

ITEM FOR FINANCE COMMITTEE

LOTTERIES FUND HEAD 341 – NON-RECURRENT GRANTS

Members are invited to approve an allocation of \$44,427,000 from the Lotteries Fund for the fitting-out works and acquisition of furniture and equipment for a new Integrated Rehabilitation Services Centre at Kau Wah Keng, Kwai Chung.

PROBLEM

There is unmet demand for day training and residential care services for persons with severe disabilities.

PROPOSAL

2. The Director of Social Welfare, with the support of the Secretary for Labour and Welfare and the Lotteries Fund Advisory Committee (LFAC), proposes to allocate \$44,427,000 from the Lotteries Fund (LF), which comprises –

- (a) \$38,560,000 for fitting-out works; and
- (b) \$5,867,000 for furniture and equipment (F&E),

to the future operator of the Integrated Rehabilitation Services Centre (IRSC) to be set up at Kau Wah Keng, Kwai Chung.

/JUSTIFICATION

JUSTIFICATION

3. The Administration strives to ensure a steady supply of additional subvented day training and residential care home places for persons with severe disabilities to meet the increasing service demand. The Social Welfare Department (SWD) adopts as far as possible an integrated service mode for the provision of day and residential care services to facilitate service integration and shared use of common support facilities, and enable the provision of one-stop day and residential services for service users, thereby enhancing the continuum of care and training for them. For instance, it set up the Kwai Chung IRSC and Ho Man Tin IRSC in 2010 with the approval of the Finance Committee (FC) (vide FCR(2009-10)20).

4. The data captured by SWD's Central Referral System for Rehabilitation Services reflect an unmet demand for both day training and residential care services for persons with severe disabilities, in particular services of Day Activity Centre (DAC), Hostel for Severely Mentally Handicapped Persons (HSMH) and Care and Attention Home for Severely Disabled Persons (C&A/SD). The latest position on the provision, waiting list and average waiting time of these rehabilitation facilities are set out at Enclosure 1. To help meet demand, SWD has identified suitable premises at Kau Wah Keng, Kwai Chung for conversion into an IRSC.

Encl. 1

KAU WAH KENG IRSC

5. SWD proposes to set up the Kau Wah Keng IRSC by retrofitting and converting the existing premises located at PGLA No. KT 1081, Kau Wah Keng, Kwai Chung, which include five blocks with an internal floor area of 3 865 m². With a quiet surrounding, the site is well suited for the provision of rehabilitation services. A location map of the premises is at Enclosure 2. The future operator of Kau Wah Keng IRSC will be required to provide 210 residential care places and 160 day training places for persons with disabilities with details as follows –

Encl. 2

Block 1

Central Administration Office
Staff Common/Rest Room
General Store

Block 2

Dining/Multi-purpose Room
TV/Common Rooms for Residents
Kitchen

/Blocks

Blocks 3 and 4

HSMH (with 160 places)
 DAC (with 160 places)
 General Store

Block 5

C&A/SD (with 50 places)
 Dining/Multi-purpose Room
 TV/Common Rooms for Residents
 Physiotherapy & Occupational Therapy Rooms

6. Subject to FC's funding approval, the Kau Wah Keng IRSC is targeted to commence operation in the first quarter of 2012. Non-governmental organisations (NGOs) will be invited to submit proposals to operate the IRSC and the operator will be selected under a competitive quality-based system. SWD will evaluate the proposals on the basis of service quality, innovation in service delivery mode, value-added services for users and availability of environment-friendly and energy efficient measures. To allow sufficient time for the selected operator to fit out the premises and gear up for operation, subject to FC's funding approval, SWD plans to invite NGOs to submit proposals in June 2011.

FINANCIAL IMPLICATIONS

7. The estimated cost for fitting out the Kau Wah Keng IRSC is \$38,560,000. It is worked out on a notional layout developed for the IRSC in accordance with the standard of finishes/fitting-out requirements currently adopted for relevant welfare services. In addition, allocation of \$5,867,000 is required to meet the cost of F&E. This cost is calculated on the basis of the planned capacity and the standard F&E provision for relevant facilities. Breakdown of the cost estimate is as follows –

Fitting-out works	\$'000
(a) Demolition	255
(b) Walls and partitioning	2,111
(c) Doors and windows	1,590
(d) Wall, floor and ceiling finishes	7,227
(e) Fittings, signage and sundries	2,422
(f) Plumbing, drainage and sanitary fittings	1,985
(g) Building services installations	15,990
(h) Professional fee	3,474
(i) Lithography	347
(j) Contingencies	3,158
Sub-total (1)	38,559
	Say: 38,560

