

**For discussion on  
8 December 2014**

**LEGISLATIVE COUNCIL  
PANEL ON WELFARE SERVICES**

**Setting up of an Integrated Rehabilitation Services Complex  
at the site of ex-Kai Nang Sheltered Workshop and Hostel, Kwun Tong**

**Purpose**

This paper briefs Members on the Government's proposal to construct an Integrated Rehabilitation Services Complex (IRSC) at the site of ex-Kai Nang Workshop and Hostel in Kwun Tong (ex-Kai Nang) with the financial provision to be met from the Lotteries Fund (LF)<sup>1</sup>.

**Residential Care, Day Training and Vocational Rehabilitation Services**

2. The overall objective of our rehabilitation policy is to support the full integration of persons with disabilities into society. To this end, the Government provides a series of rehabilitation services seeking to assist persons with disabilities to develop their physical, mental and social capabilities to the fullest possible extent and to promote their integration into the community.

3. For persons with disabilities who cannot live independently or cannot be adequately cared for by their families, the Government has taken measures to meet their residential care needs, to improve their

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<sup>1</sup> LF is established for the purpose of financing social welfare services. It is primarily used to finance the capital expenditure of welfare projects and provide one-off grants to experimental projects with limited duration. Subject to certain conditions, authority to approve grants from LF has been delegated to the Director of Social Welfare (DSW), acting on the advice of the Lotteries Fund Advisory Committee.

quality of life and to help them develop independent living skills.

4. The Government has been continuously increasing the provision of subsidised residential care places. As at end-October 2014, there were 12 608 subsidised residential care places for persons with disabilities<sup>2</sup> (including the 365 places purchased under the Bought Place Scheme for Private Residential Care Homes for Persons with Disabilities), representing an increase of about 97% since 1997.

5. Apart from residential care services, the Social Welfare Department (SWD) also strives to make available training and support to persons with disabilities with a view to assisting them to develop their potential, enabling them to continue to live independently at home and preparing them for full integration into the community, as well as enhancing their working capacity and opportunities of participating in open employment. As at end-October 2014, there were 17 054 day training and vocational rehabilitation places in the territory for persons with disabilities in need.

6. For the provision of day and residential services for persons with disabilities, SWD adopts an integrated service mode as far as possible. Operational experience reveals that the accommodation of various day and residential services within an IRSC will, on the one hand, facilitate service integration and shared use of common support facilities; and, on the other hand, enable the provision of one-stop day and residential services for persons with disabilities thereby enhancing the continuum of care and training for service users.

7. The Government will continue to actively identify suitable premises for setting up rehabilitation facilities to meet the existing and future demands. On an ongoing basis, SWD maintains close contact with relevant government departments including the Lands Department,

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<sup>2</sup> The Government provides various types of subsidised residential care services to meet the diversified residential needs of persons with disabilities at different stages of their lives. These services include (a) Hostel for Severely Mentally Handicapped Persons; (b) Hostel for Moderately Mentally Handicapped Persons; (c) Supported Hostel; (d) Care and Attention Home for Severely Disabled Persons; (e) Hostel for Severely Physically Handicapped Persons; (f) Long Stay Care Home; (g) Halfway House; (h) Care and Attention Home for the Aged Blind; (i) Small Group Home for Mildly Mentally Handicapped Children/Integrated Small Group Home; (j) Residential Special Child Care Centre; and (k) Integrated Vocational Training Centre (Residential Service)

Planning Department and Housing Department, with a view to reserving sites in new development or re-development projects as far as practicable for setting up rehabilitation service facilities. SWD will continue bidding for vacant premises in government buildings and vacant school premises and actively identifying vacant public housing units for conversion for the provision of rehabilitation services. Additional places will also be provided through redevelopment or expansion on the sites owned by the non-governmental organisations (NGOs), particularly those under the Special Scheme on Privately Owned Sites for Welfare Uses<sup>3</sup>.

