

ITEM FOR FINANCE COMMITTEE

LOTTERIES FUND HEAD 341 - NON-RECURRENT GRANTS

Members are invited to approve –

- (a) an allocation of \$32,017,000 for converting and fitting out the soon to be vacated premises of the Fanling Hospital into a new facility providing rehabilitation services for people with disabilities; and
- (b) an allocation of \$3,145,000 to meet the cost of furniture and equipment for the rehabilitation facility.

PROBLEM

There are inadequate day and residential services for people with disabilities.

PROPOSAL

2. The Director of Social Welfare, with the support of the Lotteries Fund Advisory Committee (LFAC), proposes to allocate from the Lotteries Fund (LF) –

- (a) \$32,017,000 to the future operator yet to be identified to meet the cost of the conversion and fitting out works for a new rehabilitation facility to be set up in the soon to be vacated premises of the Fanling Hospital; and

/(b)

- (b) \$3,145,000 to the operator to meet the cost of furniture and equipment (F&E) for the new rehabilitation facility.

JUSTIFICATION

3. A considerable number of people with disabilities are in need of day and/or residential services to support their daily living and re-integration into society. In a package of measures announced in the 2001-02 Budget to provide better care for people with disabilities, the Administration is committed to providing, in addition to those pledged previously, an extra 1 000 residential places and 1 387 day places over the next five years to address present service shortfall and waiting time. As at end March 2002, 350 residential and 872 day places under the above mentioned pledged programme have already been provided. Another 400 residential and 365 day places will be provided through various projects in the pipeline. The additional services to be provided in this proposed project will make up in part the outstanding requirements in the expansion programme on day and residential facilities.

4. The Fanling Hospital situated at Ling Shan Road, Fanling, is a public hospital administered and managed by the Hospital Authority (HA). Following a review on the provision of medical services in the northern part of the New Territories, HA considered that in-patient care should be provided in the North District Hospital. Accordingly, HA has transferred all in-patients in Fanling Hospital to the North District Hospital in January 2001 and Fanling Hospital will be de-gazetted as a public hospital under the HA Ordinance. The general out-patient clinic currently housed in Fanling Hospital will also be relocated to the new Fanling Primary Health Care Centre by October 2002.

5. The Social Welfare Department (SWD) has liaised with HA on taking over the premises of the Fanling Hospital and to convert these into a rehabilitation facility for people with disabilities after the vacation of all hospital and health services from the hospital. The HA has agreed to return the site and premises to the Government. We consider making use of vacant hospital premises a timely and cost-effective way to provide day and residential facilities for people with disabilities. The Fanling Hospital, with its low-rise buildings in good conditions, located in a relatively quiet environment and accessible by public transport, is considered very suitable for provision of rehabilitation service. A map of Fanling Hospital is at Enclosure 1.

Encl.1

6. Fanling Hospital has a total floor area of 4 062 m², spreading over two blocks, two staff quarters and a pharmacy extension. This space will be fully utilised to provide the following services –

<u>Existing Structure</u>	<u>New Facility</u>	<u>Capacity</u>
High Block	Care and Attention Home for Severely Disabled Persons (C&A/SD)	50
	Hostel for Moderately Mentally Handicapped Persons (HMMH)	30
Low Block	Day Activity Centre (DAC)	60
	Hostel for Severely Mentally Handicapped Persons (HSMH)	60
Staff Quarters	Home-based Training and Support (HBTS) Team	80
	Central Administration Office	
	Staff Barrack/Changing Rooms	
Pharmacy Extension	Multi-purpose Activity Room / Community Support and Resource Centre	
	Central Building Service Facilities of Switch Room and Transformer Room	

Co-location of these services will offer the opportunity for service integration, shared use of common support facilities and promote the concept of continuum of care for service users. A brief description of the proposed services and the present Encls. 2&3 provision and waiting lists for these services are at Enclosures 2 and 3 respectively.

7. The provision of 60 day and 140 residential places in the proposed facility will contribute to the pledged expansion programme mentioned in paragraph 3 above. Taking into account all projects in the pipeline, the planned total additional provision in these relevant services since 2001-02 will be as follows –

	2001-02	2002-03	2003-04 to 2006-07	Total
C&A/SD	110	0	300	410
HMMH	84	50	300	434
HSMH	110	105	620	835
DAC	172	135	610	917

8. The home-based training and support team included in this project will contribute to the 2001 Policy Address initiative to expand existing home-based training teams from five to 18 to provide better support to people with disabilities staying in the community. In line with promotion of community-based service, some facilities in the premises such as the multi-purpose activity room / community support and resource centre would be used for providing various kinds of support services or group activities to families of people with disabilities living in the district.