/Furniture

Furniture and equipment	\$'000
(k) F&E	5,867
Sub-total (2)	5,867
<u>Total (1)+(2)</u>	<u>44,427</u>

8. The estimated recurrent subvention for operating the proposed IRSC on a full-year basis, including reimbursement of rates and government rent, is as follows –

	\$'000
(a) Personal Emoluments	39,158
(b) Other Charges	
(i) Other Operating Charges (e.g. food, programme expenses, utility charges, employee compensation insurance and public liability insurance, etc.)	4,863
(ii) Visiting Medical Practitioner Scheme for residents of IRSC ¹	224
(iii) Charges for maintenance ² /recurrent costs of facilities particularly provided for this IRSC (e.g. lifts, dumb waiter, etc.)	828
Total of Other Charges (b)	5,915
(c) Rates and Government Rent	668
Estimated Recurrent Expenditure (a) + (b) +(c)	45,741
<i>Less</i> Income from Users' Fees	4,091
Annual government subvention required	<u>41,650</u>

/9.

¹ The objective of Visiting Medical Practitioner Scheme is to enhance primary medical care and support to persons with disabilities living in residential care homes operated by or under the subvention of SWD.

² The operator of the IRSC will be required to carry out general repair and maintenance while the Architectural Services Department will be responsible for building maintenance.

Encl. 3

9. The above recurrent funding estimate is based on a notional staffing of 184 professional, care and ancillary staff for the Kau Wah Keng IRSC. A breakdown of the notional staff establishment is at Enclosure 3. In devising the notional staffing requirements, reference is made to the standard notional staffing for the various service units of the IRSC proportional to their capacity. The subvention will be allocated in a lump sum mode to give the operator greater flexibility in resource deployment. We have included sufficient provision in the 2011-12 Estimates and will reflect the same in the Estimates in subsequent years.

PUBLIC CONSULTATION

10. SWD consulted the Community Affairs Committee of Kwai Tsing District Council in December 2009 on the proposed project. The Committee supported the proposal. We also consulted the Legislative Council Panel on Welfare Services on 14 March 2011. Members supported the proposal. In response to Members' concern about the long waiting time for residential care services for persons with disabilities, we explained that the Administration would continue to secure necessary resources and identify suitable premises to ensure a steady supply of residential care places.

BACKGROUND

11. The premises of the Kau Wah Keng IRSC were allocated to SWD in December 1994 and had been used as the O Pui Shan Boys' Home (OPSBH) for providing residential training and custodial care for young offenders. To enhance service quality and utilisation of resources, OPSBH was relocated to Tuen Mun Children and Juvenile Home, a new purpose-built residential complex, following its merger with five other correctional homes under SWD's management. Lands Department's approval for change in land use allocation was obtained in June 2010. Since the premises are in good condition, there is no need for any major renovation work and the project is not expected to cause any major environmental concern. Nonetheless, appropriate pollution control clauses will be incorporated in the relevant contracts to mitigate noise, dust and associated dirt run-off impact during the works period.

12. The setting-up cost of the IRSC will be funded under the LF. The LFAC endorsed the proposed LF allocations for the IRSC on 19 January 2011. Under Section 6(4) of the Government Lotteries Ordinance (Cap. 334), the Financial Secretary has the authority to approve payments from the LF to finance the development of social welfare services. In line with the established practice, FC's approval is sought for the proposal as it will incur recurrent government expenditure in excess of \$10 million per annum (details in paragraph 8 above).

Labour and Welfare Bureau
April 2011

Enclosure 1 to FCR(2011-12)10

**Current Provision, Waiting Lists and Average Waiting Time
for Rehabilitation Services to be Provided in Kau Wah Keng IRSC**

