

LC Paper No. CB(2)351/13-14 (These minutes have been seen by the Administration)

Ref : CB2/PL/WS

### **Panel on Welfare Services**

### Minutes of meeting held on Tuesday, 16 April 2013, at 10:45 am in Conference Room 1 of the Legislative Council Complex

Members present	:	Hon CHAN Yuen-han, SBS, JP (Chairman) Hon CHEUNG Kwok-che (Deputy Chairman) Hon Albert HO Chun-yan Hon TAM Yiu-chung, GBS, JP Hon Alan LEONG Kah-kit, SC Hon LEUNG Kwok-hung Hon Frankie YICK Chi-ming Hon CHAN Chi-chuen Hon CHAN Han-pan Hon LEUNG Che-cheung, BBS, MH, JP Hon Alice MAK Mei-kuen, JP Dr Hon Fernando CHEUNG Chiu-hung Hon POON Siu-ping, BBS, MH Hon TANG Ka-piu
Members absent	:	Hon LEUNG Yiu-chung Hon Frederick FUNG Kin-kee, SBS, JP Hon Ronny TONG Ka-wah, SC Dr Hon LEUNG Ka-lau Dr Hon Helena WONG Pik-wan
Public Officers attending	:	Item III Miss Annie TAM, JP Permanent Secretary for Labour and Welfare Labour and Welfare Bureau

Ms Jane LEE Principal Assistant Secretary for Labour and Welfare (Poverty) Labour and Welfare Bureau

Mr FUNG Man-lok Assistant Director of Social Welfare (Youth and Corrections) Social Welfare Department

Item IV

Mrs Anna MAK Deputy Director of Social Welfare (Services) Social Welfare Department

Mr FUNG Man-lok Assistant Director of Social Welfare (Youth and Corrections) Social Welfare Department

Item V

Mr Stephen SUI Commissioner for Rehabilitation Labour and Welfare Bureau

Mrs Anna MAK Deputy Director of Social Welfare (Services) Social Welfare Department

Mr LAM Ka-tai Assistant Director of Social Welfare (Rehabilitation and Medical Social Services) Social Welfare Department

Ms Maggie LEUNG Senior Social Work Officer (Licensing Office of Residential Care Homes for Persons with Disabilities) Social Welfare Department

Clerk in<br/>attendance: Mr Colin CHUI<br/>Chief Council Secretary (2) 4

# Staff in<br/>attendance: Ms Catherina YU<br/>Senior Council Secretary (2) 4Ms Priscilla LAU<br/>Council Secretary (2) 5Miss Maggie CHIU<br/>Legislative Assistant (2) 4

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I. Information paper(s) issued since the last meeting [LC Paper No. CB(2)846/12-13(01)]

<u>Members</u> noted that a letter dated 14 March 2013 from Hong Kong Private Nursing Home Owners Association requesting the Panel to hold a joint meeting with the Panel on Manpower to understand and seek solutions to current problems of the trade and relevant organizations had been issued.

### **II.** Items for discussion at the next meeting [LC Paper Nos. CB(2)937/12-13(01) and (02)]

2. <u>Members</u> agreed to discuss at the next meeting scheduled for 13 May 2013 the following items –

- (a) the Administration's proposed additional funding for short-term food assistance service;
- (b) the Administration's proposed additional provision for social security recipients; and
- (c) the Guangdong Scheme.

(*Post-meeting note:* As the Administration required more time for sorting out details of the Guangdong Scheme, discussion of the Scheme would be deferred to the Panel meeting to be held on 10 June 2013.)

### III. Update on Child Development Fund

[LC Paper Nos. CB(2)937/12-13(03) and (04)]

3. At the invitation of the Chairman, <u>Permanent Secretary for Labour</u> and <u>Welfare</u> ("PS(LW)") briefed members on the latest progress of the Child Development Fund ("CDF") projects and the enhancement measures for future batches of such projects.

