

# 立法會

## *Legislative Council*

LC Paper No. CB(2)1907/08-09

Ref : CB2/PL/WS

### **Report of the Panel on Welfare Services for submission to the Legislative Council**

#### **Purpose**

This report gives an account of the work of the Panel on Welfare Services during the 2008-2009 Legislative Council (LegCo) session. It will be tabled at the Council meeting on 24 June 2009 in accordance with Rule 77(14) of the Rules of Procedure.

#### **The Panel**

2. The Panel was formed by a resolution of the Council on 8 July 1998 and as amended on 20 December 2000, 9 October 2002, 11 July 2007 and 2 July 2008 for the purpose of monitoring and examining Government policies and issues of public concern relating to welfare (including women welfare) and rehabilitation services, poverty, social enterprise and the Family Council.
3. The terms of reference of the Panel are in **Appendix I**.
4. The Panel comprises 15 members, with Hon Albert CHAN Wai-yip and Hon CHEUNG Kwok-che elected as Chairman and Deputy Chairman respectively. The membership list of the Panel is in **Appendix II**.

#### **Major work**

##### Implementation of Lump Sum Grant subvention system (LSGSS)

##### *Review of LSGSS*

5. The implementation of LSGSS remained high on the agenda of the Panel. The Panel had met with deputations on several occasions and discussed with the Administration the review of the system. Following the release of the Review Report on the Lump Sum Grant Subvention System (Review Report) prepared by the Lump Sum Grant Independent Review

Committee (IRC) in December 2008, the Panel held two meetings to discuss and receive views on the 36 recommendations made therein to improve the system. Members noted that IRC considered that the principles of LSGSS were sound, and the system was worth retaining. IRC recommended, among others, that the Government should make available an actuarial service for non-governmental organisations (NGOs) to assess their ability to meet Snapshot Staff commitments while a Best Practice Manual for NGOs on various management issues should be developed by the welfare sector.

6. While recognising the efforts made by IRC, most members were of the view that the Review Report had not thoroughly resolved the problems arising from the implementation of LSGSS, such as the practice of capping staff salaries at the mid-point of the corresponding civil service pay scale, unequal pay for equal work, the offer of time-limited employment contracts and high staff wastage and turnover in NGOs. Some members considered that the fundamental problems and concerns raised by the welfare sector lied in the system per se, and as such the Administration should consider scrapping the system.

7. The Administration reverted to the Panel in February 2009 on its responses to the recommendations of the Review Report. Members were advised that the Administration accepted in principle all the 36 recommendations and it would take them forward in concert with the welfare sector and seek the necessary funding approval, with a view to introducing most of the new initiatives by the end of 2009. The Administration further advised that the reconstituted LSG Steering Committee would work with the sector in drawing up a Best Practice Manual for NGOs on various management issues as recommended by IRC.

8. Members remained of the view that the Administration had failed to make concrete responses to address the problems arising from the implementation of LSGSS. At the meeting on 9 February 2009, members passed a motion urging the Administration to implement concrete measures to resolve the problems in the social welfare sector such as the low staff morale and to enhance monitoring of the operation of all subvented services. The Administration was requested to report progress to the Panel regularly.

#### *Salary arrangements for subvented staff*

9. The Panel also examined the salary adjustment arrangements adopted by subvented NGOs. Pointing out that additional subventions to NGOs under LSGSS were approved by the Finance Committee (FC) in July 2008 as a part of the 2008-2009 Civil Service Pay Adjustment, members took the view that the sole purpose of granting the additional subventions to NGOs on LSG should be for the increase of salary for NGO staff in the 2008-2009 financial year. Members, however, noted that certain NGOs had used the additional subventions granted to them since September 2008 for purposes other than pay

adjustment, and considered that the Administration should take action to ensure that NGOs would spend the additional funding solely on staff. Otherwise, the Administration would have misled FC when it invited members to approve the proposal on civil service pay adjustment which contained the additional subvention amounts. Some members took the view that the Administration should consider clawing back the balance of the subventions for not using the fund according to its dedicated purpose approved by FC.