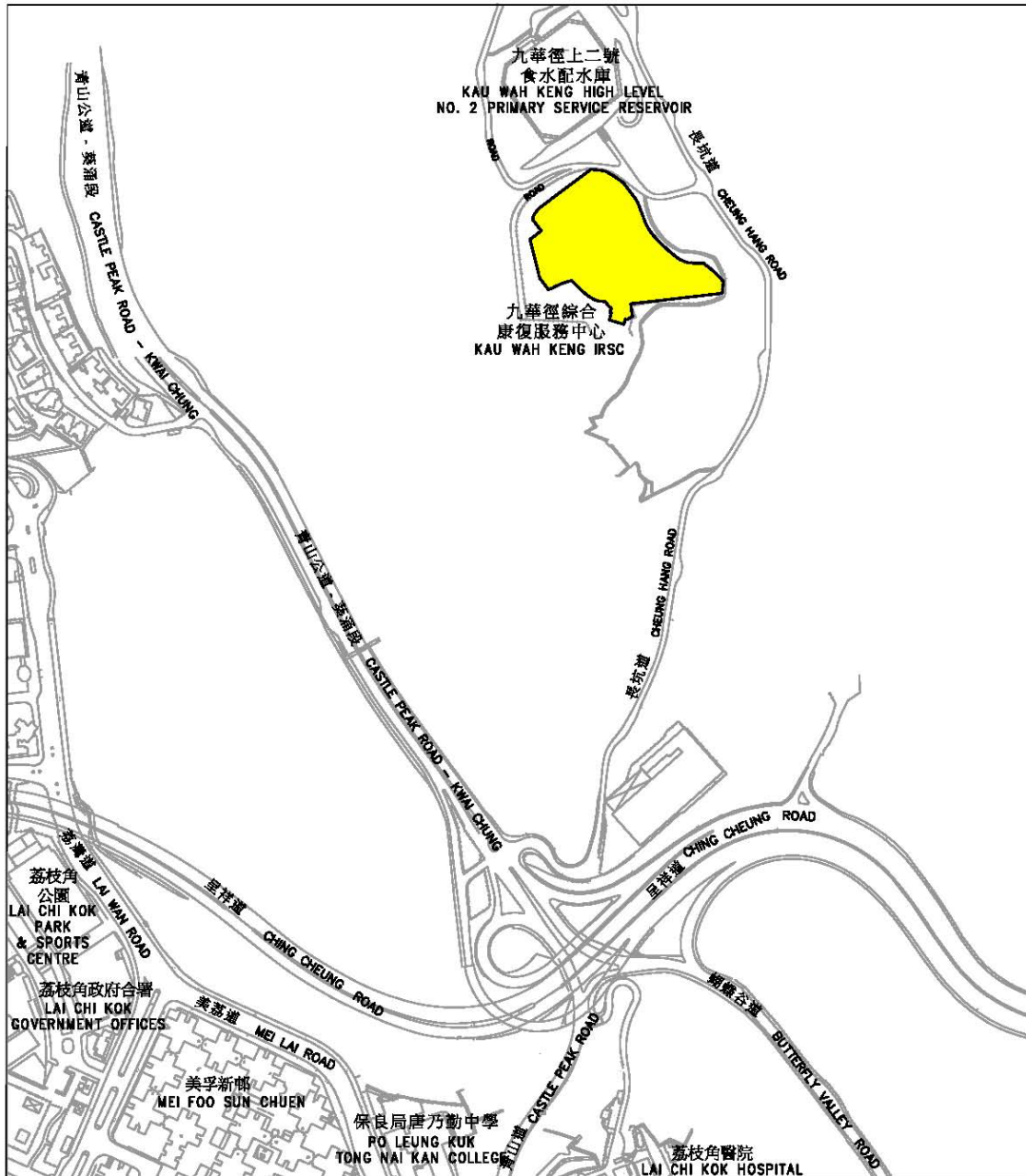
Service type	Provision as at December 2010 (places)	Persons with Disabilities on the waiting list as at December 2010	Average waiting time in 2009-10 (months)
<i>Residential care services</i>			
Hostel for Severely Mentally Handicapped Persons (HSMH) ¹	3 193	2 032	68.4
Care and Attention Home for Severely Disabled Persons (C&A/SD) ²	908	382	39.6
<i>Day training service</i>			
Day Activity Centre (DAC) ³	4 632	1 094	31.2

¹ HSMH provides home living for persons with severe intellectual disabilities who lack basic self-care skills and require assistance in personal and nursing care.

² C&A/SD provides residential care and facilities for persons with severe intellectual or physical disabilities who are unlikely to benefit from a regular day training placement, and are in need of nursing and intensive personal care to maintain their health and to assist them in routine personal care tasks and daily living activities.

³ DAC provides day care and training to persons with severe intellectual disabilities who are unable to benefit from vocational training or sheltered employment. The programmes include training on motor skills, self-help skills, communication skills, domestic skills, community living skills, simple work skills, social and interpersonal skills, and provision of social and recreational activities.

Location Map of the Kau Wah Keng IRSC



Enclosure 3 to FCR(2011-12)10

**Breakdown of the Notional Staff Establishment for
the Kau Wah Keng IRSC**

Item	Staff Establishment
Professional Staff (e.g. social worker, nurse, physiotherapist, occupational therapist)	51
Training and Care Staff (e.g. welfare worker, workshop instructor, personal care worker)	101
Supporting Staff (e.g. clerk, workman, driver, cook)	32
Total	184

Note: Under the Lump Sum Grant Subvention System, NGOs have the flexibility to deploy the allocated provision to arrange suitable staffing to ensure service quality and meet service needs.