### Implementation and scope of CDF projects

4. <u>Mr TANG Ka-piu</u> noted that the Hong Kong Polytechnic University ("the Consultant"), which was commissioned to conduct a longitudinal study to evaluate the first batch of CDF projects, considered that CDF had helped create favourable conditions for participating children to overcome inter-generational poverty. <u>Mr TANG</u> sought information on the details of the favourable conditions. He also enquired as to whether the Administration would formulate a policy to promote the longer-term development of children, so as to benefit more children from a disadvantaged background and reduce inter-generational poverty.

5. <u>PS(LW)</u> responded that, according to the consultancy study report, CDF projects showed "positive influence on participating children in community network and non-familial adult relationship development. Young people from a disadvantaged background not only suffered from material deprivation but also other negative impact due to poverty. Theories about poverty pointed out that inter-generational poverty was mainly caused by poverty-related culture. Hence, CDF projects introduced a non-familial adult, who had resources and richer networks, into the life of young people from a disadvantaged background. This exposed the young people's life and their original culture with new A positive mentoring relationship could widen the horizons of elements. young people, mediate difficulties they encountered in life (including problems in relationships with parents), and promote their healthy growth." PS(LW) further said that CDF projects created conditions and opportunities for the participating children through its three key components which were personal development plans ("PDPs"), mentorship programme and targeted The Administration would continue exploring how to further savings. enhance CDF projects. At the request of Mr TANG, <u>PS(LW)</u> undertook to provide detailed information on the way forward for the implementation of CDF projects.

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6. <u>Dr Fernando CHEUNG</u> said that he had offered advice to the Consultant on its study. While recognizing the positive impact on the participating children in respect of their social skills and saving habits, he considered that a total of over 4 000 children who were benefited from the

three batches of 40 CDF projects was on the low side when compared to the total number of children from a disadvantaged background. <u>Dr CHEUNG</u> called on the Administration to consider expanding the reach of the CDF projects in order to benefit more children from a disadvantaged background, especially those ethnic minorities and children with disabilities.

7. PS(LW) advised that taking into account the Consultant's comment, the size of 100 to 120 children per project was optimal. The Administration's target was to roll out 20 projects, recruiting 2 000 to 2 300 new participants joining CDF projects each year. The possibility of launching more CDF projects depended largely upon the capacity of operating non-governmental organizations ("NGOs"). Currently there were around 50 NGOs providing children and youth services in Hong Kong in the past five years and 18 of which had already participated in the projects. The Administration wished that the remaining NGOs would also bid for operating CDF projects. In addition, the Steering Committee on CDF had set up a task force to explore the desirability of piloting the school-based approach by inviting a few schools to take up the operation of CDF projects, so as to improve the community's capacity in supporting CDF projects. The proposed one-plus-one approach for awarding future batches of CDF projects would also encourage NGOs to participate in operating CDF projects.

8. Expressing support for the CDF projects, <u>the Chairman</u> considered that both mentors and mentees would be benefited from the projects. However, she also expressed concern over the reach of the CDF projects. Given that there were around 270 000 children from a disadvantaged background, <u>the Chairman</u> considered it necessary to expand the reach of CDF projects. She urged the Administration to discuss with the Hong Kong Council of Social Service how to encourage more NGOs participating in CDF projects. Sharing the Chairman's concern, <u>Mr Albert HO</u> urged the Administration to allocate more resources to support the operation of CDF projects.

9. Noting members' view on expanding the reach of CDF projects,  $\underline{PS(LW)}$  said that the Administration would liaise with the Hong Kong Council of Social Service and NGOs to explore how to enhance NGOs' support to the projects.

10. Noting that the Administration intended to experiment a school-based approach in operating CDF projects, <u>Mr POON Siu-ping</u> was concerned about the Administration's plan to continue to run and expand

the projects if they were not well received by schools.

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11. <u>PS(LW)</u> advised that a task force had been formed under the Steering Committee on CDF to explore the desirability of the school-based approach. Members of the task force were exploring the interests of schools in participating in the pilots. She further pointed out a number of enhancement measures would be introduced with regard to the operation of CDF projects.

