

立法會
Legislative Council

LC Paper No. CB(2)1234/09-10
(The minutes have been seen by
the Administration)

Ref : CB2/PL/ED

Panel on Education

Minutes of meeting
held on Thursday, 18 March 2010, at 4:30 pm
in Conference Room A of the Legislative Council Building

Members present : Hon Cyd HO Sau-lan (Chairman)
Dr Hon Priscilla LEUNG Mei-fun (Deputy Chairman)
Hon LEE Cheuk-yan
Hon CHEUNG Man-kwong
Hon LEUNG Yiu-chung
Hon TAM Yiu-chung, GBS, JP
Hon Abraham SHEK Lai-him, SBS, JP
Hon Tommy CHEUNG Yu-yan, SBS, JP
Hon Audrey EU Yuet-mee, SC, JP
Prof Hon Patrick LAU Sau-shing, SBS, JP
Hon Starry LEE Wai-king
Dr Hon LAM Tai-fai, BBS, JP
Hon CHEUNG Kwok-che
Hon WONG Sing-chi
Hon Mrs Regina IP LAU Suk-yee, GBS, JP
Dr Hon Samson TAM Wai-ho, JP

Member absent : Hon Andrew LEUNG Kwan-yuen, SBS, JP

Public Officers attending : Agenda item IV

Education Bureau

Mr Michael SUEN, GBS, JP
Secretary for Education

Mr Kenneth CHEN, JP
Under Secretary for Education

Mrs Betty IP
Deputy Secretary for Education (3)

Miss P L WU
Principal Assistant Secretary (School Administration
and Support)

Security Bureau

Ms Sally WONG, JP
Commissioner for Narcotics

Social Welfare Department

Mr FUNG Man-lok
Assistant Director (Youth and Corrections)

Agenda item V

Education Bureau

Mr Kenneth CHEN, JP
Under Secretary for Education

Ms Esther LEUNG, JP
Deputy Secretary for Education (6)

Student Financial Assistance Agency

Ms Nancy SO
Controller

Mr Tony WONG
Senior Systems Manager (Information Technology
Management Unit)

**Clerk in
attendance** : Miss Odelia LEUNG
Chief Council Secretary (2)6

**Staff in
attendance** : Ms Judy TING
Senior Council Secretary (2)7 (Acting)

Miss Jenny LEE
Legislative Assistant (2)6 (Acting)

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I. Confirmation of minutes

[LC Paper No. CB(2)1074/09-10]

The minutes of the meeting held on 8 February 2010 were confirmed.

II. Information paper(s) issued since the last meeting

2. Members noted the letter from the Student Union of The Chinese University of Hong Kong dated 1 March 2010 concerning the result of a poll conducted among all students to decide on the method for electing student members to the Senate of The Chinese University of Hong Kong. Members agreed that the Panel should forward the letter to the university and request it to respect the views of students on the method for electing student members in reorganizing its Senate.

(Post-meeting note: a letter dated 22 March 2010 was sent to The Chinese University of Hong Kong.)

3. The Chairman informed members that the Incorporated Owners of Merry Garden, Kennedy Road had written to her about the proposed redevelopment of Sheng Kung Hui St James' Primary School, Church and Welfare Centre at Kennedy Road, Wan Chai. The Finance Committee approved the funding proposal for redevelopment of Sheng Kung Hui St James' Primary School at its meeting on 13 February 2009. The Incorporated Owners had lodged a complaint about the proposed redevelopment to the Complaints Division of the Legislative Council ("LegCo") Secretariat. She had referred the letter to the Complaints Division for follow-up. She said that should members be interested in following up the case, they might contact the Complaints Division.

III. Items for discussion at the next meeting

[Appendices I and II to LC Paper No. CB(2)1085/09-10]

4. Members agreed to discuss the following items proposed by the Administration at the next regular meeting scheduled for 12 April 2010 at 4:30 pm –

- (a) subsidy on Internet access charges for needy students and related measures;
- (b) Fifth Matching Grant Scheme for local degree-awarding

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institutions;

- (c) review of the Financial Assistance Scheme for Designated Evening Adult Education Courses; and
- (d) progress of local and international recognition and promotion of the Hong Kong Diploma of Secondary Education qualification.