### **The Proposed Redevelopment Plan of ex-Kai-Nang**

8. The proposed redevelopment of the ex-Kai Nang for provision of rehabilitation services has been included as one of the initiatives in the Chief Executive's 2013 Policy Address for increasing the supply of subvented day and residential care places for persons with disabilities. SWD proposes to make use of the site of the ex-Kai Nang for setting up an IRSC to provide 510 additional places for residential care, day training and vocational rehabilitation services with the most pressing need and to re-provision three existing centres providing community rehabilitation services. There has been a substantial demand for the services of Halfway House<sup>4</sup>, Supported Hostel<sup>5</sup>, Care and Attention Home for Severely Disabled Persons<sup>6</sup>, Hostel for Severely Mentally Handicapped Persons<sup>7</sup>, Hostel for Moderately Mentally Handicapped Persons<sup>8</sup>, Hostel for Severely Physically Handicapped Persons<sup>9</sup>, Day Activity Centre<sup>10</sup>

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<sup>3</sup> The Special Scheme on Privately Owned Sites for Welfare Uses, through more flexible use of the Lotteries Fund and provision of targeted assistance during the planning or development process, encourages social welfare organisations to make better use of their land and to provide diversified subvented and self-financing facilities, in particular elderly and rehabilitation service facilities, through in-situ expansion or development.

<sup>4</sup> It provides a transitional period of residential care and training to facilitate ex-mentally ill persons to achieve an optimal level of functioning for the purpose of community re-integration.

<sup>5</sup> It provides group home living for persons with disabilities who can only live semi-independently with a fair amount of assistance from hostel staff in daily activities.

<sup>6</sup> It provides home living for persons with severe intellectual or physical disabilities who are in need for nursing and intensive personal care.

<sup>7</sup> It provides home living for persons with severe intellectual disabilities who lack basic self-care skills and require assistance in personal and nursing care.

<sup>8</sup> It provides home living for persons with moderate intellectual disabilities who are capable of basic self-care but lack adequate daily living skills to live independently in the community.

<sup>9</sup> It provides home living for persons with severe physical disabilities, with or without intellectual disabilities, who lack self-care skills and require assistance in personal and nursing care.

and Integrated Vocational Rehabilitation Services Centre<sup>11</sup>.

9. The integrated service mode in the new complex will facilitate service integration and shared use of common amenity facilities (landscaped roofs), and enable the provision of one-stop day and residential services for service users thereby enhancing the continuum of care and training for the target users of the services. Upon completion of the project, it will increase the provision for the proposed services for persons with disabilities and strengthen follow-up rehabilitation services for ex-mentally ill persons, in line with the prevailing welfare policies.

### **The Redevelopment Proposal**

10. The site of ex-Kai Nang is situated at 4 Fuk Tong Road, Kwun Tong. A location map is at **Annex A**. The site is held by SWD under the Government Land Allocation and falls within an area zoned “Government, Institution or Community” in the Outline Zoning Plan (OZP) in which the use for “Social Welfare Facility” is always permitted. It has a site area of 1 650 square metres (sq m) and is currently occupied by a four-storey building with about 40 years’ history. The site was at first used as a departmental rehabilitation service unit and was left vacant in 2002 upon reprovisioning of the service. Currently, the premises have been leased out on short-term tenancy to NGOs for use as a Community Rehabilitation Day Centre (CRDC) on SWD’s subvention for discharged patients in need of professional rehabilitation training service and psychosocial rehabilitation services and a 24-hour convenience store under an employment assistance programme to provide training, learning platform and employment opportunities for the unemployed marginal youths. The CRDC will be relocated to a temporary site in Choi Ha Estate, Kwun Tong, to continue the services, while the tenancy for operating the convenience store on a self-financing basis will be terminated by end-March 2016 and the NGO concerned has no intention for further operation of the store upon demolition of the existing building.

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<sup>10</sup> It provides day care and training in daily living skills and simple work skills for persons with severe intellectual disabilities, which enable them to become more independent in their daily lives, and prepare them for better integration into the community or for transition to other forms of care services.

<sup>11</sup> It provides persons with disabilities with one-stop integrated and seamless vocational rehabilitation services specially designed to accommodate the limitations arising from their disabilities. The work training will enable them to develop the social and economic potential, achieve upward mobility in vocational rehabilitation, and prepare for potential advancement to open employment.

