

**立法會**  
**Legislative Council**

LC Paper No. CB(2)259/14-15

(These minutes have been  
seen by the Administration)

Ref : CB2/PL/WS

**Panel on Welfare Services**

**Minutes of meeting  
held on Monday, 9 June 2014, 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 LEUNG Yiu-chung  
Hon TAM Yiu-chung, GBS, JP  
Hon Frederick FUNG Kin-kee, SBS, JP  
Hon Ronny TONG Ka-wah, SC  
Dr Hon LEUNG Ka-lau  
Hon Alan LEONG Kah-kit, SC  
Hon Frankie YICK Chi-ming  
Hon Gary FAN Kwok-wai  
Hon CHAN Chi-chuen  
Hon CHAN Han-pan  
Hon LEUNG Che-cheung, BBS, MH, JP  
Dr Hon KWOK Ka-ki  
Dr Hon Fernando CHEUNG Chiu-hung  
Dr Hon Helena WONG Pik-wan  
Hon POON Siu-ping, BBS, MH  
Hon TANG Ka-piu

**Members Absent** : Hon LEUNG Kwok-hung

**Public Officers : Item III  
attending**

Ms Gracie FOO Siu-wai, JP  
Deputy Secretary for Home Affairs (1)  
Home Affairs Bureau

Ms Aubrey FUNG Ngar-wai  
Principal Assistant Secretary for Home Affairs (Civic  
Affairs) 2  
Home Affairs Bureau

Family Council

Prof Daniel SHEK Tan-lei, SBS, JP  
Chairman of the Family Council

Item IV

Mr Kenneth WOO  
Chief Executive Officer (Subventions and Planning)  
Social Welfare Department

Items IV and V

Mrs Elina CHAN  
Principal Assistant Secretary for Labour and Welfare  
(Welfare) 3  
Labour and Welfare Bureau

Miss Cecilla LI  
Assistant Director of Social Welfare (Elderly)  
Social Welfare Department

Item V

Miss Annie TAM, JP  
Permanent Secretary for Labour and Welfare  
Labour and Welfare Bureau

Mr LAM Ka-tai  
Deputy Director of Social Welfare (Services)  
Social Welfare Department

**Attendance by : Item V**  
**invitation**

Caritas - Hong Kong

Mr LEUNG Tsan-kuen  
Social Work Supervisor

Evangelical Lutheran Church Social Service - Hong Kong

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Ms Susan CHAN Ching-yee  
Assistant Chief Executive (Elderly Service)

Haven of Hope Christian Service

Ms Carmen TSANG Sze-oi  
Operations General Manager (Residential Services for  
Elderly II & Community Rehabilitation Service II)

The Hong Kong Council of Social Service

Ms Crystal CHENG Lai-ling  
Business Director (Service Development)

Hong Kong Family Welfare Society

Ms Cindy LEUNG Yuen-ching  
Head of Service

Hong Kong S.K.H. Lady MacLehose Centre

Mr Benson NG  
Senior Service Coordinator (Elderly & Health)

Christian Family Service Centre

Ms Angel CHAN Fung-man  
Programme Director (Elderly Care)

St James' Settlement

Mr Zero KWOK Wai-sang  
Senior Manager

**Clerk in attendance** : Mr Colin CHUI  
Chief Council Secretary (2) 4

**Staff in attendance** : Ms Catherina YU  
Senior Council Secretary (2) 4

Miss Kay CHU  
Council Secretary (2) 4

Miss Maggie CHIU  
Legislative Assistant (2) 4

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**I. Information paper(s) issued since the last meeting**

[LC Paper Nos. CB(2)1542/13-14(02) and CB(2)1672/13-14(01)]

Members noted that the following papers had been issued since the last meeting –

- (a) letter dated 12 May 2014 from Hon TANG Ka-piu requesting the Administration to provide a paper explaining its existing guidelines and procedure on handling cases of late night domestic conflicts and violence, as well as the method of mutual help among government departments in this regard [LC Paper No. CB(2)1542/13-14(02)]; and
- (b) letter dated 23 May 2014 from The Forthright Caucus requesting the Panel to discuss as soon as possible "The Best Practice Manual for non-governmental organizations ("NGOs") receiving Lump Sum Grant ("LSG") subvention" [LC Paper No. CB(2)1672/13-14(01)].

