

Public Accounts Committee
Chapter 10 of the Director of Audit's Report No. 65
Shine Skills Centre

Replies to Public Accounts Committee
from Labour and Welfare Bureau

1. Concerning the 2nd and the 7th floors of the SSC (Pokfulam) building, which has been left vacant for a long period of time (para. 4.4), has the government estimated the loss in rental income in each of the financial years calculated using the prevailing market rent for the same period, as a result of such premises being vacant for a prolonged period?

Reply to Q.1: The SSC (Pokfulam) building has all along been designated for vocational training purposes and the 2nd and 7th floors of the building have been earmarked for the development of Hostel for Severely Mentally Handicapped Persons (HSMH) and Day Activity Centre (DAC) since February 2011. There was no rental income involved.

2. With reference to paragraphs 4.5 and 4.8 of the Audit Report, whether the Labour and Welfare Bureau had followed up with VTC or Social Welfare Department regarding the change of land use of the 2nd and 7th floors of the SSC (Pokfulam) building between February 2011 and June 2015? Please provide the progress of the application for the change of land use and the number of beds to be provided by the hostel for severely mentally handicapped persons in the future.
3. About the two vacant floors of the SSC (Pokfulam) building, the Secretary for Labour and Welfare said that the Bureau convened a meeting on 7 October 2015 with parties concerned in order to expedite the provision of the planned rehabilitation facilities in the building (para. 4.8). Whether any progress has been made subsequent to the meeting? Has the Administration set a timetable to settle this long overdue issue?

Reply to Q.2 and Q3: Since the 2nd and 7th floors of the SSC (Pokfulam) building were earmarked for the development of HSMH and DAC in February 2011, the Labour and Welfare Bureau (LWB) lined up the Vocational Training Council (VTC) and the Social Welfare Department (SWD) for direct liaison with regard to the operational issues pertaining to the application for change in land use and handing-over of site and impressed upon VTC and SWD the need to expedite action for early handing-over of the two vacant floors. LWB also followed up with VTC and SWD on various occasions regarding issues on site feasibility of the subject premises, demarcation of site boundary, preparation works for relocation, proposed schedule of fitting-out works and application for change in land use, etc. In April 2015, VTC proposed to use the 2nd floor as a home-based independent living centre to mock up a hostel environment and the 7th floor as a central kitchen for student training purposes. Having consulted SWD, LWB, in June 2015, rejected VTC's proposal on the grounds that the two floors had been earmarked since February 2011 for release to SWD for setting up a HSMH and a DAC for persons with severe intellectual disability, and there had been a constant increase in the demand for such facilities. Such welfare uses would remain to be in demand for a long time to come .

VTC wrote to the Lands Department (LandsD) on 23 July 2015 to seek their advice on whether it was necessary for VTC to apply for waiver for change in land use of the two vacant floors. While VTC was awaiting LandsD's advice, LWB convened a meeting on 7 October 2015 with VTC, LandsD and SWD to expedite the provision of the planned rehabilitation facilities in the building. After the meeting, VTC submitted an application to the LandsD on 16 October 2015 for waiver for change of land use. LandsD circulated the proposal on 4 November 2015 to relevant government bureaux and departments for comments and, according to LandsD, no department raised objection to the proposal. In parallel, SWD sought the endorsement of the Lotteries Fund Advisory Committee at its meeting held on 11 December 2015 of the funding application for the related fitting out works, procurement of furniture and equipment

and other improvement works for the setting up of the HSMH and DAC at the premises.

SWD will consult the Community Affairs and Tourism Development Committee (CATDC) of the Southern District Council in the first quarter of 2016 on the proposal. Subject to the support of the CATDC, SWD plans to put the proposal to the Legislative Council (LegCo) Panel on Welfare Services for approval within the 2015-16 legislative session and then to the Finance Committee of the LegCo. Barring unforeseen slippage and taking into account the time required for selecting a NGO to operate the HSMH and DAC and for the NGO to fit out the premises, HSMH and DAC will commence service in mid-2017.

The HSMH and DAC will respectively provide 30 residential care places and 60 training places for persons with severe intellectual disability.

Labour and Welfare Bureau
8 January 2016