# The two-year targeted savings programme and mentorship

12. <u>Mr TAM Yiu-chung</u> noted with concern that under the two-year targeted savings programme, there were participating children who had to lower their savings target to below \$200 per month. He sought information as to whether the Administration had offered any assistance to those participating children with financial difficulties.

13. <u>PS(LW)</u> advised that participating children who encountered temporary financial difficulty would obtain assistance from operating NGOs' emergency funds in order to meet their monthly savings target. The operating NGOs would also refer the children and their families to appropriate services, if necessary.

14. In response to Mr TAM Yiu-chung's enquiry as to whether consideration would be given to increasing the amount of special financial incentive of \$3,000 provided by the Government for each participating child who had completed the targeted savings programme,  $\underline{PS}(\underline{LW})$  advised that the Steering Committee on CDF had discussed the issue. While some members considered it appropriate to maintain the monthly savings target of \$200 and the special financial incentive at \$3,000, some other members considered that there was room for an increase in the amount of the incentive. The Administration would consider Mr TAM's view.

15. Given that each participating child would be able to accumulate a total of \$12,600, inclusive of the matching contributions and the Government's special financial incentive of \$3,000, upon the completion of the targeted savings programme, <u>the Deputy Chairman</u> enquired about the age of participating children and whether the savings were adequate to realize their PDPs.

16. <u>PS(LW)</u> advised that CDF projects' target participants were children aged 10 to 16 from a disadvantaged background. In the first and second batches of CDF projects, around 30% of the participating children aged

between 10 and 13, whereas around 70% aged between 14 and 16. As for the third batch, the percentage of participating children aged between 10 and 13 was around 49% while that of children aged between 14 and 16 was around 51%. <u>PS(LW)</u> further advised that participating children should develop specific targets in their PDPs, which were mostly related to education, skill enhancement and vocational training. Under the guidance of the operating NGOs and the mentors, they would work towards their targets by making use of the targeted savings.

17. Stressing the pivotal role played by mentors in the CDF projects, <u>Mr LEUNG Che-cheung</u> was concerned about the support and assistance provided to mentors. <u>PS(LW)</u> responded that in addition to the existing training and guidance for mentors, more resources, in terms of the number of training sessions and training provision, would be provided to mentors for guiding their mentees in implementing PDPs.

Participation of and resources for operating NGOs

18. Noting that the Administration would increase the administrative fee from \$1,500 by one-third to \$2,000 per participating children, the Deputy Chairman considered the amount insufficient to cover the administrative work required on the part of the NGOs in running the CDF projects. <u>PS(LW)</u> responded that the increased provision had taken into account inflation in the past five years, the administrative work required on the part of NGOs, as well as IT facilities and training support required by NGOs. <u>PS(LW)</u> also appreciated NGOs's efforts in redeploying their own resources to support the operation of the CDF projects.

19. Expressing concern about the participation of NGOs in the CDF projects, <u>Mr LEUNG Che-cheung</u> was of the view that the Administration should consider increasing the amount of administrative fee and allocating more resources to the operating NGOs.

20. <u>PS(LW)</u> responded that taking into account the Consultant's recommendations, comments made by members of the Steering Committee on CDF and experience gained in implementing the first three batches of CDF projects, the Administration would take forward a number of enhancement measures for CDF projects, which included an increase in the administrative fee. At a meeting between the Administration and NGOs in March 2013, NGOs were generally positive to the enhancement measures. However, the Administrative would review the level of administrative fee as and when necessary.

### Effectiveness of CDF projects

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21. <u>Dr Fernando CHEUNG</u> was of the view that to evaluate the long-term effectiveness of the CDF projects in reducing inter-generational poverty, the Administration should consider conducting a longitudinal study straddling more than 10 years on the participating children. <u>Mr LEUNG Che-cheung</u> concurred that it was necessary to review the effectiveness of CDF projects.

22. Pointing out that a longitudinal study was conducted by the Consultant to evaluate the first batch projects,  $\underline{PS(LW)}$  advised that the study report was available at the website of the Labour and Welfare Bureau. The Administration would examine whether a further study would be required.