10. The Administration advised that it had been the established practice that following a civil service pay adjustment, the Government would make corresponding variations to the annual subventions for those organisations with funding price-adjusted on the basis of formulae including a factor of civil service adjustment. Subvented NGOs had the flexibility to deploy their LSG in accordance with the Funding and Service Agreements (FSAs). The NGOs concerned had not deviated from the rules of LSGSS if the salary adjustment policies had been endorsed by their governing boards in accordance with the respective NGOs' constitutions or prevailing internal guidelines and were not inconsistent with the terms and conditions of the employment agreements or contracts of individual staff members. In addition, the Social Welfare Department (SWD) had issued a letter in July 2008 to encourage subvented NGOs to spend the additional amount of subventions for the purpose of adjusting the pay of their staff. SWD would monitor the situation as regards whether the subvention was spent on recognised activities under the provisions of FSAs and the LSG Manual.

11. The Panel decided to write to the Financial Secretary (FS) conveying members' concern about the use of additional subventions for purposes other than pay adjustment. The Panel urged the Administration to take remedial measures so that NGOs which had received the additional subventions for 2008-2009 pay adjustment should only use the additional subventions for the designated purpose, and in future the Administration was to impose a clear condition on the exclusive use of the additional subventions for the increase of salary for NGO staff. In the reply from FS's Office, the Administration reiterated its policy under which LSGSS should emphasize output rather than input control, subject to the established financial monitoring mechanism. The Panel also wrote to the Director of Audit conveying similar concerns, in particular whether the use of the additional subventions for purposes other than pay adjustment would constitute a misuse of public money.

#### Adjustment of social security payments

12. The Panel discussed a number of financial proposals relating to the adjustment of social security payments, including an upward adjustment of the standard payments under the Comprehensive Social Security Assistance (CSSA) Scheme and the Disability Allowance (DA) under the Social Security Allowance (SSA) Scheme, and a proposal to increase the monthly rates for Old Age Allowance (OAA) to \$1,000.

13. Members were supportive of the funding proposals. However, some members considered that the annual adjustment exercise did not review the adequacy of the CSSA standard payment rates for meeting the basic needs of the recipients. As the payment rates were determined based on the findings of a review conducted more than 10 years ago, the day-to-day basic items covered under the CSSA Scheme were incompatible with the present needs. In the circumstances, some CSSA recipients had to meet the expenses on essential items, such as Internet access charges within the standard payment rates. Members urged the Administration to conduct a comprehensive review on the adequacy of the CSSA standard payment rates expeditiously.

14. The Administration explained that the CSSA Scheme was a safety net of last resort for those who could not support themselves financially. On top of the regular monitoring of prices changes, the weighting of items covered under the Scheme was updated once every five years on the basis of the findings of the Household Expenditure Survey (HES) on CSSA Households. The last round of HES on CSSA Households was conducted in 2004-2005, and the next round would be conducted in 2009-2010. The Administration could also look into the aspect of Internet access charges when conducting the next round of HES on CSSA Households.

15. The Panel was advised in June 2009 that to ease the impact of the financial turmoil on the grassroots level, the Administration proposed to provide one additional month of standard rates of CSSA payments for CSSA recipients and one additional month of allowance for SSA (comprising OAA and DA) recipients. The funding proposal would be considered by FC in June 2009.

#### Support measures for low-income group amidst the financial turmoil

16. The Panel had examined the impacts of the financial turmoil on the low-income group. Members were concerned about the rise in the number of street sleepers since the last quarter of 2008. Noting that some street sleepers, who used to work outside Hong Kong and had returned to Hong Kong due to loss of jobs amidst the financial tsunami, were not eligible for CSSA because they could not meet the one-year-continuous-residence requirement, members considered the requirement unreasonable and unacceptable. They called on the Administration to review and exercise discretion to waive the residence requirement. Members also took the view that the Administration should ensure that timely assistance be provided to address the emergency and accommodation needs of street sleepers. Some members also suggested that the Administration should consider providing singleton hostels in order to address the long-term accommodation need of street sleepers.