**II. Items for discussion at the next meeting**

[LC Paper Nos. CB(2)1669/13-14(01) to (02)]

2. Members noted that the Administration had proposed to discuss at the next meeting scheduled for 14 July 2014 the following items –

- (a) Proposed injection of further funding into the Partnership Fund for the Disadvantaged; and

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- (b) Review of Social Welfare Department's Standardised Care Needs Assessment Mechanism for Elderly Services.

3. Having regard to the request of some users of Enhanced Home and Community Care Services ("EHCCS") to give their views on EHCCS, the Chairman suggested that the Panel should discuss and receive views from the service users on EHCCS at the next meeting. Members agreed.

4. Referring to Mr TANG Ka-piu's letter (LC Paper No. CB(2)1542/13-14(02)) referred to in paragraph 1 (a) above and a recent tragedy involving a mother alleged of suffering from postpartum depression, the Chairman suggested that the Panel should hold a special meeting, as early as practicable, to discuss with the Administration and receive deputations' views on the services and policies relating to family support. Dr Fernando CHEUNG said that representatives from the Labour and Welfare Bureau ("LWB"), the Food and Health Bureau, the Social Welfare Department ("SWD") and the Department of Health (including representatives from Maternal and Child Health Centres) should be invited to attend the discussion. The Chairman said that the Hong Kong Police Force should also be invited to the meeting. Members agreed.

**III. Work progress of the Family Council**

[LC Paper Nos. CB(2)1669/13-14(03) to (04)]

5. At the invitation of the Chairman, Prof Daniel SHEK, Chairman of the Family Council, briefed members on the work progress of the Family Council.

Work progress of the Family Council

6. Dr Fernando CHEUNG said that the Family Council, with the Chairmen of the Elderly Commission ("EC"), Women's Commission and Commission on Youth as Ex-officio members, served as a high-level advisory body to the Government by providing a cross-sector and cross-bureau platform for examining family-related policies and promoting a culture of loving families in the community. Apart from launching publicity programmes to promote family core values, the Family Council should also gear towards formulation of strategic directions on family-related policies.

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7. Prof Daniel SHEK responded that the Family Council had made good work progress since its reconstitution in April 2013. The Family Council would not only continue to examine family-related policies, but also family-related issues that required immediate attention and actions.

8. Dr KWOK Ka-ki said that he did not see what impact the Family Council made on new policies in labour and poverty alleviation. He urged the Administration to establish Children's Commission to tackle children poverty. Mr Albert HO took the view that the Family Council should draw up its targets on how to foster the collaboration among different bureaux and departments ("B/Ds") on family support, in particular, promotion and protection of children rights.

9. Prof Daniel SHEK responded that the Family Council was tasked to serve as a cross-sector and cross-bureau platform for examining family-related policies for different age and gender sectors, including children. The Family Council had deliberated on the provision of rehabilitation services for pre-school children at its meeting. A letter setting out the views of the Family Council on rehabilitation services for pre-school children had been submitted to the Chief Secretary for Administration ("CS").

10. Noting that the Family Council would follow-up on family-related issues with public concern, Mr Albert HO wondered if the Family Council could provide records. Prof Daniel SHEK responded that the minutes of the Family Council's meetings setting out the deliberations were available on the "Happy Family Info Hub".

Family Survey 2013

11. Noting the major findings of the 2013 Family Survey, Mr TANG Ka-piu urged the Family Council to examine the major causes of family problems in order to reduce the number of problem families. He was also concerned about the Family Council's views on the recent family tragedies and the growing number of cases of divorce which led to single-parent families and poverty.