# IV. Partnership Fund for the Disadvantaged

[LC Paper Nos. CB(2)937/12-13(05) and (06)]

23. At the invitation of the Chairman, <u>Deputy Director of Social Welfare</u> (Services) ("DDSW(S)") briefed members on the position of the Partnership Fund for the Disadvantaged ("PFD") since the injection of \$200 million in May 2010.

### Applications by non-governmental organizations for PFD

24. <u>Dr Fernando CHEUNG</u> noted that a total of \$400 million had been injected into PFD which was set up in 2005, but a total matching grant of \$247.07 million was released to support 573 welfare projects as at February 2013. <u>Dr CHEUNG</u> expressed concern about the slow progress of PFD and whether the approving criteria were too stringent. He pointed out that some applications by those smaller non-governmental organizations ("NGOs") were unsuccessful because the proposed projects failed to secure donations and support from business corporations or achieve financial self-sustainability. The requirement of involvement of business partners might lead to an emphasis on self-financing or even profit-making. Such an emphasis was hard to put into practice for welfare projects for the disadvantaged.

25. <u>DDSW(S)</u> advised that PFD projects were not profit-making profits. PFD was set up to promote tripartite partnership among the welfare sector, business community and the Government through the provision of matching grants to donations made by the business partners to support

NGOs to run welfare projects for the disadvantaged. The Administration understood the difficulty of smaller NGOs to secure donations from business corporations. Apart from organizing sharing sessions to encourage business corporations to participate in PFD projects before the launch of a new round of applications, District Social Welfare Offices were also mobilized to promote PFD to local business corporations through various local platforms and assist small and medium-sized local NGOs searching for potential business partners in the districts as well as organize district-based promotional activities. <u>DDSW(S)</u> further advised that all applications for PFD should involve welfare-oriented initiatives. Priority would not be accorded to proposals which were self-financed.

26. <u>Mr LEUNG Che-cheung</u> noted that the applications from non-subvented NGOs had increased by 34% from 53 in the seventh round to 71 in the eighth round, and 58% of the 84 applicant NGOs were non-subvented. He sought explanation for the relatively low participation rate of subvented NGOs.

27. Pointing out that the aforesaid figures only referred to the eighth round application,  $\underline{DDSW(S)}$  explained that the number of non-subvented NGOs was more than that of subvented NGOs as some subvented NGOs had submitted applications, in the previous round application, for grants from PFD to run projects which lasted for two or more years.

Participation of business corporations

28. <u>Mr TANG Ka-piu</u> was concerned about the participation of business corporations in PFD projects. Pointing out that the number of companies with assessable profits of \$10 million or above in 2009-2010 was 4 790, he was of the view that under the low tax environment in Hong Kong, the Administration should promote the active participation of these companies in PFD. Consideration should also be given to disclosing their participation in PFD.

29. <u>DDSW(S)</u> responded that to promote PFD and encourage more business corporations to participate in PFD projects, the Social Welfare Department ("SWD") had promoted PFD through press briefings and enlisted the support of various chambers of commerce, previous and potential business partners, and local business corporations or NGOs through sharing sessions, programmes, as well as district platforms. She also pointed out that the number of new business partners involved in approved PFD applications increased from 80 in the first round to 127 in the seventh round. All business partners of approved projects in various rounds of applications were made known on the dedicated webpage for PFD.

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30. <u>Mr LEUNG Che-cheung</u> asked whether the significant rise in the applications involving a matching grant at \$100,000 or below was mainly attributed to the active participation and support of small and medium-sized business corporations. <u>DDSW(S)</u> responded that a streamlined procedure for processing applications involving a matching grant at \$100,000 or below had been adopted since the seventh round, in order to speed up the application, vetting and approval procedures. The response from the welfare sector was encouraging. In addition, there was an increasing support by local small business operators for district-based projects which addressed the local needs of the disadvantaged.