17. The Panel also discussed the progress of the preparation work for the provision of short-term food assistance to individuals and families in need.

Five service projects, which would benefit 50 000 persons, would be set up and operated by NGOs over the territory. While welcoming the proposal, members generally considered that the provision of short-term food assistance was an interim measure to help the low-income group. Members took the view that the Administration should come up with a long-term solution to the financial problems encountered by the low-income group.

18. The Administration explained that the service users would receive food assistance for a maximum of six weeks. Provision of further assistance after six weeks might be considered. If individual service users had long-term welfare needs and required service other than food assistance, the operating NGOs would refer them to other service units for appropriate welfare service.

#### Proposed amendments to the Domestic Violence Ordinance (DVO)

19. In December 2008, the Panel was briefed on the legislative proposal to amend DVO before its introduction into the Council. According to the Administration, the proposal sought to extend the scope of DVO to include cohabitation between persons of the same sex, and this exceptional treatment was applicable only to the policy area of combating domestic violence. It remained the Administration's clear policy not to recognise same-sex relationship. The Panel subsequently held two further meetings to discuss the subject with the Administration and received views from nearly 150 deputations and individuals.

20. Some members were concerned that the proposed amendments would not only undermine the core values of family and marriage, but also move a step forward to recognise same-sex marriage and relationship. While they were not opposed to the proposal of protecting persons of same-sex relationship from molestation, they considered that the proposal should be effected by enacting a separate legislation or by renaming the title of DVO to spell out that the legislation was not confined to the context of "family" and sever any linkage between same-sex cohabitation and "marriage". Other members, however, considered that the legislative proposal should be introduced expeditiously, as it merely sought to extend the protection under DVO to victims of domestic violence who were in the same-sex cohabitation relationship, which was supported by Members in the Third LegCo.

21. The Administration assured members that it would carefully and thoroughly take into account the views and proceed with the drafting of the legislative proposal in consultation with the Department of Justice with a view to extending the scope of DVO to include persons in same-sex cohabitation in the distinct and unique context of domestic violence and spelling out its policy stance clearly.

### Work progress of the Family Council

22. The Administration reported to the Panel on the work progress of the Family Council. Members noted that the Family Council had studied its working relationships with the Women's Commission, Elderly Commission and Commission on Youth and recommended that while the three Commissions would continue to perform the roles in relevant sector-specific areas, they would form a closer alliance with the Family Council and make more concerted efforts to help enhance support services for families. In this regard, the Chairpersons of these Commissions had been appointed as ex-officio members of the Family Council with effect from 1 April 2009.

23. Pointing out that the Family Council was chaired by the Chief Secretary for Administration, members considered that the Family Council should study from a high-level perspective when reviewing and improving family-related policies. Members urged the Council to formulate strategic directions on family-related policies and put in place specific work plans to create a pro-family environment.

24. The Administration stressed that as an advisory body to the Government, the Family Council provided a high-level platform for discussion of major issues from the family perspective and strategic directions and priorities on family-related policies. The provision of services to support families would continue to be delivered by different relevant service providers.

### Implementation of the Integrated Family Service Centre (IFSC) service mode

25. Noting that the Administration had commissioned a consultant to conduct a review of the IFSC delivery mode, the Panel held two meetings to receive views from deputations on the implementation of the IFSC service mode. Members noted with concern that the frontline social workers in IFSCs were overstretched due to insufficient manpower to cope with the increasing service demands, taking into account that each IFSC was serving a population of 100 000 to 150 000 and providing a continuum of services with preventive, supportive, developmental and remedial functions.

26. The Administration advised that it was aware of the concerns raised by frontline social workers and staff unions about the operation mode of IFSCs. The Administration pointed out that the adoption of the IFSC service mode was a landmark in the development of family services in Hong Kong. Understandably, both management and frontline staff of IFSCs needed time to adjust to the substantial changes under the new mode. The Administration considered that the IFSC service mode was effective in service delivery. It would continue with the IFSC service mode, but would make improvements to further refine the mode.