11. Instead of carrying out conversion works in respect of the existing building on the site, we see a need to go for a wholesale redevelopment of the site. Built over 40 years ago, the existing building on the site is relatively narrow in size and has only 4 storeys. The capacity of its existing reinforced concrete structures and foundations is considered insufficient to support any additional floors as required for the proposed welfare facilities through conversion. Besides, the existing building is elevated 1.2m above, and connected by stairway and ramp to the street and its own parking spaces with no lift facilities, thus rendering it falling short of the contemporary barrier-free requirements. There is also no existing transformer room or adequate electrical and mechanical plant for providing building services (e.g. essential power supply, air-conditioning, fire services installations, etc) required for the proposed welfare facilities. In contemplating the use of the site for provision of the welfare facilities, the Planning Department has advised SWD to consider the redevelopment on the basis of a reference plot ratio of 6.63 and a building height not exceeding 54mPD. Such development scale could not be achieved through mere conversion of the existing building. Instead, for a sustainable development and better utilisation of the site to augment the provision of the much needed rehabilitation services, it is necessary to redevelop the site.

12. To proceed with the necessary planning work for the proposed redevelopment of ex-Kai Nang, SWD has engaged a consultant to conduct the feasibility and related studies<sup>12</sup> with a view to assessing the technical viability of setting up the proposed IRSC on the subject site based on a feasible preliminary design and preparing a project cost estimate. On the basis of the feasibility and related studies carried out by the consultant, it is confirmed that prima facie, the subject redevelopment project is technically feasible. The proposed welfare services (including reprovisioning of existing rehabilitation facilities) to be provided in the proposed IRSC on the subject site are as follows –

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<sup>12</sup> The cost of the technical feasibility study is met by a grant of \$3.2 million from the Lotteries Fund.

<b>Facility</b>	<b>Capacity</b>
<i>Residential care services</i>	
(a) Hostel for Severely Mentally Handicapped Persons	50
(b) Hostel for Moderately Mentally Handicapped Persons	50
(c) Hostel for Severely Physically Handicapped Persons	50
(d) Care and Attention Home for Severely Disabled Persons	50
(e) Halfway House	60
(f) Supported Hostel	40
<b><i>Subtotal:</i></b>	<b>300</b>
 <i>Day training services</i>	
(g) Day Activity Centre	50
(h) Integrated Vocational Rehabilitation Services Centre	160
<b><i>Subtotal:</i></b>	<b>210</b>
 <b>Total number of new places:</b>	 <b>510</b>
 <i>Centre-based services</i>	
(i) District Support Centre for Persons with Disabilities <sup>13</sup> (DSC)	-
(j) Community Rehabilitation Day Centre <sup>14</sup> (CRDC)	-
(k) Integrated Community Centre for Mental Wellness <sup>15</sup> (ICCMW)	-

13. According to the preliminary design worked out by the consultant, the subject site will be redeveloped into a 10-storey building for the provision of the proposed welfare facilities as set out in paragraph 12 above at a proposed net operating floor area of 6 323 sq m and gross floor area of 10 940 sq m. It is proposed that the new building will also accommodate parking spaces for cars, vans and lorries to meet the operational requirements of the proposed welfare facilities. It will be served by sufficient passenger, service and fireman's lift facilities, and will be supported by necessary fire services installations, electrical and mechanical facilities and utilities. The conceptual sectional diagram and perspective views of the proposed IRSC as worked out by the consultant of the feasibility and related studies are provided at **Annex B**.

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<sup>13</sup> Currently located at the operating agency's own premises and will be reprovisioned to the proposed IRSC in order to meet the area shortfall.

<sup>14</sup> Currently located at the present site of ex-Kai Nang Sheltered Workshop and Hostel, pending temporary transfer to other premises to continue its operation during the construction phase of the proposed redevelopment project.

<sup>15</sup> Currently operating at other premises in Kwun Tong where the total schedule of accommodation is not up to standard.

14. Upon funding allocation in the first quarter of 2015, the building works (including demolition of the existing building) are envisaged for commencement in the second quarter of 2016 and completion by the third quarter of 2018. Save for the reprovisioned DSC, CRDC and ICCMW, SWD will invite NGOs to submit project proposals for the new services to be provided in the proposed IRSC during the building works stage with a view to speeding up the fitting-out works upon completion of the building works.