5. Regarding (c), Mr CHEUNG Man-kwong suggested that the Administration should be requested to consider providing free evening secondary courses to adult learners following the implementation of 12-year free education. The Chairman shared his view.

6. Members agreed that the next regular meeting be extended for one hour to end at 7:30 pm.

IV. Education for young drug abusers and relocation of Christian Zheng Sheng College

[LC Paper Nos. CB(2)1085/09-10(03)-(04) and CB(2)1119/09-10(01)]

7. Members noted the background brief entitled "Education for young drug abusers" prepared by the LegCo Secretariat.

Briefing by the Administration

8. Under Secretary for Education ("US(Ed)") briefed members on anti-drug preventive education in schools, the education services for school-age drug abusers receiving treatment and after rehabilitation and the latest development of the relocation of the two treatment and rehabilitation centres of the Christian Zheng Sheng Association ("the Association") in Ha Keng, Lantau, as detailed in the Administration's paper. US(Ed) added that the Anti-drug Resource Kit for Schools had been distributed to schools since 17 March 2010.

Relocation of the centres of the Association

9. Mr CHEUNG Man-kwong noted that the Government supported in principle the relocation of the two centres of the Association to the vacant premises of the ex-Heung Yee Kuk Southern District Secondary School ("ex-SDSS"). In his view, five issues had to be resolved before the relocation including the provision of background and operating account of the services by the Association, the mode of operation after the relocation, facilities in and licenses of the centres in the new site, administrative and financial management arrangement, as well as monitoring of the services by the Government.

10. Mr CHEUNG Man-kwong was concerned that the relocation of the

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centres was pending until the operating account of the Association had been clarified. While appreciating that the clarification of the matter would take time, he considered that the safety concerns of the existing sites of the centres, in particular with the imminent arrival of the rainy season, had to be addressed. To expeditiously resolve the problem, Mr CHEUNG proposed that the Association should open a separate account for Christian Zheng Sheng College ("CZSC") and transfer the existing assets of CZSC to the account. Thereafter, the Government could make the relocation arrangements, provide subvention to CZSC, and monitor its services.

11. Secretary for Education ("SED") said that the Association had indicated months ago that it would appoint an independent accountant to separate the previous audited financial information of the Association and CZSC. The Association had sent a letter to the Government in January 2010 indicating that the process of clarifying the operating account was still in progress. The Government had been urging the Association to submit its audited accounts on many occasions, but as of date, the Government had yet to receive the information.

12. Mr CHEUNG Man-kwong reiterated that the proposal for opening a separate account would simplify the issue of relocation. SED said that he was not in a position to give views on the proposal on behalf of the Association. He added that since the end of 2009, the Government had been requesting the Association to provide information in relation to the operation of the new senior secondary curriculum including the estimated budget, curriculum plan and operation details.

13. Relaying the views of Dr Priscilla LEUNG and Mrs Sophie LEUNG who were not present at the meeting, Professor Patrick LAU said that the relocation of centres should be handled expeditiously. Having visited the centres, he considered that the geographical location of the centres on an island offered a favourable environment for students to receive residential treatment services. From the perspective of an architect, he was of the view that with the assistance of building professionals, the Association could redevelop and renovate the centres in-situ at a reasonable cost. The concern about slope safety could be tackled. He and other building professionals could offer assistance and teach the students how to design and build the new centres. In his view, the crux of the matter was the readiness of the Administration to recognize CZSC as a treatment and rehabilitation centre-cum-school and provide resources for it.

14. In response, SED said that a similar proposal had been put forward by members of the community before but could not be taken forward as the issue of temporary relocation of the centres during the redevelopment/renovation period could not be resolved. He further said that the provision of resources for the purpose was another concern. With the proposed injection of \$3 billion into the Beat Drugs Fund and if private donations could be secured, the concern about

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resources might be addressed. The Government would welcome any proposals for redevelopment of the centres at the existing sites provided that the issues about temporary relocation and resources could be resolved.