31. On Mr LEUNG Che-cheung's suggestion to recognize the support of business corporations in PFD projects, <u>DDSW(S)</u> pointed out that appreciation was extended to business partners for their participation and support for PFD projects during the sharing session held in December 2012.

32. <u>Mr LEUNG Kwok-hung</u> cast doubt on the effectiveness to promote business corporations' support for the welfare projects for the disadvantaged through PFD. To ensure that adequate funds would be provided to NGOs for implementing various welfare projects to meet the needs of the disadvantaged, he urged the Administration to consider increasing the profits tax by 1% and injecting the revenue to a new Fund to be managed by NGOs. <u>DDSW(S)</u> responded that PDF was not funded through allocation of a certain percentage of taxation income. The Administration hoped that PDF could serve to promote corporate social responsibility.

# V. Latest progress of the implementation of the licensing scheme for residential care homes for persons with disabilities [LC Paper Nos. CB(2)937/12-13(07) and (08)]

33. At the invitation of the Chairman, <u>Commissioner for Rehabilitation</u> ("C for R") briefed members on the latest progress of the implementation of the licensing scheme for residential care homes for persons with disabilities ("RCHDs"), details of which were set out in the Administration's paper.

34. <u>Mr Alan LEONG</u> recalled that prior to the enactment of the Residential Care Homes (Persons with Disabilities) Ordinance (Cap. 613)

("the Ordinance") in 2011, members of the Civic Party had expressed deep concerns that some private RCHDs might cease operation upon implementation of the statutory licensing scheme, resulting in displacement of residents. <u>Mr LEONG</u> reiterated concerns about a possible lack of financial means on the part of some private RCHD operators in carrying out the improvement works for compliance with the licensing requirements. In this connection, he sought information on the validity period of certificates of exemption ("CoEs") issued to RCHDs and an estimation of the number of subvented and private RCHDs which would cease operation because of non-compliance with the licensing requirements before the expiry of the 18-month grace period. He also asked about the number of wastage of residential care places and the number of residents affected as a result of the closure of these RCHDs.

35. C for R responded that to assist private RCHD operators in meeting the cost of the compliance works, the Administration had implemented the Financial Assistance Scheme ("FAS") upon commencement of the Ordinance to provide subsidies for private RCHDs to carry out improvement works on building and fire safety. A maximum grant up to 60% of the recognized cost of the improvement works would be allocated to each eligible private RCHD. In addition, having regard to Members' views expressed in the course of the scrutiny of the relevant bill, briefings had been arranged for the RCHD sector on the eligibility criteria for the Small and Medium Enterprises Loan Guarantee Scheme ("SGS") such that the operators might consider applying for the loan to meet the remaining compliance costs. As regards CoEs granted to RCHDs, C for R said that the validity period ranged from 12 to 18 months, depending on the time required by individual RCHDs to carry out improvement works for compliance with the licensing requirements on building and fire safety as well as barrier-free facilities. The Deputy Chairman requested the Administration to provide other requisite information after the meeting.

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(*Post-meeting note:* The Administration reverted to the Panel on the requisite information vide LC Paper No. CB(2)1534/12-13(01) on 4 July 2013.)

36. <u>Mr TAM Yiu-chung</u> informed members that he had visited some private RCHDs and understood their difficulties in meeting the licensing requirements because of limited resources or structural problems of the premises at which these RCHDs were located. He expressed grave concern that some private RCHDs would, as estimated earlier, cease to operate eventually upon expiry of the validity period of CoEs. Referring to the policy objective of introducing the statutory licensing scheme to enhance the quality of residential care services for persons with disabilities so as to protect the interests of the RCHD residents more effectively, <u>Mr</u> <u>TAM</u> held the view that it was incumbent upon the Government to provide support as necessary. To this end, he called on the Administration to consider providing a higher level of subsides under FAS for eligible private RCHDs to carry out improvement works for compliance with the licensing requirements.

