

LCQ5: Purchase of premises for provision of welfare facilities

Following is a question by the Hon Jimmy Ng and a reply by the Secretary for Labour and Welfare, Mr Chris Sun, in the Legislative Council today (November 8):

Question:

In the 2019-2020 Budget, the Government announced that \$20 billion would be allocated for the purchase of 60 properties for accommodating more than 130 welfare facilities. The relevant funding was approved by the Finance Committee of this Council in June 2020. However, it has been reported that notwithstanding the plummeting prices of industrial and commercial properties during the epidemic, the Government had only made sporadic purchases. In this connection, will the Government inform this Council:

(1) of the details of the premises purchased by the Government under the aforesaid initiative in the past three years, including the location and purchase price of the premises, as well as the welfare facilities to be accommodated;

(2) whether the authorities have encountered any difficulties in the process of extending an open invitation under the aforesaid initiative for the submission of sale proposals by owners with potentially suitable premises; and

(3) whether it will set key performance indicators for implementing the aforesaid initiative; if so, of the details and timetable; if not, the reasons for that?

Reply:

President,

The Government has all along been adopting a multi-pronged approach with long, medium and short-term strategies to identify suitable sites or premises for the provision of welfare services to meet their acute demand.

As a long-term strategy, we have reinstated the population-based planning ratios in the Hong Kong Planning Standards and Guidelines (HKPSG) in respect of subvented elderly facilities, with a view to reserving necessary sites and space for these facilities early in the planning process of new and redeveloped areas. Similarly, we have incorporated the population-based planning ratio for the provision of subvented child care centre places into the HKPSG to facilitate the planning and reservation of suitable premises for the provision of child care facilities. We have also incorporated population-based planning ratio for the rehabilitation facilities, including pre-school rehabilitation, day rehabilitation, residential care and community support services, with a view to reserving suitable premises for setting up relevant

rehabilitation facilities.

As regards the medium-term strategy, the Social Welfare Department (SWD) has been maintaining close contact with relevant departments to identify suitable sites in the development or redevelopment of public housing estates and urban renewal projects for providing welfare facilities. The Government also endeavours to increase the provision of welfare facilities as appropriate through the Land Sale Programmes and the Special Scheme on Privately Owned Sites for Welfare Uses. In addition, we will make the best use of available government accommodation including vacant school premises and explore whether they are suitable for conversion into welfare facilities.

In parallel, the SWD also takes forward the short-term initiative of purchasing premises in the private property market.

My reply to various parts of the question raised by the Hon Jimmy Ng is as follows:

(1) With the assistance of the Government Property Agency (GPA), the SWD has been striving to identify suitable premises for purchase through different channels for the provision of welfare facilities. To oversee the premises purchase exercise and make decisions on the purchase of premises, the Government has set up a Steering Committee, with the Director of Social Welfare as the Chairman and the Government Property Administrator as a member, with a view to ensuring that premises are purchased at a reasonable price, and that public funds are used prudently.

As at March 31, 2023, the SWD has incurred approximately \$150 million in actual expenditure on "purchase of welfare premises" under the Capital Works Reserve Fund, covering the payment for four premises, which are located in Sham Shui Po District, Central and Western District, Eastern District and Kwun Tong District respectively, for operating a Parents/Relatives Resource Centre and a Support Centre for Persons with Autism, as well as providing on-site pre-school rehabilitation services.

(2) and (3) The GPA is responsible for assisting the SWD in publicly inviting owners in 18 districts across the territory who may have potentially suitable premises available for sale to submit their sale proposals for consideration. The GPA will forward the received sale proposals to the SWD for assessing the suitability of the premises.

The progress of the purchase of premises will be subject to the availability of suitable properties in the market and various external factors, including the availability of suitable fire safety and barrier-free access facilities in the premises, whether their size and location meet the operational requirements, the compatibility of the surrounding land uses with welfare uses, and whether the prices offered by owners are within the acceptable price ranges determined by the GPA with reference to market value. In this regard, we consider it not appropriate to set a performance indicator for the purchase exercise.

The SWD and the GPA are at present continuing to identify suitable

premises for purchase, and have already earmarked a provision of \$789 million for the relevant work in 2023-24.