12. Prof Daniel SHEK responded that the objective of conducting 2013 Family Survey was to understand the current state of Hong Kong families in a more comprehensive manner. The major findings revealed that about one-fifth of the respondents were not satisfied with family life. He said that the Family Council would seek to examine the major causes of family problems with relevant B/Ds and advisory bodies.

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13. Mr POON Siu-ping noted that in comparing the findings of the 2011 and 2013 Family Surveys, there was a growing number of respondents who found the stress of raising their children overwhelming and encountered difficulties in balancing family and work. He asked if the Family Council had identified the crux of the problems and proposed specific measures. He was also concerned about the stance of the Family Council on standard working hours ("SWH"). Mr Frederick FUNG suggested that the Family Council should attach importance and advise the Government on the major findings of the 2013 Family Survey, particularly on the stress of raising children and difficulties in balancing family and work.

14. In response to Mr POON's enquiry, Prof Daniel SHEK remarked that the increase might be due to statistical variations. That said, the Family Council would continue to strengthen family education by uploading more relevant materials onto the "Happy Family Info Hub" which recorded an average monthly hit rate of one million. In planning the future survey, the Family Council would attempt to identify the causes leading to the difficulties in striking a balance between family and work. On SWH, the Family Council had been briefed on the policy study on SWH. The Family Council would invite the Standard Working Hours Committee to brief the Family Council on the progress as and when necessary.

Way Forward of the Family Council

15. Mr TAM Yiu-chung asked if the Family Council would consider coordinating NGOs' efforts in promoting harmonious family life to strengthen the support for the needy, particularly, mothers with new born babies and couples filing for divorce. He also asked the Family Council to consider accepting the suggestion of the Democratic Alliance for the Betterment and Progress of Hong Kong to set up a "social fund for families" to subsidize NGOs to organize family education programmes. Given the recent incidents of domestic violence (particularly a tragedy involving a mother alleged of suffering from postpartum depression), the Chairman was gravely concerned about the inadequate support to women particularly those suffering from postpartum depression.

16. Prof Daniel SHEK responded that the Family Council would discuss at its next meeting the effectiveness of the existing mechanism and improvement areas in identifying at-risk pregnant women and mothers suffering from postpartum depression.

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17. Dr Helena WONG suggested that the Family Council should not overlook the needs of women who were facing the pressure and problems arising from long working hours, divorce, cross-boundary marriages, and being full-time carers, etc. She urged the Family Council to allocate more resources and liaise with B/Ds to explore how family support could be further strengthened. Prof Daniel SHEK agreed that the Family Council should do more to help the underprivileged families. In addition, the Family Council would make use of the "Happy Family Info Hub" to enhance family education.

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18. The Deputy Chairman called on the Family Council to put more efforts in addressing family problems arising from divorce, cross-boundary marriages, domestic violence and poverty. He pointed out that some existing policies, such as the requirement of making declaration of not providing support to parents under the Comprehensive Social Security Assistance Scheme, adversely affected the relationship among family members. He requested the Administration to provide the final reports of "Study on the Phenomenon of Divorce in Hong Kong" and "2013 Family Survey".

*(Post-meeting note: The information provided by the Administration was circulated to members vide LC Paper CB(2)2288/13-14 on 15 September 2014.)*

19. Prof Daniel SHEK responded that the Family Council was concerned about the issues raised by members. In response to the recommendations put forward by the "Study on the Phenomenon of Divorce in Hong Kong", the Family Council was liaising with the Judiciary to explore how best data collection could be improved.

20. Mr CHAN Chi-chuen said that in response to the 20<sup>th</sup> anniversary of the International Year of the Family, some organizations recently held activities and made declarations to safeguard traditional family values, which might have labeling effect on non-intact and single-parent families. He asked about the Family Council's views on such activities and declarations. Prof Daniel SHEK responded that the Family Council would adopt the definition of family in accordance with the law of Hong Kong. Nevertheless, in any event, there should be mutual respect among people irrespective of their family background.