9. The proposed rehabilitation facility is targeted to commence service in 2003-04. Under the revised framework for allocating new social welfare service units, the operation of this facility will be allocated through a competitive quality-based system with Non-governmental Organisations (NGOs) being invited to submit proposals. SWD will look for innovation in service mode and value added services for users and the community in evaluating the proposals received. To allow ample time for the selected operator to fit out the premises and prepare for operation, SWD will invite NGOs to submit proposals for operation in July 2002.

/FINANCIAL

FINANCIAL IMPLICATIONS

10. The cost for converting and fitting out the Fanling Hospital for use as a rehabilitation facility is estimated to be \$32,017,000, broken down as follows –

	Estimated Cost \$'000
(a) Demolition	748
(b) Builders' works in connection with conversion/modification to internal layout of premises, including wall/floor/ceiling upgrades and related plumbing and drainage works	12,704
(c) Building services installations, including upgrading and replacement of fire services, mechanical ventilation and air-conditioning and electrical system; provision of dumb waiter, kitchen and laundry equipment	11,951
(d) Contingencies	2,540
(e) Professional fee	2,794
(f) Lithography charges, including document/drawing printing charges	280
(g) Sum for asbestos removal work and related consultancy fees and charges	1,000
Total	<u>32,017</u>

11. An allocation of \$3,145,000 is also required to meet the capital cost of F&E for the services. The costs of F&E are calculated on the basis of the planned capacity, the standard provision of F&E for C&A/SD, HSMH, HMMH and DAC and essential F&E provision for setting up an office for HBTS Team and the multi-purpose activity room/community support and resource centre.

12. An estimated annual subvention of about \$20.58 million on a full year basis excluding reimbursement of rates will be required, made up as follows –

	Estimated Annual Subvention \$'000
(a) Personal Emoluments	19,437
(b) Other Charges	3,754
Sub-total	<u>23,191</u>
Less Income from users' fees	2,604
Total Subvention Required	<u>20,587</u>
Say	<u><u>20,580</u></u>

The estimate is based on a notional staffing of 101 professional, care and ancillary staff. The subvention will, however, be disbursed in a lump sum mode to give the operator greater flexibility in resource deployment. Sufficient provision for the subvention will be included under Head 170 Social Welfare Department Subhead 411 Social welfare services (grants) in the 2003-04 draft Estimates.

BACKGROUND INFORMATION

13. The HA has agreed to return the site and premises to the Government to facilitate the proposed project. The SWD is applying for formal allocation of the site from the Lands Department for converting the hospital buildings into a new rehabilitation facility. The Lands Department has circulated the proposal to concerned departments for comments. No adverse comments have been received and the site will be allocated to SWD upon completion of the formalities.