C for R responded that the Administration would monitor closely the 37. development of private RCHD sector. On the funding support under FAS for private RCHDs, C for R explained that as private RCHDs were commercially operated, to ensure the proper use of public money, the operators were required to shoulder a certain portion of the compliance cost to demonstrate their clear intention to continue with the operation of their private homes for a reasonable period. As stated earlier, private RCHD operators might consider applying for the loan under SGS to meet the remaining compliance costs. On the other hand, should there be non-rectifiable structure on premises of RCHDs or high compliance costs were involved, the operators concerned might consider relocating to other suitable locations for continuation of operation. To his knowledge, there were such cases since the implementation of the licensing scheme.

In response to Mr POON Siu-ping's enquiry about the progress of the 38. licensing scheme in respect of the 276 RCHDs issued with either licences or CoEs and the displacement arrangements for residents residing in RCHDs which had not submitted applications for licences or CoEs, C for R said that 14 and 262 RCHDs had been issued with licences and CoEs Regarding the considerable number of CoEs granted to respectively. RCHDs, C for R explained that it was to ensure RCHDs, including subvented ones, could meet the latest statutory requirements on building and fire safety as well as barrier-free access upon completion of the relevant improvement works within the prescribed period of time. He also pointed out that of the 78 private RCHDs currently in operation, seven had not applied for licences or CoEs. As regards the 50 odd residents of the seven private RCHDs, C for R advised that SWD would continue to closely monitor the market situation, maintain contact with RCHD operators and arrange, where necessary, relevant casework units to provide assistance and formulate welfare plan for individual residents affected, such as providing alternative placement or support services. To his knowledge, some RCHDs concerned had already reserved places for some of these residents in other RCHDs.

39. Pointing out that the service gap filled by the private RCHD sector

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was a result of the inadequate supply of subvented RCHD places, Dr Fernando CHEUNG recalled that members had since 2006 raised concerns about the low service quality of the private RCHDs as compared with the The Chairman echoed a similar concern. Dr CHEUNG subvented ones. held the view that the implementation of a licensing scheme for RCHDs had been unduly delayed and expressed strong dissatisfaction about its slow progress since its introduction in November 2011. He further said that the licensing standards on the minimum floor space requirement for each resident in an RCHD was even lower than that set out in the non-statutory Code of Practice for the Voluntary Registration Scheme which was in force before the implementation of the Ordinance. He was particularly concerned about the vulnerable and helpless 50 odd residents residing in the seven private RCHDs which had not applied for licences or He urged the Administration to make proper displacement CoEs. arrangements for these affected residents and follow-up on each individual The Chairman echoed a similar request. case as necessary. DDSW(S) responded that for a few RCHDs which had indicated their intention to cease operation, SWD had arranged for casework service units concerned to provide assistance for displacement for individual residents as necessary.

40. <u>The Deputy Chairman</u> was concerned about the improvement works in progress in RCHDs in complying with the licensing requirements. He sought information on the estimation of the number of RCHDs which would not be able to complete the improvement works at the end of the grace period, and the number of residents in private RCHDs who would be forced to leave upon expiry of the CoEs issued to these RCHDs.

41. In reply, <u>DDSW(S)</u> said that it was expected that the improvement works in some of the subvented RCHDs and those operated by NGOs would not be completed by the end of the grace period since the RCHDs concerned had already indicated that major renovation works would be simultaneously carried out. As regards the private RCHD sector, applications for improvement works had been received from two private RCHDs. Notwithstanding this, the front-line staff of SWD had been informed by most of the private RCHDs that they would proceed with the improvement works upon receipt of CoEs. <u>DDSW(S)</u> assured members that SWD would closely keep in view the situation of individual RCHDs.

42. While appreciating that it might take a longer period of time to complete the renovation and improvement works in the subvented RCHDs and those operated by NGOs in the light of the presence of the residents in the RCHDs concerned, the Deputy Chairman was concerned that a considerable number of private RCHDs had not yet applied for

commencing the improvement works. In this connection, he called on the Administration to consider extending the validity period of CoEs for the private RCHDs i.e. in line with those issued to the RCHDs in the non-private sector, so as to allow more time to carry out the improvement works.

