

Commission on Poverty (CoP)

Reinforcing the District-Based Approach

PURPOSE AND GIST

This paper seeks Members' views on the next steps to reinforce the district-based approach in alleviating and preventing poverty. In brief, we recommend a multi-pronged approach involving the construction of a framework, further enhancement of cross-sector partnership and community education to nurture an inclusive social atmosphere as well as the provision of additional funding to promote community creativity and engagement. To give the district-based approach focussed attention and monitoring, we also propose the setting up of a dedicated Task Force under the Commission.

BACKGROUND

2. Following CoP's visits to Tin Shui Wai, Kwun Tong and Sham Shui Po, a district-based approach in alleviating and preventing poverty has been adopted in recognition that a local forum with the involvement of relevant parties would be in the best position to identify the priorities of the district concerned, and in designing corresponding solutions. The three priority districts have established dedicated fora chaired by District Officers and formulated action plans in tackling local challenges¹. A situation report on their progress will be presented to CoP in early 2006.

3. In addition to work by the three pilot districts, the CoP and various policy bureaux have been making efforts to enhance the district-based approach. The Secretariat maintains close liaison with the districts with a view to providing assistance where necessary in implementing the action plans². Relevant policy bureaux have also strengthened their services for the districts in the past few months³.

¹ The respective district action plans are set out in CoP Paper 9/2005 and CoP 16/2005.

² For instance, the Secretariat and the Education and Manpower Bureau have worked together to facilitate the opening of school premises in the districts. Members have also received separately a reply dated 3.11.2005 setting out the Administration's efforts to facilitate NGOs in conducting district poverty alleviation work.

³ Work of relevant policy bureaux is set out in Annex B to CoP Paper 24/2005 "Progress Report (February – August 2005)". That does not cover the latest initiatives of policy bureaux including those set out in the Policy Address. .

THE NEXT STEPS

At the strategic level

4. A district-based approach should not mean total devolvement; it should mean a conscious effort to forge a complementary role between the centre and the districts so that taken holistically, the community embraces actively the challenge of poverty prevention and alleviation. At the centre, this means the setting of facilitative policy and resource allocation parameters while giving room to encourage district creativity and involvement. At the districts, efforts and resources, albeit made in part in response to parameters centrally set, should focus on poverty prevention and alleviation work that is sustainable and helps create engagement and ownership by people from various walks of life. In short, central overview and district empowerment are both important.

5. Set out below are examples of the justifications for a central overview based on informal feedback from Members and community groups –

- (a) Notwithstanding that districts, and therefore priorities and solutions, differ, there have been suggestions from both Members and community groups that some issues encountered by different districts may have common causes and/or may call for solutions which could have implications for other districts (e.g. need of operation bases and mechanisms to encourage greater inter-agency cooperation);
- (b) despite separate work by different district fora and bureaux/departments, it would be desirable to conduct studies on the need for an overall policy framework and on the development of good practice reference on sustainable poverty prevention and alleviation work; and
- (c) The importance of cross-sector partnership, involving both the private sector and NGOs, cannot be over-emphasised. Noting that many private sector firms and NGO operators at the district level are local extensions/franchisees of their respective “mother-organisations”, it would be helpful if the centre could help energise the involvement of different sectors of the community to complement the social capital cultivation at the districts.

We therefore propose the setting up of a dedicated Task Force to advise on the strategic development of a district-based approach. It is of crucial importance that this central overview be set at a broad and strategic level in order not to smother inadvertently autonomous engagement by district groups.

At the Funding Level

6. In response to the district-based approach, government bureaux/departments have consolidated existing resources at the district level for poverty alleviation work, and have made additional allocation to support programmes in more deprived districts. For instance, an annual recurrent new provision of \$15 million has been allocated to the Social Welfare Department effective from 2005-06 for the District Support Scheme for Children and Youth Development. Furthermore, \$10 million has been allocated to the Education and Manpower Bureau for opening of school premises to the public in some districts where there is a lack of community facilities.

7. Besides additional funding to government bureaux/departments, the Government has established a number of funding sources to support initiatives of non-governmental organisations in helping the disadvantaged. The \$200 million Partnership Fund for the Disadvantaged, which aims at promoting tripartite social partnership comprising the Government, the business community and the welfare sector in helping the disadvantaged, was launched in March 2005. While the key objective of the \$300 million Community Investment and Inclusion Fund (CIIF) is to promote social capital and mutual help networks, CIIF projects have also enhanced cross-sector partnership and the capacities of the disadvantaged groups in the process.

8. During the discussion on the district-based approach on 26.5.2005, it was suggested that notwithstanding the existing resources and funding sources for local initiatives, there are merits in providing additional funding to further encourage sustainable poverty alleviation initiatives. This is also touched upon at the subsequent discussion on social enterprise development at the meeting on 12.9.2005⁴.

