

政府總部
民政事務局

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14 May 2019

Clerk to the Panel on Home Affairs
Legislative Council Secretariat
Legislative Council Complex
1 Legislative Council Road, Central, Hong Kong
(Attn: Ms Joanne Mak)

Dear Ms Mak,

**Legislative Council Panel on Home Affairs
District Library and Residential Care Home for the Elderly
in the Joint User Complex at Lei King Road
Response to Hon SHIU Ka-chun's questions**

Hon SHIU Ka-chun requested the Government to provide supplementary information on the project "District Library and Residential Care Home for the Elderly in the Joint User Complex at Lei King Road" in his letter of 26 April 2019. The responses of Social Welfare Department and Leisure and Cultural Services Department are consolidated at Appendix for Members' reference.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Sandy CHEUNG'.

(Ms Sandy CHEUNG)
for Secretary for Home Affairs

c.c. Director of Social Welfare
Director of Leisure and Cultural Services

Appendix

Legislative Council Panel on Home Affairs Response to Hon SHIU Ka-chun's questions

Q1:

It was stated in the paper that the Joint User Complex would cover an area of about 2 700 square metres (m²) and was planned to provide 200 residential care places for the elderly. As shown in the layout plan, the residential care home for the elderly (RCHE) (excluding the general office) will occupy the whole of two floors. What will be the estimated area of floor space per elderly resident of the RCHE?

A 200-place RCHE with a net operating floor area of about 2 058 m² is proposed to be constructed in the Joint User Complex at Lei King Road. The area of floor space per resident of a RCHE is subject to various variables, such as building design of the premises, as well as interior design and fitting-out works required to cater for the RCHE's operational needs. Under all circumstances, the requirement stipulated under the Residential Care Homes (Elderly Persons) Regulation (Cap.459A) regarding the area of floor space per resident of a RCHE has to be complied with.

Q2:

According to the current plan of the Government, what will be the type of the RCHE, i.e. a subvented RCHE, a contract RCHE or a self-financing RCHE? What is the ratio of subsidised to non-subsidised residential care places? What will be the type(s) of residential care places to be provided there and their respective numbers by type?

The proposed RCHE in the Joint User Complex at Lei King Road is a contract home with a total of 200 residential care (RC) places for the elderly. The proposed contract home will provide 120 subsidised RC places (including 108 nursing home places and 12 care and attention places providing a continuum of care) and 80 non-subsidised RC places.

Q3 :

Given the fact that an elderly population of over 40 000 is currently waiting for subsidised RCHE services, could the Government please clarify why some places in newly-built RCHEs are still reserved as “non-subsidised”? Has the Government considered developing newly-built RCHEs into subvented ones to minimise the number of people waiting for subsidised RCHE services? If yes, what are the details? If no, what are the reasons?

From 2001 to late March 2019, the Social Welfare Department (SWD) has awarded contracts through open tenders to non-governmental organisations or private operators in respect of 31 contract RCHEs. Services at these contract RCHEs including both subsidised and non-subsidised portions are governed and monitored in accordance with the requirements set out in the relevant contracts to ensure quality. It is considered that the non-subsidised RC services provided in these contract RCHEs will provide frail elderly persons in need of RC services with suitable choices outside the public arena.

Q4:

At present, the ratio of subsidised to non-subsidised residential care places in a contract RCHE is 6:4 as recommended by the SWD. However, the ratio of 5:5 for subsidised and non-subsidised residential care places can be seen in some contract RCHEs, resulting in a reduction in the number of subsidised places. Will the SWD enhance the proportion of subsidised places in a contract RCHE in the future by increasing the ratio of subsidised to non-subsidised residential care places to 8:2 or higher? If yes, what are the details? If no, what are the reasons?

When planning for new contract RCHEs, a 6:4 ratio of subsidised to non-subsidised RC places is adopted as a general guideline. SWD would, where appropriate, take into account the characteristics of the socio-economic condition of the districts where the RCHEs are located and the availability and usage of other non-subsidised RC places in the vicinity when determining the number of subsidised and non-subsidised RC places in individual contract RCHEs. As a result, not all contract RCHEs provide the 6:4 ratio of subsidised to non-subsidised RC places. It is, however, appropriate to continue adopting the 6:4 ratio as a general guideline so as to provide SWD with a basis to consider the provision of subsidised and non-

subsidised RC places for individual contract RCHEs. Besides, SWD has imposed an additional contract term in the new service contract of RCHEs since 2015 in which it permits the government to have the right to adjust the ratio of subsidised to non-subsidised RC places during the contractual period. This act could provide the government with flexibility to make necessary adjustment on the ratio of subsidised to non-subsidised RC places after consideration of various factors (including the admission rate of non-subsidised places).

Q5-Q7:

Given that some contract RCHEs are unable to obtain a renewal upon expiry of their contracts with the SWD, they have to change themselves to a private organisation finally. A change of operator will undermine the stable provision of services in a RCHE. Has the SWD examined the impact on users of such services brought about by the tendering system for contract RCHEs? If yes, what are the details? If no, what are the reasons?

Please list the contract RCHEs by name and by nature of operation before and after a change of operator as a result of re-tendering in the last five years. What measures did the SWD take to follow up on the fees charged, the number of subsidised and non-subsidised places offered, and the support services provided to help residents of RCHEs adapt to new operators?

Will the SWD remove the re-tendering process for contract RCHEs and make social welfare organisations as constant target operators? If yes, what are the implementation timetable and details? If no, what are the reasons?