## **Funding Arrangement**

### ***Capital cost***

15. Under section 6(4) of the Government Lotteries Ordinance (Cap. 334), the Financial Secretary has the authority to approve payments from LF to finance the development of social welfare services. The costs for designing, constructing and fitting out a stand-alone IRSC on the subject site of ex-Kai Nang will be funded by LF. In October 2014, the Lotteries Fund Advisory Committee endorsed an LF grant of **\$502 million** to meet the costs of design, construction and fitting-out works of the proposed redevelopment of ex-Kai Nang into an IRSC for provision of the rehabilitation services in paragraph 12 above. The breakdown of the project cost is set out at **Annex C**. The cost estimate is considered comparable to those for similar government projects. Nearing the time of the construction completion, SWD will seek funding under LF for the procurement of furniture and equipment items in accordance with the established practice.

### ***Recurrent financial implications***

16. As an administrative practice, we will seek the approval of the Finance Committee for the LF project which will give rise to additional recurrent financial implications exceeding \$10 million per annum. The estimated additional full-year recurrent funding requirement for the operation of the proposed new services in the IRSC, including personal emoluments, other charges, reimbursement of rates and government rent and after netting off income from service users' fees, is **\$61.38 million**. The necessary recurrent provision will be included in the draft Estimates of the relevant years.

## **Public Consultation**

17. The Social Services Committee (SSC) of the Kwun Tong District Council was briefed on the proposed redevelopment project, amidst the overall new welfare services developments in Kwun Tong, on 27 November 2012. Members of the SSC indicated support for the redevelopment project at the meeting and suggested SWD taking into account the traffic impact arising from the redevelopment project. A traffic impact assessment was conducted under the feasibility and related studies mentioned in paragraph 12 above, and the Transport Department has confirmed no adverse comment on the findings to the effect that there would be minimal traffic impact generated by the proposed services on the existing roads in the vicinity.

## **Environmental Implications**

18. The project is not a designated project under the Environmental Impact Assessment Ordinance (Cap. 499). The project will not cause long-term environmental impacts. The project estimates include the cost to implement suitable mitigation measures to control short-term environmental impacts.

19. During construction, noise, dust and site run-off nuisances will be controlled to be within the established standards and guidelines through the implementation of mitigation measures in the relevant contract. These include the use of silencers, mufflers, acoustic linings or shields, frequent cleaning and watering of the site, and the provision of wheel-washing facilities.

20. At the planning and design stages, measures to reduce the generation of construction waste where possible will be considered. In addition, the contractor will be required to reuse inert construction waste (e.g. use of excavated materials for filling within the site) on site or in other suitable construction sites as far as possible, in order to minimise the disposal of inert construction waste at public fill reception facilities. The contractor will be encouraged to maximise the use of recycled/recyclable inert construction waste, and the use of non-timber formwork to further reduce the generation of construction waste.