15. Ms Audrey EU considered that the delay of the relocation was unfair to the students. She suggested following up the matter at the next meeting and inviting representatives of the Association to give views. She sought clarification on whether the relocation could be taken forward only after the Association had submitted the required information and whether the investigation of the Independent Commission Against Corruption ("ICAC") on the Association's operating account was the reason for holding back the relocation. She was concerned about any interim measures to address the unsatisfactory conditions at CSZC while awaiting the submission of information from the Association.

16. SED said that he did not have any information about ICAC's investigation and the investigation was not a factor for the consideration of the relocation proposal. He further explained that the two classrooms of CZSC at Ha Keng could accommodate about 30 students. To fulfill the registration requirements as a school after relocation, the Association needed to submit information on its operating account, tuition fees, manpower of teachers, curriculum details and timetable, etc. Upon receipt of the requisite information, the Administration would be able to consider its registration of school under the relocation proposal of the centres. SED stressed that the provision of such information was necessary for any application for registration as a school.

17. Ms Audrey EU requested the Administration to clarify whether the Association needed to submit two types of information, i.e. the operating account, and the documents required for its future operation at the ex-SDSS site. She asked when the Administration had requested such information from the Association.

18. Deputy Secretary for Education (3) ("DS(Ed)3") said that since September 2009, the Administration had been discussing with the Association about its present curriculum provision, manpower of teachers, distribution of work, operation of the education programmes, etc. The relocation would involve not only the school section of the Association but also the facilities for treatment and rehabilitation. It was therefore necessary for the Association to provide information with regard to its mode of operation, management arrangements as well as transparency and accountability of the operation of the centres after the relocation to address the concerns of the local community raised during the consultation process. The Administration would take all the information into account in considering the relocation proposal.

19. Commissioner for Narcotics ("C for N") supplemented that the Narcotics Division had continued to communicate with the Association during the second

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half of 2009. The Association was aware that it would have to take up refurbishing works at the site of ex-SDSS should the centres be relocated there. The project proponent should be a charitable organization under the Inland Revenue Ordinance, and had to submit yearly audited accounts and set up a management structure with the participation of local residents to enhance the accountability and transparency of its operation. As of date, the Association had yet to submit the relevant information.

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20. Ms Audrey EU requested the Administration to provide a chronology of events relevant to the relocation proposal including the actions taken by the Administration. The Chairman supported the request and added that it would facilitate members of the public to sort out the responsibility for the delay of the relocation.

21. Ms Starry LEE agreed that the Administration should provide a chronology of events as it would help better understand the matter. She called on the Administration to proactively take forward the relocation proposal.

22. Noting that the Association had yet to submit certain documents, Mr Tommy CHEUNG asked whether the Administration had requested the information in one go. He opined that it would take a long time for the Association to submit some of the documents, such as those relating to its registration as a charitable organization and the audited account. In this connection, he considered it important for the Administration to set a timetable for the submission of the information so that the ex-SDSS site could be released for other purposes in case the relocation was not effected. Mr CHEUNG also opined that the existing operating account and the future account of the Association should be handled separately.

23. SED replied that as agreed, the Administration would provide a chronology of events relevant to the relocation proposal.

24. Mr CHEUNG Man-kwong said that his main concern was the provision of a suitable environment for the students receiving treatment at CZSC. He reiterated the safety concern of the centres which the Administration must address. Mr CHEUNG noted that the Association had yet to submit two types of documents, i.e. those relating to its operation as a school and as a treatment and rehabilitation centre, apart from the clarification of its operating account. He requested the Administration to provide a list of documents required for submission by the Association in connection with the relocation proposal and advise the time needed for the submission. Where the submission could not be made in the near future, the Administration should address the safety issues of the centres to safeguard the interests of the students.

25. In reply, SED said he could not answer on behalf of the Association the time needed for the submission of the required documents. In case where the

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relocation could not be effected and when the students came under immediate danger, they could be relocated to other treatment centres with gospel affiliations.