27. While members did not object to the service concept of IFSCs in providing a continuum of services to individuals and families in the community, they took the view that the review being conducted by the consultant should address the following issues –

- (a) whether the existing resources and staff establishments of IFSCs were sufficient to provide a continuum of preventive, supportive and remedial services to the community;
- (b) the effectiveness of IFSC services in establishing community network and preventing family problems and whether specific services provided by the former Single Parent Centres and Post-migration Centres could be completely replaced by services provided by IFSC; and
- (c) whether the geographical boundary of an IFSC should be reduced.

The Administration advised that the review was expected to be completed by the end of 2009 and it aimed to revert to the Panel on the findings and recommendations of the review tentatively in the first quarter of 2010.

#### Provision of residential care places for persons with disabilities (PWDs)

28. The Panel continued to follow up the subject of the provision and allocation of subsidised residential care places for PWDs. When the Panel was consulted in May 2009 on the proposals of setting up two new Integrated Rehabilitation Services Centres (IRSCs), members noted that the average waiting time for Hostel for Severely Physically Handicapped Persons in 2008 was as long as 106.8 months. Given that only 490 subvented residential care places would be provided in 2010 through the two new IRSCs and 181 residential care places would be provided through other projects in the coming two years, the Panel held a strong view that the provision of subvented residential care services for PWDs should be expedited to shorten the average waiting time to a reasonable time frame.

29. The Administration assured members that it had endeavoured to increase the number of and shorten the waiting time for residential care places for PWDs. Notably, it would continue to liaise with other authorities in town planning to strive for suitable long-term venues for residential homes for persons with disabilities (RCHDs) as well as study the viability of turning vacant premises into RCHDs. The Panel decided to write to the Secretary for Education and the Government Property Administrator to enlist their support in identifying suitable vacant premises for conversion into RCHDs.

30. During the session, the Panel was updated on the progress of the preparatory work for introducing a licensing scheme for RCHDs in the 2008-2009 session. While welcoming the proposal to introducing a licensing regime to enhance the service quality of RCHDs, members expressed grave concern that some private RCHDs would close down after the implementation of the licensing system due to non-compliance of the requirements or would increase the home fees to meet the costs for improvement works. To this end, some members made reference to the Enhanced Bought Place Scheme for residential care homes for the elderly and suggested that places should be bought from private RCHDs. In the view of other members, an one-off subsidy or low interest loans be provided to private RCHDs to carry out improvement works. The Administration stressed that it would continue to bid for additional resources to increase the supply of subsidised residential care places and identify suitable sites for RCHDs.

31. Members maintained the concern about the impact of the proposed licensing regime on the operation of RCHDs and the well-being of RCHD residents. They strongly urged the Administration to conduct an overall assessment of the impact of the proposal on the operation of existing RCHDs and residents of RCHDs, in particular the impact on the waiting time for admission to subsidised residential care places, fees of private RCHDs and service quality of RCHDs. The Administration subsequently advised that it would postpone the introduction of the Residential Care Homes (Persons with Disabilities) Bill to the LegCo to the 2009-2010 session given that the Bill would comprise a large number of provisions and entail consequential amendments to other ordinances, which necessitated the deliberation of related policy issues.

#### Community support services for ex-mentally ill persons

32. Some members were of the view the Administration had failed to attach importance to the provision of adequate community support services to cater for the different needs of ex-mentally ill persons. Notwithstanding that SWD had stationed 197 Medical Social Workers (MSWs) at the psychiatric units of all Hospital Authority (HA) public hospitals and clinics to provide support for mentally ill persons who were hospitalised, ready to be discharged or undergoing follow-up consultations, the services were far from adequate to meet the demand from tens of thousands ex-mentally ill persons living in the community. Members were gravely concerned that MSWs were not aware of the discharge of mentally ill persons on some occasions, not to mention the provision of appropriate rehabilitation and support services for these discharged patients and their family members.

