

立法會 *Legislative Council*

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Panel on Welfare Services

Meeting on 12 May 2025

Background brief on the purchase of premises for the provision of welfare services

Purpose

This paper provides background information and summarizes the major views and concerns raised by Members on the Government's purchase of private premises for the provision of welfare services, including the Special Scheme on Privately Owned Sites for Welfare Uses ("Special Sites Scheme") implemented in September 2013.

Background

Purchase of premises for the provision of welfare services

2. In June 2020, the Government obtained approval from the Finance Committee to create a new commitment of \$20 billion for the purchase of premises for the provision of welfare facilities, with the target of purchasing **60 properties** for the Social Welfare Department ("SWD") to set up over **130 welfare facilities**. With the assistance of the Government Property Agency ("GPA"), SWD has been striving to identify suitable premises for purchase through different channels. As at 28 February 2025, SWD has incurred about \$240 million in actual expenditure on the "purchase of premises for the provision of welfare services" under the Capital Works Reserve Fund, covering the payment for **five premises**, with two located in **Sham Shui Po District** and the remaining three located in **Central and Western District, Eastern District and Kwun Tong District** respectively. These premises are for operating a Parents/Relatives Resource Centre, a Support Centre for Persons with Autism and a neighbourhood elderly centre, as well as for providing on-site pre-school rehabilitation services.

Special Scheme on Privately Owned Sites for Welfare Uses

3. The Government launched two phases of the Special Sites Scheme in 2013 and 2019 respectively with details as follows:

Proposal	Special Sites Scheme Phase One	Special Sites Scheme Phase Two
Rollout date	September 2013	April 2019
Objectives	<ul style="list-style-type: none"> ✦ To encourage non-governmental organizations (“NGOs”) to utilize the sites for the provision of welfare facilities through expansion, redevelopment or new development ✦ To meet the demand for elderly and rehabilitation services 	<ul style="list-style-type: none"> ✦ To add child care services apart from elderly and rehabilitation services ✦ To expand the scope of ancillary facilities to include medical and dental services
No. of applications	63 applications from 43 NGOs	25 applications from 16 NGOs
Removed / Withdrawn Proposals (reasons)	17 (site constraints, etc.)	6 (site constraints, etc.)
Total approved proposals (Approval rate)	46 (73%)	19 (76%)
A total of 65 proposals were approved in both phases		

Major views and concerns expressed by Members

Purchase of Premises for the Provision of Welfare Facilities

4. Members enquired about the amount of **funding earmarked** for the purchase of welfare facilities in the **2025-2026 financial year**, and the number, location, service areas, expenditure, etc. of the proposed welfare premises. Members also pointed out that while private property prices had declined in Hong Kong, the number of welfare facilities purchased still fell

short of the planned target. Members enquired whether difficulties had been encountered in the process, and suggested that the Administration should consider **taking additional measures to overcome the difficulties** so as to accelerate progress towards meeting the targets, e.g. relocating youth centres to commercial buildings and adjusting the use of welfare properties to meet the demand for elderly centres or child care services.

5. The Administration explained that SWD and GPA were actively striving to identify suitable premises and had earmarked **\$250 million** for the 2025-2026 purchase exercise. The progress of purchasing premises depended on the **availability of suitable properties in the market**, including factors such as fire safety and barrier-free access facilities, size, location and selling price. If market conditions permit, the goal of the two departments was to purchase as many premises as possible in order to provide more welfare facilities. In addition, SWD would continue to review the scheme and consider purchasing new premises as replacement so as to free up lower-floor spaces in existing premises for welfare purposes.

6. Under the Purchase of Premises for the Provision of Welfare Facilities programme, SWD and GPA would openly invite property owners to submit sale proposals. Members were concerned that after owners submitted their proposals, they were **not informed of the assessment progress**, and suggested that GPA should **inform owners of the assessment process and progress** after they submitted their sale proposals.

7. The Administration advised that after receiving basic listing information from property owners, GPA would review whether the listings meet the basic requirements specified by SWD before forwarding the information to SWD for consideration. If SWD considered the listings suitable, GPA would contact the relevant property owners for further enquiries and arrange site inspections. SWD would conduct a comprehensive assessment on the properties' fire safety, barrier-free access facilities, size, location and land uses, etc. If the properties were considered appropriate, **GPA would proceed with price negotiations and discuss terms of purchase with property owners**. The entire process was generally consistent with market practice and the property owners were aware of the stage of negotiation in which their properties were. It should be noted that property owners could still negotiate with other potential buyers after submitting their sale proposals.