9. With reference to the Commission's Terms of Reference, it would appear that, in addition to enabling districts to further their poverty prevention and alleviation work, such funding should also -

- (a) be in line with the guiding principle of CoP's work, viz. enhancing in a *sustainable* manner the *capacity* of the disadvantaged to help themselves and become *self reliant*; and
- (b) encourage *cross-sector partnerships*. Such cross-sector partnerships may be manifested through co-funding by other community-based organisations and businesses, as well as their in-kind support (as co-organisers, providing business advice/mentorship etc.).

10. Furthermore, taking into account the current foci of the CIIF and Partnership Fund, and with a view to creating synergy rather than duplication

⁴The discussion on social enterprise development is set out in CoP Paper 22/2005.

between these and the proposed additional funding, we further propose to encourage initiatives in the following *three key areas* of CoP's work, viz.

- (a) *employment* - CoP sees employment as the key to promoting self-reliance and good role modelling for the next generation. Therefore, priority should be given to projects which facilitate creation of sustainable employment opportunities for the unemployed and socially disadvantaged groups;
- (b) *support to younger generation* - projects which help strengthen support to the younger generation and their families particularly those from disadvantaged background in order to reduce risks of intergenerational poverty; and
- (c) projects which foster community care and social inclusion of the *elderly*, including through enhancing their capacities and networks to participate meaningfully in the community.

Guidelines & Implementation

11. It is proposed that while the CoP should develop a set of guidelines on the purposes, nature and key areas for the additional funding, it should also provide some *flexibilities* for districts and avoid an overly prescriptive approach. For example, other disadvantaged groups or priorities not covered in paragraph 10 above should also be considered, provided that they are in line with the general objectives in paragraph 9. In addition, cross-district initiatives consistent with the guidelines above should also be considered.

12. In addition, the proposed initiatives also need to demonstrate -

- (a) they *do not overlap* with other existing services;
- (b) its *capacity enhancement and self-reliant focus*, e.g. it should avoid creating a sense of entitlement among the participants and have a mechanism to graduate participants from the programme; and
- (c) clear *outcomes* against the original objectives and targets.

13. Subject to Members' views, we will liaise with relevant bureaux on the implementation details, including drawing up detailed guidelines and rules to facilitate understanding by interested parties in districts. Subject to the passage of the legislation relating to the Personalized Vehicle Registration Marks (PVRM) Scheme (see paragraph 14 below), it is expected that funding would be available in April 2006.

Financial implications

14. The Financial Secretary announced in May 2005 that the net proceeds from Personalized Vehicle Registration Marks (PVRM) will be dedicated to the

work on poverty prevention and alleviation. The Government proposes to set aside an equivalent amount of the estimated net proceeds from the PVRM Scheme for the next five years for the purpose. The current estimate of the net proceeds is \$60 million per annum and which will be reviewed in the light of the implementation of the PVRM Scheme in three years' time. Subject to the passage of the relevant legislation introducing the Scheme, additional funding to reinforce the district-based approach will be sourced from the PVRM proceeds.

15. In considering the appropriate amount to be deployed for the district-based approach, Members may also wish to consider reserving part of the proceeds for other *central-level policy initiatives* of the CoP, including -

- (a) helping the unemployed from welfare to self-reliance (including various means to reinforce the existing employment assistance programmes and developing the infrastructure to facilitate social enterprise development in Hong Kong). These will be further discussed at CoP; and
- (b) reducing risks of intergenerational poverty which will be followed-up at the CoP Task Force on Children and Youth.

Funding from the PVRM Scheme in the ensuing four years (from 2007/2008 to 2010/2011) would be considered in the second half of 2006.

RECOMMENDATION & ADVICE SOUGHT

16. Reinforcing the district-based approach requires not only additional funding stimulus, but also careful and strategic coordination at the centre and the district levels. Such coordination is multi-pronged in nature, e.g. enabling policies to nurture desired district responses in terms of programme delivery, nurturing cross-sector partnership and support networks at both the territory-wide and district levels, creating a receptive attitude to poverty prevention/alleviation on the part of different social sectors, and allocation of additional funding taking into account other funding sources, existing services and the CoP's priorities. It is therefore recommended that -

- (a) part of the net proceeds from the PVRM be set aside for reinforcing the district-based approach along the lines of paragraphs 9 – 12 above; and
- (b) a Task Force be established to oversee the development of a multi-pronged framework for district-based approach to poverty prevention and alleviation. This specifically would involve, for example, the following -

- (i) to follow up the development of guidelines, etc. for the provision of additional funding;
- (ii) to oversee a study on the guiding principles in implementing the district-based approach, including the facilitative and support structure needed to address common and district-unique issues of concern;
- (iii) to consider further ways to mobilise and energise district networks and resources to alleviate and prevent poverty; and
- (iv) to make recommendations on the long-term strategy to implement the district-based approach taking into account the results of the study, the experience of the three pilot districts and other relevant projects/programmes.

17. Members are invited to comment on the recommendation in paragraph 16 above.

Commission Secretariat
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