43. In response, <u>C for R</u> said that SWD would adopt a prudent approach in considering applications for CoEs, which would only be issued or renewed where there were full justifications for allowing a reasonable time for completion of the improvement works.

44. Referring to the procedures an RCHD operator had to go through for meeting various requirements, including the land lease and town planning requirements, for setting up an RCHD under the statutory licensing scheme, the Deputy Chairman enquired about the assistance rendered to the applicants. DDSW(S) advised that the Licensing Office of Residential Care Homes for Persons with Disabilities ("the Licensing Office") of SWD, comprising professional inspectorate teams including building safety and fire safety inspectors, would provide one-stop support for RCHDs in the application process for a CoE/licence to ensure that their services and facilities met the statutory requirements.

45. While expressing appreciation of the one-stop support provided by the Licensing Office to applicants for setting up an RCHD, <u>Mr Frankie</u> <u>YICK</u> considered it imperative for SWD to get hold of the number of RCHDs which would not be able to meet the statutory requirements upon completion of the relevant improvement works. He remarked that most of the licensing requirements could be met if there was necessary funding, except the fire safety requirement regarding means of escape in RCHDs which would be a kind of non-rectifiable structural problem in some RCHDs. <u>DDSW(S)</u> responded that the viability of carrying out improvement works had been taken into account when CoEs were issued to RCHDs.

46. Summarizing members' views on the subject, <u>the Chairman</u> expressed great reservations and queries about the smooth implementation of the statutory licensing scheme as reported by the Administration. Given the lowering of spatial requirement for residents in an RCHD under the licensing scheme and other related problems in connection with the residential care services for persons with disabilities that needed to be addressed, she further expressed concerns about the overall development of the RCHD sector.

C for R responded that the Administration fully understood the 47. concerns in the community over the service quality of RCHDs. The implementation of the statutory licensing scheme was in effect to address such concerns and to ensure that RCHD residents could receive services of acceptable standards. On the overall policy direction, C for R informed members that the Administration would continue to identify suitable locations for the construction of new RCHDs to increase the number of subsidised places. In addition, the Administration would introduce suitable measures to assist NGOs to redevelop land owned by them to provide more rehabilitation service places, including places for RCHDs. As for private RCHD sector, SWD had encouraged private RCHDs to upgrade service standards and would help the market develop more service options for persons with disabilities. To this end, SWD had introduced a four-year pilot Bought Place Scheme ("BPS") since the commencement of the Ordinance, under which participating private RCHDs were required to meet higher staffing and spatial requirements and so far 245 RCHD places had been purchased. C for R added that an overall review of the pilot BPS, including the contract price and amount of government subsidies, would be conducted before its expiry to assess its long-term feasibility.

48. In respect of SWD's plan for purchasing 300 places under the pilot BPS, <u>the Deputy Chairman</u> expressed dissatisfaction that so far only 245 places had been purchased. Given that higher standards on staffing and spatial requirements for BPS places applied to the entire RCHD regardless of the number of places purchased by SWD in that home, <u>the Deputy Chairman</u> pointed out that it would be a heavy burden on the private RCHD operators if only a small number of places had been purchased and the home fees had to be increased. In this connection, he asked whether SWD would consider purchasing more places from private RCHDs participating in BPS, and raising from a maximum of 50% to the region of 60 to 70% of the entire home so as to provide more incentive for private RCHDs to improve their service quality.

49. <u>C for R</u> said that SWD would continue purchase quality RCHD places under BPS. As mentioned earlier, an overall review of the pilot BPS would be conducted, which would include the upper limit of the percentage of places to be bought in individual homes, taking into account the market situation.

50. In the light of the imminent expiry of the 18-month grace period in June 2013, <u>Mr TANG Ka-piu</u> sought information on the status of the 34 RCHDs which had submitted applications but had not been issued with either licences or CoEs. <u>DDSW(S)</u> advised that the applications from

these RCHDs were being processed by the Licensing Office. <u>Assistant</u> <u>Director of Social Welfare (Rehabilitation and Medical Social Services)</u> supplemented that the applicants concerned had been requested to provide further information, including documents and plans required for the application for a CoE/licence, for consideration. He stressed that the applications would be processed expeditiously before the expiry of the grace period. Upon receipt of all the required certificates and documents, and if all of them were in order, the Licensing Office would complete processing the applications and issue CoEs or licences as appropriate.