21. The Chairman worried that the Administration set up the Family Council solely for image building instead of perfecting family policies and strengthening support for families. Prof Daniel SHEK stressed that under



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his leadership, the Family Council would spare no efforts in examining family-related policies, studying issues of public concern and organizing promotional events to implant family-friendly and loving family culture in the community.

22. Mr Frederick FUNG wondered if the Family Council was in a position to press the Administration for taking forward its views and recommendations on family-related issues. Mr LEUNG Yiu-chung urged the Administration to empower the Family Council to ensure that recommendations of the Family Council would be implemented.

23. Prof Daniel SHEK responded that with effect from 1 April 2013, mandatory assessment of family implications had been introduced for all government policies. Besides, he pointed out that Hong Kong was the second in the world, after Australia, to have introduced mandatory assessment of family implications for all government policies. In the light of implementation experience, the Family Council and the Administration would review the effectiveness of the assessment framework. Deputy Secretary for Home Affairs (1) added that the advice of the Family Council on various family-related policies had been duly reflected to relevant B/Ds for follow-up action.

**IV. Setting up a new contract residential care home for the elderly with a day care unit at ancillary facilities block of Anderson Road Public Housing Development, Kwun Tong**

[LC Paper Nos. CB(2)1255/13-14(04) and CB(2)1669/13-14(05)]

24. At the invitation of the Chairman, Assistant Director of Social Welfare (Elderly) ("ADSW(Elderly)") briefed members on the Administration's proposal to construct a 100-place contract residential care home for the elderly ("RCHE") with a 20-place day care unit for the elderly ("DCU") at the ancillary facilities block in the public rental housing ("PRH") development of the Housing Authority ("HA") ("the Project") at the site of Anderson Road, Kwun Tong.

25. The Chairman drew members' attention to Rule 83A of the Rules of Procedure regarding personal pecuniary interest to be disclosed. She reminded members to declare interests in the matter under discussion, if any.

Construction cost, location and service commencement of the proposed RCHE cum DCU

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26. Noting that the Project and the construction project of a new RCHE cum DCU at ex-Kwai Chung Police Married Quarters site had the same net operational floor area ("NOFA") but the construction cost and the HA on-cost of the Project was much higher, Mr POON Siu-ping enquired about the reasons for the high construction cost and the HA on-cost.

27. Chief Executive Officer (Subventions/ Planning) ("CEO(S/P)") responded that the construction cost of the Project was estimated by the Housing Department ("HD") and vetted by SWD. In estimating the construction cost, consideration was given to the technical requirements and the construction floor area ("CFA") of the Project. Although there was a difference in the total construction cost of the two projects, the construction cost per square metre of CFA for the two projects was about the same. The Administration considered the construction cost of the Project reasonable. As for the HA on-cost, it was set at 12.5% of the construction cost in accordance with the arrangement for projects in PRH developments.

28. Given that the proposed RCHE was located at a slope and near Anderson Quarry, Mr LEUNG Che-cheung expressed concern about the air quality in the vicinity of RCHE and transport convenience in case the RCHE residents needed to go to hospital. CEO(S/P) responded that HD had made assessments on the environment and transport in the district to ascertain that there would not be any adverse impact on the RCHE residents. Medical support services for the RCHE residents could be sought at the nearby United Christian Hospital, if needed.

29. To enable the proposed RCHE with DCU to come into operation earlier, say, about three to six months after the completion of the construction work, the Deputy Chairman said that the Administration should carry out the construction work and the tendering exercise for selecting suitable operator for the proposed RCHE with DCU in tandem. In response, ADSW(Elderly) assured members that the Administration would compress the necessary procedures to expedite the commencement of service.

Provision of residential care service places for the elderly

30. Mr POON Siu-ping sought information on the development timeframe and progress of the 11 sites (Annex 3 to LC Paper No. CB(2)1669/13-14(05) referred) earmarked for the construction of new RCHEs, RCHEs with DCUs, and day care centres for the elderly ("DEs").