## **Energy Conservation, Green and Recycled Features**

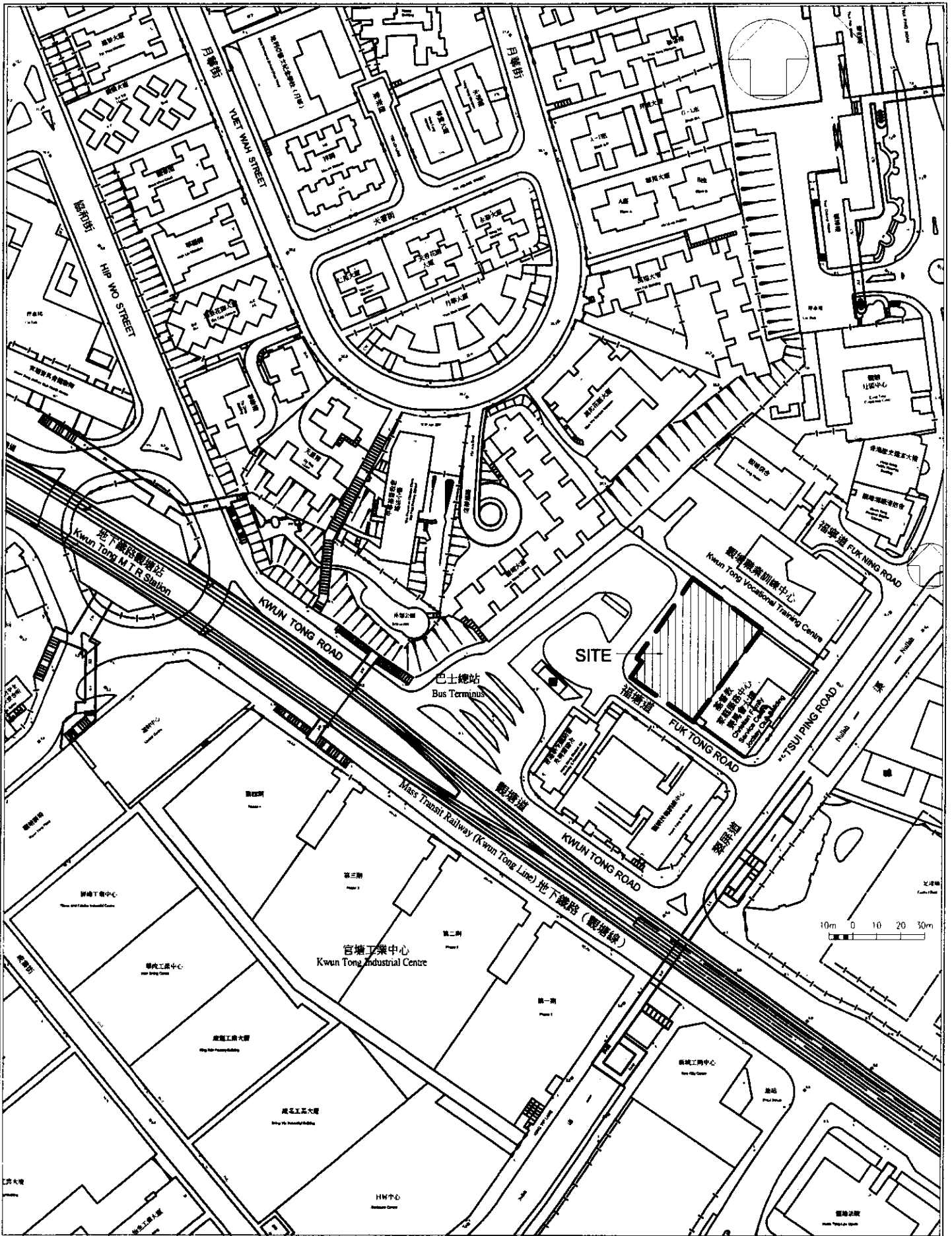
21. Provision is allowed in the budget for the adoption of energy efficient features, renewable energy technologies, and green and recycled features.

22. For greening features, landscape will be provided on part of the roof terraces and ground level for environmental and amenity benefits.