Since 2001, SWD has adopted open tendering to select, under a fair and transparent selection process, the most suitable operators for the operation of contract RCHEs. Operators are required to provide quality RC services to elderly persons in accordance with the contractual requirements on a fixed contract sum. The tendering exercise for contract RCHEs strictly adheres to the Stores and Procurement Regulations of the Government, and is open to bidders from both non-governmental organisations (NGOs) and private sector so long as they fulfil the relevant qualifying criteria.

The term of contract of contract RCHEs is time-defined with a period of five years. Before the end of the first contract, SWD will fully review the service provision and, subject to the service performance, extend the term of contract with the same operator for a period not more than five years. Before the expiry of the extended contract, SWD shall select a suitable operator for the next contract for the contract RCHE through open tendering. As re-tendering may result in change of operator, additional requirement for the tenderers to submit detailed proposals on the transition-in plan is set out in the re-tender document so as to ensure a smooth service transition and avoid disturbance to the daily care and routine of residents in the event that transition of operators is necessary.

When change of operator for a contract RCHE is required, SWD will closely monitor the progress of transition work during the preparatory and transitional periods, and provide full support and supervision to both the existing operator and new operator to ensure a smooth service transition. A Transition Committee comprising senior management of both parties will be set up to proceed with the preparatory work and arrangement of every detail for the service transition as early as possible, including staff retention, handover of residents' care plans, communication with residents and their families, etc. SWD also requires the new operator to as far as possible maintain residents' existing daily routine schedule and administrative procedures for residents/family members so that the residents could continue to receive suitable care with maintenance of their daily care and routine. During the transition period, SWD and both existing and new operators will provide various communication channels for residents and their family members, and timely inform them of the related arrangements.

Information of contract RCHEs the operator of which had been/will be changed in the recent five years (from 2014 to late April 2019) is tabled below:

Contract RCHE	Contract award date of re-tendering	Original operator and number of RC places provided	Operator upon re-tendering and number of RC places provided	Nature of operation
Contract RCHE located at Sau Mau Ping Estate, Kwun Tong, Kowloon*	8/12/2015	The Yuen Yuen Institute Number of places : 140 [Subsidised :86 Non-subsidised :54]	Ever Kind Asia Limited Number of places :138 [Subsidised :96 Non-subsidised :42]	Remain unchanged
Contract RCHE located at Kwai Chung Estate, New Territories#	14/3/2019	Po Leung Kuk Number of places : 116 [Subsidised :78 Non-subsidised :38]	Wai Ying Investment Limited Number of places : 116 [Subsidised :78 Non-subsidised :38]	Remain unchanged

(* The service transitions of this Contract RCHE had been carried out smoothly. The residents and their families were satisfied with the transition-in arrangement as well as the service quality of the new operator.

Po Leung Kuk is the existing operator of the contract RCHE and the new operator upon re-tendering will commence service starting from October 2019.)

All operators of contract RCHEs are required to adhere to the service specifications which are clearly and distinctively stipulated in the service contracts to provide RC services to a specified number of RC places (including subsidised and non-subsidised RC places) as required by the Government. SWD will rigorously monitor the operation and service quality of the RCHEs through different means, including conducting surprise visits and inspections, auditing records and service information, and collection of feedback from service users, etc. to ensure that the quality of services is in full compliance with the contract requirements.

On fee-charging of contract RCHEs, the operators should charge the fees in accordance with the provision set out in the service contracts. For the monthly fee (with coverage of the daily necessities and services of residents), the subsidised RC places should be charged at a fixed fee set by the Government whereas the non-subsidised RC places should be charged at a monthly rate not exceeding that committed in the related tender proposal (unless prior approval of the Government is obtained, the monthly fee should remain unchanged throughout the contract period). In addition, there are clear criteria for the operators in setting the incidental charges in contract RCHEs. The operator can only charge such fees, subject to residents' choice and agreement, for items or services which are outside the scope of services as specified in the contract or for personal use out of the residents' own preference. All operators of contract RCHEs are strictly abide by the related fee-charging criteria.

Open tendering for selection of operators for provision of RC services has been persistently effective since implementation. It attracts more service providers (including NGOs and private sector) to participate in bidding, thereby promoting positive competition and injecting innovative ideas to achieve more flexibility, creativity and efficiency in provision of RC services, which enable elderly persons to benefit from up-to-date quality services. At present, there are 31 contract RCHEs which are providing quality RC services (with 2 390 subsidised RC places and 1 502 non-subsidised RC places) for needy elderly persons, with satisfactory outcome. In view of such, SWD will continue adopting open tendering in provision of quality RC services for elderly persons. Besides, SWD will continue to review and improve the tendering procedures, carry out prudent tender assessment, implement rigorous service monitoring and contract management, as well as to require the operators to meet the ever-changing service needs of residents so as to enhance the service quality and provide with elderly persons more benefits.

Q8:

As the Joint User Complex at Lei King Road will accommodate both an RCHE and a library, has the Government considered the ways for the two facilities to achieve synergy effect, such as enabling elderly residents of the RCHE to participate in library activities on the one hand, and facilitating those elderly residents to enjoy the abundant resources provided in the library on the other? If yes, what are the details? If no, what are the reasons?

The operator of a contract RCHE should comply with the requirements of the service contract to formulate strategies to promote collaboration and networking, including forming alliances with other organisations in the local community to best meet the needs of the residents of the contract RCHE and the elderly in the community. The proposed RCHE and district library in the Joint User Complex at Lei King Road provide a good opportunity for them to build networks and develop synergy.