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31. Mr LEUNG Che-cheung was concerned about whether manpower supply could catch up with the increase in residential care services ("RCS") for the elderly and how the Administration would monitor the service quality.

32. Expressing concern that the supply of RCS places for the elderly had lagged far behind the demand, Mr TANG Ka-piu asked about the average occupancy rate and the turnover rate of RCHEs. Noting that around 5 000 elderly persons had passed away while waiting for admission to subsidized RCHEs, he asked how many of them were provided with community care services ("CCS") while they were on the waiting list for subsidized RCHEs.

33. ADSW(Elderly) responded that in 2013, 1 586 nursing home ("NH") places and around 8 600 care and attention ("C&A") home places were offered to the elderly persons on the waiting list for subsidized RCHEs. As at end-March 2014, about 750 elderly persons who were waiting for NH places had received subsidized CCS, and 130 elderly persons were admitted to RCHEs with a lower care level and around 2 000 elderly persons (around 40% of waitlistees) were residing in private RCHEs. As regards the position of waitlistees for C&A homes as at end-March 2014, 11% of them had received subsidized CCS and 24% were admitted to private RCHEs.

34. Principal Assistant Secretary for Labour and Welfare (Welfare)3 ("PAS(LW)(Welfare)3") responded that the Administration had adopted a multi-pronged approach to increase the supply of RCS places for the elderly. The Administration would continue to actively identify suitable sites for constructing RCHEs.

35. Dr Fernando CHEUNG said that the Administration could not possibly meet the demand for RCS for the elderly fully. As such, home care, day care and CCS should be enhanced to facilitate elderly persons to continue to live in the community. Having regard to the fact that the provision of RCHEs was constrained by land supply, the Administration should explore other means. The Administration should consider detaching DCUs from RCHEs so that it could have more flexibility in finding suitable premises for DCUs. The Administration should reserve space in PRH projects for the provision of RCS units.

36. The Deputy Chairman said that HD should not reserve the ground-level vacant bays of domestic PRH blocks for the purpose of beautifying PRH estates. In view of the shortage of land for RCHEs, HD

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should change its mindset and release the vacant bays for provision of RCHEs. PAS(LW)(Welfare)3 responded that she would relay members' view on the provision of RCHEs in PRH estates to HD.

37. ADSW(Elderly) responded that in addition to providing RCHEs with DCUs, the Administration would find suitable premises in PRH estates for stand-alone DEs. More than 220 DE/DCU places would be provided in 2014-2015 which would include places in three stand-alone DEs in Pok Hong Estate (47 places), Kwai Shing West (60 places) and Tseung Kwan O (60 places). All these stand-alone DEs were located in PRH estates.

Review of the ratio of subsidized to non-subsidized RCS places

Admin

38. The Deputy Chairman said that members had repeatedly requested the Administration to increase the ratio of subsidized to non-subsidized places in contract RCHEs but the relevant ratio remained at 6:4. He strongly urged the Administration to change the ratio to 8:2. At the Deputy Chairman's request, the Administration undertook to provide its response regarding increasing the ratio and advancing the tendering procedures for the Project before submitting the relevant proposal to the Finance Committee ("FC").

*(Post-meeting note: the Administration's response was issued to members vide LC Paper No. CB(2)1983/13-14(01) (English version on 4 July 2014; Chinese version on 10 July 2014)).*

39. PAS(LW)(Welfare)3 responded that in formulating the Elderly Services Programme Plan ("ESPP"), EC would look into the long-term planning for elderly services. While EC would discuss the scope of ESPP, it was believed that particular attention would be given to the desirability of different modes of service delivery.

40. Dr Fernando CHEUNG said that if the Administration did not increase the proportion for subsidized RCS places, it was in a way subsidizing the use of non-subsidized RCS by the affluent elderly and prolonging the poor elderly's waiting time for subsidized RCS places. Sharing a similar view, the Chairman called on the Administration to deal with the matter swiftly and critically review its policy on setting the ratio of subsidized to non-subsidized RCS places, so that the elderly's need for subsidized RCS could be better met.

