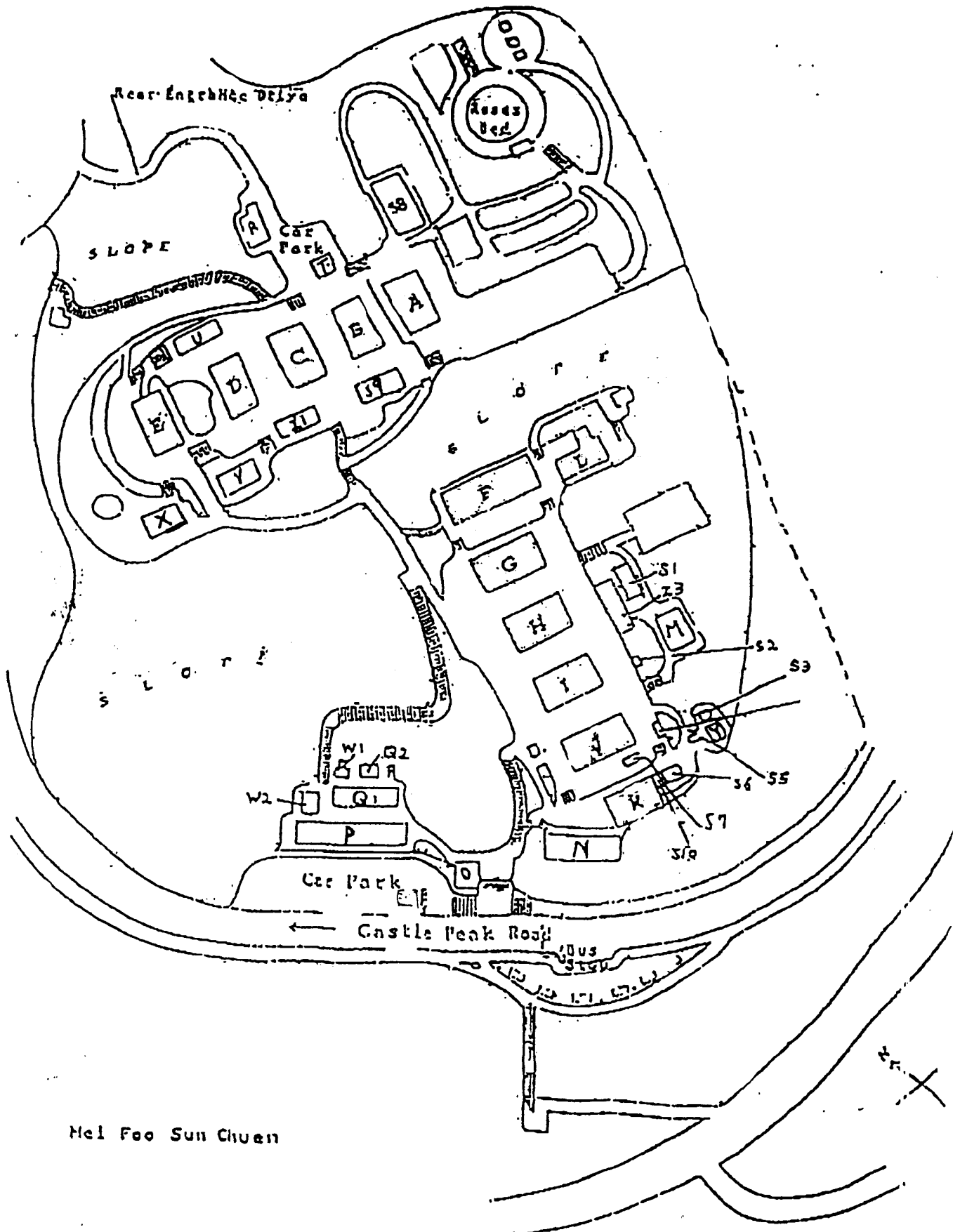
Annex 3

**Summary of Existing and Planned Provision
and Waiting List for Rehabilitation Services**

Service	Existing provision as at Nov 2000	Number of Waitlistees as at Nov 2000	Planned provision with secured funds (Note¹)
Long Stay Care Home	570	1 378	800
Halfway House	1 307	369	200
Hostel for Moderately Mentally Handicapped	1 544	1 260	650
Day Activity Centre	3 526	913	160
Hostel for Severely Mentally Handicapped	2 355	1 595	250
Sheltered Workshop	6 795	1 543	1 300

Note¹ The planned provision with secured funds include the proposed services planned at Lai King Headland and Castle Peak Hospital ex-staff Quarters.

Bird's-eye View of Lai Chi Kok Hospital
(1.4.1995)



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