51. <u>Mr TANG Ka-piu</u> was concerned about the impact of the licensing scheme on the private RCHD sector, in particular the possible reduction in the number of RCHD places as a result of closure of some private RCHDs which failed to meet the statutory licensing requirements. He sought information on the following –

- (a) detailed displacement plans for the residents of RCHDs which had not yet submitted applications for licences/CoEs; and
- (b) a breakdown of the validity period of CoEs which were issued to RCHDs since the commencement of the Ordinance, the number of residents of these RCHDs and the reasons for the Administration to issue CoEs instead of licences to RCHDs.

(*Post-meeting note:* The Administration reverted to the Panel on the requisite information vide LC Paper No. CB(2)1534/12-13(01) on 4 July 2013.)

52. <u>Dr Fernando CHEUNG</u> expressed grave concern about the slow progress of the implementation of the licensing scheme in the light of the limited number of RCHDs issued with licences since the Ordinance came into operation from November 2011, i.e. only 14 RCHDs out of a total of 316 RCHDs in the territory were issued with licences as at 1 April 2013. In his view, the Administration should, instead of issuing and renewing CoEs, enforce the Ordinance stringently following the 18-month grace period and set a time limit, for instance three years from the implementation of the Ordinance, within which all RCHDs were required to operate under a licence. He enquired about the Administration's stance on the matter.

53. <u>C for R</u> said that the 18-month grace period would expire soon. The Secretary for Labour and Welfare had appointed 10 June 2013 as the day on which Part 2 of the Ordinance would come into operation. As for

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the validity period of a CoE, the Ordinance provided that it should not be more than 36 months. The Administration would usually issue CoEs to RCHDs with validity ranging from 12 to 18 months and they would only be granted where the Director of Social Welfare considered that there were full justifications for allowing a reasonable time for completion of the rectification works. <u>C for R</u> reiterated that SWD would be prudent in considering applications for CoEs and their renewal having regard to the circumstances of individual RCHDs, including whether action had been taken to proceed with the improvement works and whether major renovation was being conducted at the same time. It was expected that RCHDs concerned would be able to carry out improvement works for meeting the licensing requirements and standards. <u>DDSW(S)</u> also reiterated that the Administration was committed to enhancing the quality of residential care service for persons with disabilities.

54. <u>Dr Fernando CHEUNG</u> considered it imperative for the Administration to provide updated information on the status of RCHDs, i.e. whether they were operated with CoEs or licences under the Ordinance with a view to facilitating persons with disabilities and their family members in selecting a suitable RCHD. In response to Dr CHEUNG's request, <u>DDSW(S)</u> advised that such information was available in SWD's website and would be updated as appropriate.

### VI. Any other business

55. Referring to the discussion at the Panel on Home Affairs ("HA Panel") meeting on 15 April 2013, <u>the Chairman</u> reiterated members' concern about the Administration's proposal to reprovisioning Shanghai Street refuse collection point and street sleepers' service units to the same building. She requested that relevant government departments should identify a separate site for the service units to respect street sleepers' dignity and facilitate their access to the units. <u>Members</u> agreed to the Chairman's suggestion that the Panel on Welfare Services should write to the HA Panel requesting that the issue be followed up by a joint meeting of the two Panels, and relevant government departments should be invited to the meeting to respond to members' concern.

(*Post-meeting note:* A letter was sent by the Secretariat to the Secretary for Home Affairs on 18 April 2013 requesting the Administration to provide information on whether there were other suitable premises at or nearby the existing location of the service units for the reprovisioning. A memorandum was sent to the HA

the Secretariat

Panel on 19 April 2013 requesting for holding the joint meeting.)

56. There being no other business, the meeting ended at 12:50 pm.

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