41. In response to the Chairman's invitation of views, members present

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supported in principle the submission of the relevant funding proposal to FC for consideration.

**V. Funding mode for Enhanced Home and Community Care Services and matters relating to competitive bidding for such services**

[LC Paper Nos. CB(2)1542/13-14(01), CB(2)1669/13-14(06) to (07), CB(2)1731/13-14(01) to (02), CB(2)1745/13-14(01) and CB(2)1753/13-14(01)]

42. At the invitation of the Chairman, Permanent Secretary for Labour and Welfare ("PS(LW)") briefed members on EHCCS which aimed to support elderly persons with moderate or severe impairment level to age in place.

43. The Chairman then invited the deputations to express their views. A summary of the views and concerns of the deputations is in the **Appendix**.

The Administration's response to deputations' views

44. Responding to major views of the deputations, PS(LW) said that the Administration had provided the Panel with an update of the LSG Subvention System and competitive bidding for the provision of welfare services at its meeting on 5 March 2001. Members were informed that home care services for the elderly was one of the pilot exercises for competitive bidding. Such an allocation approach was in accordance with the policy direction to open up welfare services for competitive bidding on a cost and quality basis. The contract bidding exercise for EHCCS aimed to enhance transparency and fairness. It also provided the serving operators with an opportunity to adjust their services or consider new services to meet the changing needs of service users upon the expiry of the three-year contract. The introduction of new operators to EHCCS would also facilitate service quality enhancement.

45. PS(LW) further said that the Administration fully understood the concerns expressed by deputations about the impact of competitive bidding on service stability, job security and service users' adaptability to new operators. The Administration would consider feasible flexibility arrangements, e.g. adjusting the length of the contractual period, and reviewing the current service boundary of EHCCS district teams to improve the services, etc. It was hoped that the arrangements for the

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existing 5 600 and the new 1 500 EHCCS places could be settled earlier so as to allow a smooth handover from the serving operators to new operators where necessary. LWB and SWD had discussed with the sector and the Hong Kong Council of Social Service ("HKCSS") the funding mode of EHCCS and noted the sector's wish to change the existing contract bidding arrangement to annual subvention under the LSG Subvention System. As this would represent a fundamental change from the contract bidding arrangement, the Administration would need to consider this carefully and it would take some time. In reviewing the funding mode for EHCCS, the Administration would make reference to the directions for elderly services set out in the Elderly Services Programme Plan to be prepared by the Elderly Commission. Given that there was an urgent need to decide, well before the expiry of the 24 existing contracts in February 2015, on the service providers, the Administration would continue its dialogue with the sector and HKCSS on the contract arrangement for EHCCS places.

Contract arrangement for EHCCS

46. Referring to the submission from 關注家居照顧服務大聯盟 (LC Paper No. CB(2)1753/13-14(01)), the Chairman said that the deputation, which represented some service users, hoped that many service users could continue to receive home and community care services ("HCCS") from the serving operators. The Administration should take note of the views of both the serving operators and the service users on the importance of service stability.

47. Dr Helena WONG said that the Administration should be people-oriented in handling the contracts for EHCCS. Pointing out that it would take time for the service users to build up trust with the serving operators and having regard to the experience of the serving operators, she took the view that the Administration should not adopt the competitive bidding approach in selecting service providers for EHCCS across the board. The serving operators whose performance was satisfactory should be awarded the EHCCS contract so as to maintain stability for the service users, the operators and their staff.

48. Pointing out that some care staff of EHCCS might leave the sector if the serving operators were unsuccessful in bidding the EHCCS contracts, Mr TANG Ka-piu expressed concern that it would result in an even tighter supply of manpower for the sector and affect the service quality. Some elderly persons might turn to institutional care because of inadequate provision and inferior HCCS. Having regard to the proven performance of the serving operators, he called on the Administration to continue

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allocating the EHCCS places to them.