33. The Administration informed the Panel that it had endeavoured to bid for additional resources in the past years. A series of community support services had been launched and enhanced in recent years to provide

ex-mentally ill persons and their families with continuous care and support. Specifically, SWD had introduced the Community Rehabilitation Day Services, Community Mental Health Link and Community Mental Health Care to help ex-mentally ill persons to resolve their adjustment problems in their daily living and re-integrate into the community. In addition, the first integrated centre under SWD's subvention providing one-stop community support and social rehabilitation services for the residents, discharged mental patients, persons with suspected mental health problems and their families/carers had commenced service in Tin Shui Wai in March 2009.

34. Pointing out that HA and SWD worked together to deliver medical and social rehabilitation services for ex-mentally ill persons, members generally considered that there was room for enhancing the communications in drawing up discharge plans for the patients, and strengthening assistance for the patients and their families in respect of rehabilitation services and community resources. Members urged the Administration to review and rationalise the existing mental health and support services, and to map out the long-term targets of community support services.

#### Poverty alleviation

35. The Panel set up a subcommittee in January 2009 to study policies and measures relating to poverty alleviation. The Subcommittee on Poverty Alleviation held five meetings between February and June 2009 to discuss with the Administration and receive views from deputations on various issues relating to the review of the CSSA Scheme. These included the provision of Internet access charges, the disregarded earnings arrangements, the operation of discretionary mechanism on the residence requirements under the Scheme, as well as the improvement measures to residential care places for the elderly. The Subcommittee will hold a further meeting in July 2009 to meet with the Administration to discuss the progress in the development of social enterprises. The Panel will receive a briefing on the work progress of the Task Force on Poverty in July 2009.

36. With a view to obtaining first-hand information on the experience of combating poverty and developing social enterprises in other places in Asia, the Subcommittee will conduct a duty visit to the Republic of Korea and Taiwan in July 2009 to facilitate its study in these respects so as to provide assistance to the unemployed and disadvantaged in Hong Kong.

#### Other issues/items discussed

37. Other issues discussed by the Panel included policy initiatives in respect of welfare services in 2008-2009; progress reports on the District-based Scheme on Carer Training, the Community Investment and Inclusion Fund and the Partnership Fund for the Disadvantaged; and a funding proposal to replace the Computerised Social Security System in SWD.

38. Between October 2008 and June 2009, the Panel held a total of 15 meetings.

Council Business Division 2  
Legislative Council Secretariat  
19 June 2009

**Legislative Council**

**Panel on Welfare Services**

**Terms of Reference**

1. To monitor and examine Government policies and issues of public concern relating to welfare (including women welfare) and rehabilitation services, poverty, social enterprise and Family Council.
2. To provide a forum for the exchange and dissemination of views on the above policy matters.
3. To receive briefings and to formulate views on any major legislative or financial proposals in respect of the above policy areas prior to their formal introduction to the Council or Finance Committee.
4. To monitor and examine, to the extent it considers necessary, the above policy matters referred to it by a member of the Panel or by the House Committee.
5. To make reports to the Council or to the House Committee as required by the Rules of Procedure.

**Panel on Welfare Services**

**Membership list for 2008 - 2009 session**

<b>Chairman</b>	Hon Albert CHAN Wai-yip
<b>Deputy Chairman</b>	Hon CHEUNG Kwok-che
<b>Members</b>	Hon Albert HO Chun-yan (since 23.10.08)
	Hon LEE Cheuk-yan
	Hon LEUNG Yiu-chung
	Hon TAM Yiu-chung, GBS, JP
	Hon LI Fung-ying, BBS, JP
	Hon Frederick FUNG Kin-kee, SBS, JP
	Hon WONG Kwok-hing, MH
	Hon Alan LEONG Kah-kit, SC
	Hon LEUNG Kwok-hung
	Hon Ronny TONG Ka-wah, SC
	Hon Paul CHAN Mo-po, MH, JP
	Hon WONG Sing-chi
	Hon WONG Kwok-kin, BBS

(Total : 15 members)

<b>Clerk</b>	Miss Betty MA
<b>Legal adviser</b>	Mr YICK Wing-kin
<b>Date</b>	23 October 2008