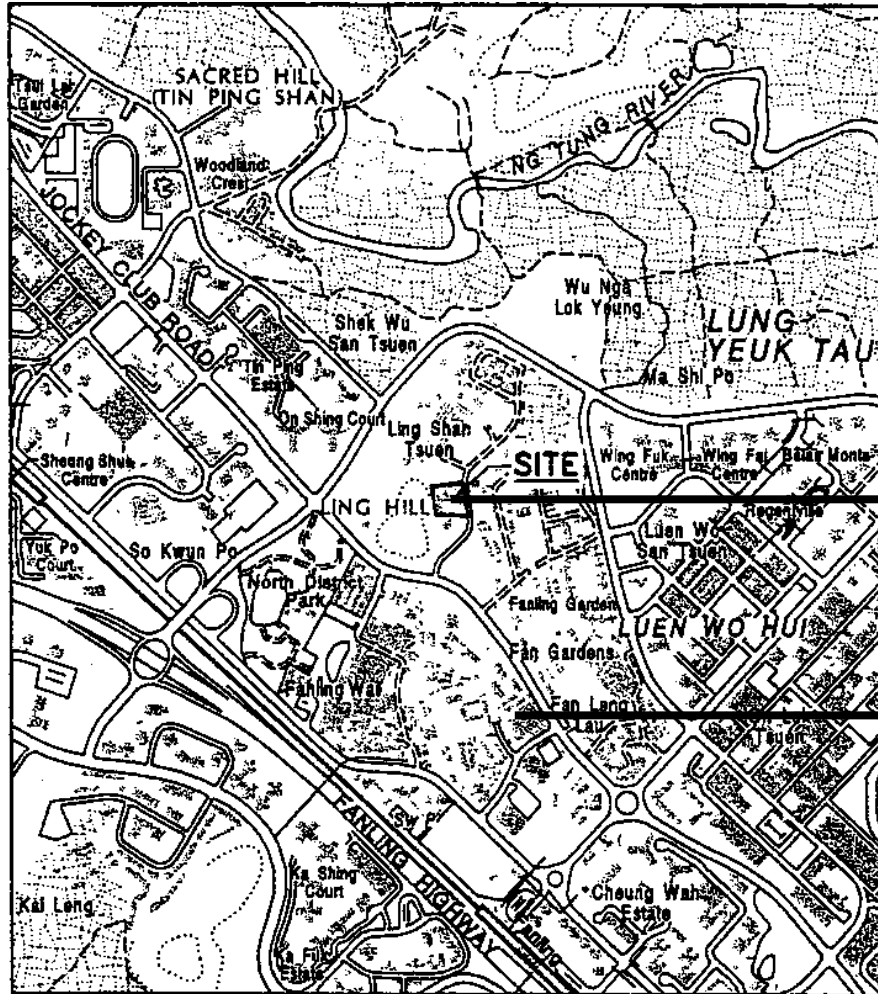
14. The planned conversion project at Fanling Hospital does not involve any significant change in the scope of service and therefore will not cause particular environmental concern. For short term construction impact, appropriate pollution control clauses will be incorporated in the relevant contracts to mitigate noise, dust and site run-off impacts during the works period. In addition, particular care will be exercised with regard to work relating to asbestos removal.

15. Under Section 6(4) of the Government Lotteries Ordinance, the Financial Secretary has the authority to approve payments from the LF to finance the development of social welfare services. However, as a matter of practice, Members' approval is sought for any proposal that has recurrent financial implications exceeding \$10 million. As this project will incur recurrent Government expenditure in excess of \$10 million per annum, we are seeking Members' approval for the LF allocations.

16. We consulted the North District Council and the Rehabilitation Advisory Committee on the project and have received their unanimous support. The Lotteries Fund Advisory Committee has at its meeting on 8 May 2002 endorsed the proposed LF allocations. The Legislative Council Panel on Welfare Services was consulted on the project at its meeting on 10 June 2002. Members supported the proposal.

Health and Welfare Bureau
June 2002

Map of Fanling Hospital



Fanling Hospital

Fanling
Primary Health
Care Centre

Information Brief of Services Concerned

Care and Attention Home for Severely Disabled Persons (C&A/SD)

C&A/SD provides residential care and facilities for persons with severe mental or physical disabilities who are unlikely to benefit from a regular day training placement, and are in need of nursing and intensive personal care to maintain their health and to assist them in routine personal care tasks and daily living activities.

Hostel for Moderately Mentally Handicapped Persons (HMMH)

HMMH aims to provide home living for persons with moderate mental handicap who are capable of basic self-care but lack adequate daily living skills to live independently in the community.

Day Activity Centre (DAC)

DAC provides day care and training to adults with severe mental handicap who are unable to benefit from vocational training or sheltered employment. The programmes include training on motor skills, self-help skills, communication skills, domestic skills, community living skills, simple work skills, social and interpersonal skills, and provision of social and recreational activities.

Hostel for Severely Mentally Handicapped Persons (HSMH)

HSMH provides home living for persons with severe mental handicap who lack basic self-care skills and require assistance in personal and nursing care.

Home-based Training and Support (HBTS) Team

HBTS aims to establish a community-based integrative training and support network for people with mental handicap who have not yet received day rehabilitation services and their families through utilisation and integration of rehabilitation services and community resources.

**Existing Provision and Number of Clients on
Waiting list for Various Rehabilitation Services
(as at 31 March 2002)**

Service	Existing provision	Number of clients on waiting list
Care and Attention Home for Severely Disabled Persons	600	321 *
Hostel for Moderately Mentally Handicapped Persons	1 828	1 116 **
Day Activity Centre cum Hostel for Severely Mentally Handicapped Persons	2 485	1 772 ***

Explanatory Notes

* 12 applicants are receiving day rehabilitation services

** 814 applicants are receiving day rehabilitation services/ Home-based Training

*** 900 applicants are receiving day rehabilitation services/ Home-based Training

