

For information
21 July 2006

Legislative Council Panel on Education
Kindergarten and Child Care Centre Fee Remission Scheme

Purpose

The Education and Manpower Bureau (EMB) had provided Members with information on the Kindergarten and Child Care Centre Fee Remission Scheme (KCFRS) on 10 April 2006. The purpose of this paper is to address Members' concerns raised over KCFRS in the last meeting and brief them on the measures for improving the scheme.

Addressing Members' Concerns

Rationale of the "Social Needs" Assessment

2. From an educational point of view, half-day schooling for kindergarten children aged 3 to 6 is considered appropriate combining the benefits of pre-primary education with love and care of their family members. The arrangement is the most ideal for the child's physical, social and psychological development. The programme of full-day kindergarten provided after the morning session (such as lunch, afternoon nap, snacks, interest activities, free play, etc.) is mainly an additional child care service to support families having "Social Needs" or in response to individual parental choice. In view of this, the KCFRS adopts the school fees of a half-day programme as the basis of subsidy. It is accepted that for a variety of reasons there may be a "Social Need" for a child to be in full-day kindergarten. Parents may apply for full-day rate of fee remission with a "Social Needs" test for the purpose. The "Social Needs" assessment ensures that families with genuine need for support can get the necessary subsidy for their children to attend full-day programme in kindergartens/child care centres.

3. The Child Care Centre Fee Assistance Scheme (CCCFAS) (administered by the Social Welfare Department) for child care centres has all along been applicable to applicants receiving full-day service, who are

required to undergo a “Social Needs” test to establish their eligibility for assistance. Upon implementation of harmonisation of pre-primary services, the same “Social Needs” test has been adopted to assess applicants’ eligibility for full-day rate of fee remission for attending kindergartens and child care centres. The assessment criteria are no more or less stringent than before. The requirement of “Social Needs” assessment in KCFRS was approved by the Finance Committee on 24 June 2005.

Comparison of the Fee Remission Levels under KCFRS and CCCFAS

4. From September 2005, the former Kindergarten Fee Remission Scheme (KGFRS), which was applicable to kindergartens before then, has been expanded to cover all eligible children receiving pre-primary services including those children who are originally covered by CCCFAS (scheme to be phased out) and KGFRS has been renamed as KCFRS. The following improvement measures have been introduced in this change of financial assistance scheme:

- (a) Children aged 3 to 6 attending full-day (without Social Needs) or half-day child care centres before September 2005 are not eligible for CCCFAS. Upon conversion of child care centres to kindergartens in September 2005, these children can apply for half-day rate of fee remission under KCFRS.
- (b) CCCFAS included meal charges but not air-conditioning fees whereas KGFRS included air-conditioning fees but not meal charges. From September 2005, the meal charges for children attending full-day programme and air-conditioning fees have been included in KCFRS and parents eligible for full-day rate of fee remission can also get remission in meal charges. Hence, the subsidy rate to parents has been raised.

5. Since the subsidy rates of KCFRS and CCCFAS are based on different mechanisms, the fee remission level of the former scheme may be more than those of the latter scheme in some applications, and may be less in the other applications. An example illustrating the fee remission levels of a 4-person family of different income ranges is at Annex 1.

Improvement Measures for “Social Needs” Assessment

6. EMB is now conducting a review on pre-primary education in which the arrangement of financial assistance to parents is one of the issues under review. It is considered undesirable to make piecemeal changes before the review is completed.

7. However, in view of the concerns raised by the operators of the pre-primary sector, the EMB has modified the “Social Needs” assessment criteria and streamlined the administrative arrangements of the KCFRS. The improvements were discussed in a meeting with the pre-primary sector and were considered acceptable by those present. The proposed improvements are set out below:

- (a) More flexibility will be exercised in assessing applicants’ “Social Needs” such as:
- Pupil-applicants’ father or mother holding a two-way permit from China will pass the “Social Needs” test;
 - Pupil-applicants with parents who have to take care of an elderly family member aged 70 and over (medical certificate to confirm the health condition of the elderly family member not required) will pass the “Social Needs” test;
 - Pupil-applicants being members of twins and triplets will pass the “Social Needs” test;
 - Pupil-applicants from large families such as having 2 siblings aged below 6 or having 4 children aged below 12 in the family will be given discretion depending on individual case merit.
- (b) Improvement will be made to the application procedures, so that applicants will know what documents are required to substantiate their applications, and the procedures will be further simplified. Please refer to Annex 2 for the suggested improvements.