26. The Chairman pointed out that as the Association needed time to clarify its operating accounts but the safety concerns of the centres had to be addressed without delay, she considered that where necessary, students of CZSC should be temporarily relocated. In the meantime the Administration as well as LegCo Members would continue to monitor the issues of the Association's operating account.

27. Professor Patrick LAU said that he was given to understand that the Geotechnical Engineering Office had been studying the safety conditions of the slopes and was of the view that there were no immediate dangers to the centres. Notwithstanding, the unsatisfactory conditions at CSZC still needed to be addressed.

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28. The Chairman requested the Administration to confirm with the Geotechnical Engineering Office on the safety conditions of the slopes and provide the relevant information.

Support for schools to tackle drug abuse

29. Referring to the 2008-2009 Survey of Drug Use among Students recently released by the Narcotics Division of the Security Bureau, Ms Starry LEE noted with serious concern the dramatic increase of female student drug abusers, which had risen by about 30% since the last survey in 2004-2005. Female student drug abusers under the age of 16 had also increased 28.6% since the last survey. In view of the prevalence of drug among female students, Ms LEE asked how the Healthy School Policy ("HSP") would help address the problem. She also enquired whether the survey results were in line with the projections of the Administration.

30. In the areas of publicity and preventive education measures against drug abuse among students, C for N apprised that anti-drug education programmes would be extended from upper primary to lower primary students. Under Student Health Service of the Department of Health, updated anti-drug knowledge would be provided for students and training for medical personnel to enhance the latter's awareness of students who showed signs of drug abuse so that early follow-up actions could be taken.

31. DS(Ed)3 supplemented that the objectives of HSP was to help students reach a state of physical, mental and social well-being. Schools should formulate a school-based HSP in the light of their own situation and students' needs to foster a healthy school environment. To help schools to do so, an Anti-drug Resource Kit for Schools ("the resource kit") had been made available

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for schools since 17 March 2010. The resource kit provided schools with information on anti-drug curriculum, identification tool, practical reference materials, and examples of handling drug abuse cases. Schools had been encouraged to designate an experienced teacher to coordinate anti-drug issues. Sixteen seminars would be convened to familiarize schools with the use of the resource kit. Schools with exemplary experiences in handling drug abuse cases would be invited to share their experiences at the seminars. In addition to anti-drug curriculum, activities would be arranged for students to help building their confidence and inspire them to stay away from drugs. Anti-drug resource kit had also been provided for parents to equip them with knowledge and skills in handling youth drug abuse.

Treatment and rehabilitation services for school-age drug abusers

32. Mr WONG Sing-chi called on the Administration to expeditiously effect the relocation of CZSC as further delay was unfair to the students. He considered that School for Social Development ("SSD") was not appropriate for placing habitual school-age drug abusers. In his view, these drug abusers should receive treatment and rehabilitation services as well as education in a favourable environment, like the service mode provided by CSZC. He was concerned that apart from CZSC, whether the Administration would assist other organizations to provide a similar mode of service. He also sought information on the niche of such service mode in the Administration's strategy for rehabilitation of school-age drug abusers.

33. SED reiterated that the Government supported the relocation in principle and was awaiting information from the Association. In the Government's view, the most basic and urgent need of school-age drug abusers was to undergo treatment and rehabilitation during which they should be provided with learning opportunities to maintain the basic education standard and learning momentum. The process of treatment and rehabilitation should be transitional and should normally not be too long. He pointed out that a number of non-governmental organizations ("NGOs") were offering education services for school-age drug abusers while receiving residential treatment, such as treatment with gospel affiliation. The service mode was similar to that offered by hospitals for school-age patients. The treatment and rehabilitation centre-cum-school model adopted by the Association was a very unique mode of drug treatment and rehabilitation services. As it took five to six years to complete the programme, the Administration considered it necessary to take into account the resources and policy implications. SED also clarified that the target students of SSD were those with serious emotional and behavioral problems.