8. Pointing out that the process of assessing sale proposals usually took 18 to 36 months, Members asked whether GPA would **set a time limit for processing each sale proposal**. In addition, considering that GPA currently only provided email address and fax number for property owners to submit sale proposals, Members enquired whether GPA would provide an

inquiry hotline or **dedicated email address** for property owners to enquire about the relevant matters. The Administration explained that the time required to complete the entire assessment and purchase process **varied with the specific circumstances of the property listed for sale**. The entire process would take additional time if the property required removal or improvement works, or required planning permission or clarification of the rights and responsibilities for the common areas, etc. Therefore, it was considered inappropriate to set a processing deadline for each sale proposal. Property owners could contact GPA via email for enquiries on related matters, and GPA would in general provide a reply within 10 working days, or contact the property owners by phone or meeting if needed.

Special Scheme on Privately Owned Sites for Welfare Uses

9. Members were concerned about the **slow progress** of the Special Sites Scheme, with only six projects completed as at March 2023. Members requested the Administration to provide an update on the progress of the projects and ascertain whether specific targets had been set to expedite the progress. The Administration advised that a total of 88 applications were received for Phase One and Phase Two of the Special Sites Scheme, of which 23 project proposals were withdrawn voluntarily or removed due to reasons such as site constraints. The progress of the 65 projects as at end February 2024 is as follows:

Stages	Project no.	Percentage
Completed	6	9.2%
Under construction	2	3.1%
Detailed design	10	15.4%
Technical feasibility study	22	33.8%
Conceptualization/ Preliminary planning	25	38.5%
Total	65	100%

10. The Administration explained that the implementation of projects by NGOs might be affected by various factors such as **environmental restrictions, communal facilities, land lease conditions, outline zoning plan (“OZP”) and consultation outcomes**. As applicant organizations were generally not specialized in development projects, they might need more time to complete the relevant procedures. In view of the unique circumstances of different projects, the Administration did not consider it appropriate to set specific targets for Special Sites Scheme.

11. Members suggested establishing a regular **coordinating mechanism** to proactively assist applicant organizations. The Administration advised

that SWD maintained close liaison with the Architectural Services Department, Lands Department, Planning Department and Buildings Department to provide assistance to applicant organizations regarding issues such as planning permission and lease modification. To further assist NGOs, SWD had proactively invited the participating NGOs for a meeting between December 2022 and May 2023 to review the progress of their projects. In addition, the Director of Social Welfare convened an **interdepartmental meeting** in September 2023 to strengthen the coordination among government departments and NGOs in tackling technical problems during the planning stage. The arrangement of such meetings would continue so as to expedite project implementation.

12. To assist organizations interested in participating in the Special Sites Scheme to **commence planning expeditiously** and provide **appropriate welfare facilities**, Members suggested that **basic information** about the sites, such as land lease conditions, site planning as well as traffic and noise restrictions, be provided as early as possible after the submission of applications. The Administration advised that to enable the applicant organizations to take note of the restrictions of their project proposals as early as possible, SWD would, after reaching a consensus with NGOs, consult the relevant government departments, e.g. the Planning Department and the Environmental Protection Department, and consolidate the initial comments for NGOs' reference. The consultants engaged by NGOs would then conduct technical feasibility studies and submit various technical assessments to relevant government departments for approval. The consultants would also assist in dealing with technical issues including amendment to OZP and planning permission in order to take forward the projects.

Relevant papers

13. A list of relevant papers on the LegCo website is in the [Appendix](#).

Appendix

Purchase of premises for the provision of welfare services

Relevant papers

Committee	Date of meeting	Paper
Panel on Welfare Services	20 May 2019	Agenda Item III: Special Scheme on Privately Owned Sites for Welfare Uses Minutes of meeting Follow-up paper
	10 June 2019	Agenda Item III: Purchase of premises for the provision of welfare facilities Minutes of meeting Follow-up paper
	8 June 2020	Agenda Item III: Special Scheme on Privately Owned Sites for Welfare Uses Minutes of meeting
	21 June 2021	Agenda Item IV: Planning for social welfare facilities Minutes of meeting
Finance Committee	9 April 2025	Replies to initial written questions raised by Members in examining the Estimates of Expenditure 2025-2026 (Reply Serial Nos: LWB(W)073 and LWB(W)143)

Council meeting	Paper
27 March 2024	Question 2 : Special Scheme on Privately Owned Sites for Welfare Uses
22 January 2025	Question 19 : Purchasing private premises by the Government for provision of welfare facilities

Council Business Divisions
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