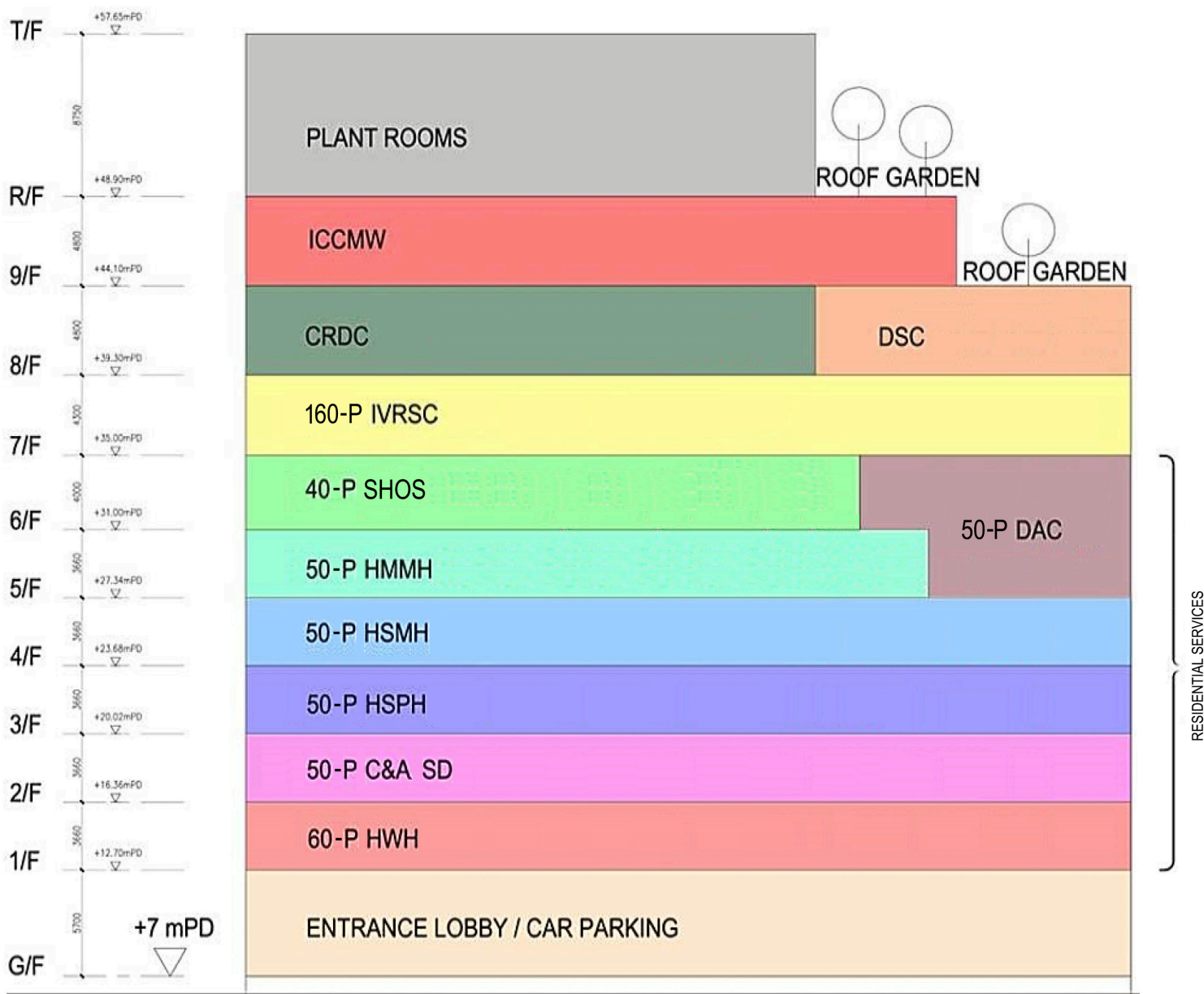
## **Advice Sought**

23. Members' views are welcome on the redevelopment project at the ex-Kai Nang site.

**Labour and Welfare Bureau  
Social Welfare Department  
December 2014**



<p><b>DRAWING TITLE</b></p> <p>Location Plan</p>	<p><b>SCALE</b></p> <p>10m 0 10 20 30 40m</p>
<p><b>PROJECT TITLE</b></p> <p>Redevelopment of the Ex-Kai Nang sheltered workshop &amp; hostel at Fuk Tong Road Kwun Tong</p>	<p><b>DRAWING NUMBER</b></p> <p>A/KNR/2-206-98/SK/002</p>



**Conceptual Section**

**Legend**

- ICCMW: Integrated Community Centre for Mental Wellness
- CRDC: Community Rehabilitation Day Centre
- DSC: District Support Centre for Persons with Disabilities
- IVRSC: Integrated Vocational Rehabilitation Services Centre
- SHOS: Supported Hostel
- DAC: Day Activity Centre
- HMMH: Hostel for Moderately Mentally Handicapped Persons
- HSMH: Hostel for Severely Mentally Handicapped Persons
- HSPH: Hostel for Severely Physically Handicapped Persons
- C&A SD: Care and Attention Home for Severely Disabled Persons
- HWH: Halfway House





Perspective View from Bus Terminus





Perspective View from **Fuk Tong Road**

**Project Cost Estimate  
for the proposed ex-Kai Nang Redevelopment Project**

<b>Item</b>	<b>\$ million</b>
A. Site works and demolition	8.2
B. Foundation and substructures	22.4
C. Building	130.9
D. Building services	48.4
E. External works, drainage and landscaping	6.3
F. Fitting-out works	118.3
G. Provision of sustainable design	6.5
<i>(Items A to G) Sub-total</i>	<u>341.0</u>
H. Consultants fees	26.4
I. Remuneration of resident site staff	11.1
J. Contingencies	34.1
<i>(Items A to J) Sub-total</i>	<u>412.6</u> <i>(Sept 2014 prices)</i>
K. Provision for price adjustment	89.4
<b>Total</b>	<u><b>502.0</b></u> <i>(MOD prices)</i>