49. PS(LW) responded that the Administration had communicated with the sector about the contract arrangement for EHCCS. The discussions covered different options for handling the EHCCS places. These options included (i) conducting a single tender exercise to provide for a total of about 7 100 EHCCS places (to cover both the existing 5 579 places and the 1 500 new places) and (ii) making separate arrangements for the existing and new places by extending the service contracts for the existing places while conducting a tender exercise for the new places. The Administration had explained to the sector that the latter option would need to be further explored internally. As the current EHCCS contracts would expire on 28 February 2015, it would be more feasible to allocate the EHCCS places on the basis of the former option. HKCSS was requested to consult the sector in this regard.

50. Dr Fernando CHEUNG said that as EHCCS involved personal care services, service stability and a good relationship between the service users and the care staff were very important. The Administration should not undermine those elements in the provision of EHCCS. While considering it reasonable to award short-term contracts for EHCCS to ensure service quality and fair allocation of resources at the start, he opined that such arrangement was no longer suitable. Given the experience and competency of the serving operators and their staff, he called on the Administration to extend the contracts with the serving operators and replace competitive bidding with LSG for EHCCS, so that stable funding would be provided to meet the growing needs for EHCCS arising from the ageing population.

*(The Deputy Chairman took the chair in the temporary absence of the Chairman.)*

51. Mr Frederick FUNG said that time-limited contracts for the provision of EHCCS would hinder the service providers' planning for and development of such provision as they were uncertain about whether they would be awarded a new contract. In his view, competitive bidding was not the right approach for EHCCS if the Administration's objective was not to save costs. He urged the Administration to adopt the previous approach and extend the contracts for the existing EHCCS places.

52. While agreeing that a close relationship between the service users and the care staff was important, Mr Frankie YICK opined that operators should be selected on the basis of their performance. As an interim

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measure, the Administration should extend the contracts with the serving operators. A mechanism should be in place to assess the operators' performance periodically to determine whether they should be awarded a new service contract. The assessment should take into account service users' views on the operators' performance. To achieve some of the objectives of competitive bidding, e.g. securing innovation and value-added services, the Administration should consider including these requirements in the EHCCS contracts instead of selecting operators by competitive bidding.

53. PS(LW) responded that the Administration would consider Mr YICK's suggestions. She reiterated that it would take time to study the future funding mode for EHCCS and there was a pressing need in the meantime to resolve the contract arrangement for EHCCS. The Administration had not ruled out the option of contract extension. Noting that there might be other NGOs interested in providing EHCCS apart from the serving operators, the Administration would study the relevant details upon receipt of the sector's view on contract extension.

54. Mr LEUNG Tsan-kuen from Caritas-Hong Kong said that the existing and the new EHCCS places should be handled separately. As most of the service users preferred to be taken care of by the existing care staff with whom they were familiar, the Administration should respect the service users' wish and extend the contracts for the existing EHCCS places, say, for two years. The Administration could make use of this period to study the provision of annual subvention under LSG for service providers in the long-run. As regards the new EHCCS places, interested NGOs could consider participating in the contract bidding exercise.

55. PS(LW) responded that handling the existing and new EHCCS places separately was one of the options under consideration. The sector had expressed at the meeting with the Administration that it had no strong view against allocating the new places by competitive bidding. If extension of the current contracts was supported by the sector, the Administration would discuss the matter in detail, including the contractual period, internally. As the feasibility of extending the contracts for the existing EHCCS places would be bound by the contractual terms and conditions, the Administration needed to seek legal advice from the Department of Justice. The Administration would continue its discussion with the sector and hoped to arrive at a decision within June 2014.

56. The Deputy Chairman said that it was important to maintain a close relationship between service users and care staff to facilitate the sustained



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development of operators and allow job stability for care staff. As such, competitive bidding and time-limited contracts should not be adopted for EHCCS. Considering that the Administration would need time to change the current contract bidding mode to LSG for EHCCS, he said that the Administration should, in the interim, continue the provision of the existing places to the serving operators and allocate the new places according to the mechanism currently in place. All the nearly 7 100 places should be incorporated into the LSG Subvention System within two to three years. Salary adjustment mechanism should also be provided for EHCCS under the extended contracts and the LSG Subvention System in future.