- (c) Briefings will be provided for the pre-primary institutions to explain the details of the scheme to facilitate them to follow the work flow.
- (d) Information on channels for securing the service of registered social workers will be provided for applicants who need social workers' recommendations. For those applicants who are not known to social workers or fail to get the service of social workers from the pre-primary institutions in which their children are attending, they can seek help from the Integrated Family Service Centres in their residential neighborhood. In case of need, the Joint Office for Pre-primary Services of EMB will also provide assistance to applicants.

These will be implemented with effect from the 2006/07 school year.

Advice sought

- 8. Members are welcome to comment on the content of this note.

Education and Manpower Bureau
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Comparison of the levels of fee remissions to applicant families of different income ranges under Kindergarten and Child Care Centre Fee Remission Scheme (KCFRS) and Child Care Centre Financial Assistance Scheme (CCCFAS)

Case Illustration with 4-person family	Income Level	Remission Level	
		CCCFAS ¹	KCFRS ² (the fee remission for full-day KG rate includes the meal charge of up to \$400 per month)
(1) Children attending full-day kindergarten classes with Social Needs	\$8,000	\$ 2,689	\$2,298 +\$400
	\$11,000	\$ 2,454	\$1,724 +\$300
	\$16,000	\$ 1,824	\$1,149 +\$200
	\$20,000	\$ 1,329	\$1,149 +\$200
(2) Children attending full-day kindergarten classes without Social Needs	\$8,000	0	\$1,315
	\$11,000	0	\$987
	\$16,000	0	\$658
	\$20,000	0	\$658
(3) Children attending half-day kindergarten classes	\$8,000	0	\$1,315
	\$11,000	0	\$987
	\$16,000	0	\$658
	\$20,000	0	\$658
(4) Children attending Group aged 2-3 of full-day child care centre with Social Needs	\$8,000	\$ 2,689	\$2,689
	\$11,000	\$ 2,454	\$2,017
	\$16,000	\$ 1,824	\$1,345
	\$20,000	\$ 1,329	\$1,345
(5) Children attending Group aged below 2 (i.e day crèche service) of full-day child care centre with Social Needs	\$8,000	\$ 4,676	\$4,676
	\$11,000	\$ 4,441	\$3,507
	\$16,000	\$ 3,811	\$2,338
	\$20,000	\$ 3,316	\$2,338
(6) Children attending Groups aged 2-3 or below 2 of half-day child care centre	NA	0	0
(7) Children attending Groups aged 2-3 or below 2 of full-day child care centre without Social Needs	NA	0	0

¹ A rental expenditure of 16% on the household income is assumed for the calculation of CCCFAS remission rate.

² The levels of fee remission will be 50%, 75% and 100% of the actual school fee charged, or the weighted average fee of non-profit-making kindergartens/the appropriate general maximum fee assistance level of child care centre's group aged 2-3 and group aged below 2, whichever is the less. In the 2005/06 school year, the weighted average fees of full-day and half-day sessions of non-profit-making kindergartens are \$2,298 and \$1,315 per month respectively. The general maximum fee assistance levels of child care centre's group aged 2-3 and group aged below 2 are \$2,689 and \$4,676 per month respectively.

Kindergarten and Child Care Centre Fee Remission Scheme
Improvements to the Application Procedures

1. Student Financial Assistance Agency (SFAA) will remind applicants to produce employer's certification of their hours of work. For casual workers who cannot produce employer's certification, self-declaration is acceptable.
2. SFAA will include a remark in the Guidance Notes to the effect that parents of the pupil-applicants who can provide documentary evidences showing that they met the 120/104 hours criteria prior to the application (at least one month or more) though after the specified assessment period are acceptable.
3. Pupil-applicants of unmarried parents and not under the care of both parents will qualify for the "Social Needs" assessment under Category 3 (b) upon the production of birth certificates and self-declaration by the parents. Social worker's recommendation is not required.
4. Pupil-applicants who are orphans/semi-orphans under the care of relatives will qualify for the "Social Needs" assessment under Category 3 (c) upon the production of death certificates of their parents and self-declaration by their relatives. Social worker's recommendation is not required.
5. For pupil-applicants with a parent or guardian in prison or absent from home for other valid reason for long periods, apart from social worker's recommendation, SFAA will also consider cases upon the production of self-declaration of the applicant together with the relevant supporting documents.
6. For pupil-applicants who need full-day care because of special conditions of other family members (e.g. chronically ill, physically or mentally handicapped), the applicants will qualify for the "Social Needs" assessment under Category 5 (a) upon the production of the identity document(s) of the relevant family member(s) and medical certificate (which shows the kind of chronic illness the family member(s) is/are suffering from) issued by hospital or medical practitioner, or documentary proofs of their being physically/mentally handicapped. Social worker's recommendation is not required.