*(The Chairman took the chair at this juncture.)*

57. The Chairman said that the Administration should aim to provide LSG for service operators of EHCCS in the long-run for the well-being of the service users.

Motion

58. Mr TANG Ka-piu moved the following motion –

"本委員會要求政府在不影響現有服務營辦團體及服務使用者的情況下，將現有「改善家居及社區照顧服務」的名額(即約 5 600個)繼續給予各營辦團體，並將新增的1 500個名額按現有機制批出；同時，未來應改變現時競投合約制的模式，將這近7 100個名額納入整筆撥款津助制度內，以維持服務質素，並保障過千名員工的穩定。"

(Translation)

"That this Panel requests the Government, on the premise of not affecting the existing service operators and service users, to continue the provision of the current quota (i.e. about 5 600 places) under the "enhanced home and community care services" to the existing service operators and allocate the additional 1 500 places according to the mechanism currently in place; meanwhile, the current contract bidding mode should be changed in the future by incorporating these nearly 7 100 places into the Lump Sum Grant Subvention System, so as to maintain the service quality and ensure the job stability of over 1 000 staff members."

Action

59. The Chairman put the motion to vote. All members present voted for the motion. The Chairman declared that the motion was carried.

Follow up actions

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60. Dr Fernando CHEUNG requested the Administration to provide information on the unit cost of EHCCS since 2001. Noting that the average unit cost of EHCCS had dropped from \$3,800 in 2003-2004 to around \$3,600 in 2013-2014, Mr TANG Ka-piu said that the Administration should consider increasing the subvention to the service providers in the extended contracts.

*(Post-meeting note: the Administration had provided the information on the unit cost of EHCCS since 2001 vide LC Paper No. CB(2)2340/13-14(01) on 25 September 2014.)*

**VI. Any other business**

61. There being no other business, the meeting ended at 1:20 pm.

Council Business Division 2  
Legislative Council Secretariat  
12 November 2014

### Panel on Welfare Services

Meeting on Monday, 9 June 2014 at 10:45 am

Funding mode for Enhanced Home and Community Care Services and matters relating to competitive bidding for such services

Summary of views and concerns expressed by deputations

No.	Name of deputation	Major views and concerns
1.	The Hong Kong Council of Social Service [LC Paper No. CB(2)1731/13-14(02)]	<ul style="list-style-type: none"> <li>• Presentation of views as detailed in the submission</li> </ul>
2.	Evangelical Lutheran Church Social Service - Hong Kong	<ul style="list-style-type: none"> <li>• The deputation expressed grave concern about the adverse impact of competitive bidding for the Enhanced Home and Community Care Services ("EHCCS") on service users, the serving operators and their staff, as well as service quality and the development of long-term care services.</li> <li>• The Administration should abolish competitive bidding for EHCCS, and provide the serving operators with recurrent funding through the Lump Sum Grant ("LSG") Subvention System for running the service subject to their satisfactory performance.</li> </ul>
3.	Caritas - Hong Kong	<ul style="list-style-type: none"> <li>• EHCCS were people-oriented services, which could only be delivered satisfactorily and effectively by establishing a close relationship between the serving operators and service users over a long period of time. As such, some service users refused to use EHCCS offered by newly appointed service providers.</li> </ul>

No.	Name of deputation	Major views and concerns
		<ul style="list-style-type: none"> <li>• The Administration should incorporate the nearly 7 100 places under EHCCS into the LSG Subvention System.</li> </ul>
4.	Haven of Hope Christian Service	<ul style="list-style-type: none"> <li>• The arrangement of competitive bidding for EHCCS would adversely affect the job stability and development of the over 1 000 staff members of the serving operators.</li> <li>• If the EHCCS contracts were awarded to new operators, some service users might compare their performance with that of the serving operators. This might deal a blow to the morale of the new operators and subsequently affect the quality of service.</li> </ul>

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