34. Mr LEUNG Yiu-chung said that since the Government had indicated support for the relocation of the centres of the Association, this meant that it agreed to its mode of services. However, the Administration had been taking a passive attitude in the development of such a mode. It relied solely on CZSC to

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provide the services. Even if the concern about the operating account of the Association could be resolved, CZSC could only provide limited places which could not meet the rehabilitation need of the increasing number of school-age drug abusers. He called on the Administration to develop the mode of services of CZSC to provide assistance to more school-age drug abusers. Mr LEUNG regretted the SED's saying that whether the redevelopment proposal for CZSC was feasible would depend on private donations. In his view, should the Administration consider such a proposal viable, it should take the initiative to assist the Association to raise the fund or provide the resources instead of just leaving the matter to the community.

35. SED stressed that the Administration had not shirked its responsibility for tackling youth drug abuse. The issue under discussion was the provision of educational programmes for school-age drug abusers during treatment and rehabilitation. In fact, other organizations, such as those with gospel affiliations, were also offering education services to school-age drug rehabilitators, and the main difference was that these organizations did not register their education facilities and operations as a school. He reiterated that the relocation proposal would be taken forward as soon as the Association had clarified their operating account and responded to other issues of concern raised during the consultation process. There was currently no policy for drug rehabilitation school. He added that the Association had previously indicated that it would use its own funds for the relocation.

36. The Chairman opined that it seemed that it was the Association and not the Administration who should be responsible for providing treatment and rehabilitation centre-cum-school services for school-age drug abusers. While acknowledging the absence of policy on drug rehabilitation school, the Chairman said that the Administration had the responsibility to formulate policies and develop framework for the regulation of treatment and rehabilitation centre-cum-school services. This would enable other organizations to provide such services. The present situation was that only the Social Welfare Department ("SWD") was involved in that it had been providing Comprehensive Social Security Assistance for students to pay for their school fees. As the number of school-age drug abusers was rising, EDB, SWD and the Correctional Services Department should work in partnership to sort out the way forward for the provision of treatment and rehabilitation centre-cum-school services to meet the needs of youth drug abusers.

37. In reply, SED reiterated that there were other NGOs providing religious residential treatment services as well as educational programmes, and EDB had been providing subvention for these educational programmes. The mode of services provided by CZSC was unique. As its service was found to be effective for some school-age drug abusers, the Administration considered that such services might continue.

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38. C for N added that there were about 40 drug treatment and rehabilitation centres ("DTRCs") providing residential treatment services for school-age drug abusers. EDB had been providing subvention for some of these DTRCs to operate educational programmes. The subvention was calculated on the basis of the number of education units of 10 students each. In the 2009-2010 school year, each education unit received a subvention of some \$300,000 per annum to hire teachers and meet daily operational expenses of the educational programmes. The educational programmes included the teaching of three core subjects, namely, Chinese, English and Mathematics. As the number of school-age drug abusers continued to rise, EDB had been encouraging operators of DTRCs to provide wider and more structured educational programmes.

39. The Chairman doubted whether DTRCs were suitable for young people to receive residential treatment-cum school services as drug abusers at DTRCs were of different ages while those at the centres of the Association were mainly adolescents. As many parents chose to send their children to receive residential treatment services at the centres of the Association, this showed that its services were more effective than those of other DTRCs. As such, the Chairman considered that the Administration should study the experiences of the Association and, on the basis of its experience, formulate a new mode of services for other DTRCs to follow.

40. C for N said that most DTRCs admitted young abusers, viz teenagers and those in their early twenties. While acknowledging the effective mode of services provided by the Association, she considered that such a mode might not be suitable for all DTRCs as they had their specific backgrounds and their inmates had different needs. She also pointed out that DTRCs were in the process of enhancing their educational programmes, and the educational programmes provided by some DTRCs without subvention were of a fairly good standard. The Administration would later invite operators of DTRCs to suggest new and effective mode of residential treatment services. In considering their proposals, the Administration would look at the proposed educational programmes, counselling and medical support, and pre-vocational training, etc. She stressed that flexibility should be allowed for operators to provide different residential treatment services which suited their backgrounds and needs.

41. The Chairman stressed the importance of formulating policies and standards for residential treatment-cum-education services, and called on the Administration to review its policies as soon as practicable.

42. Mrs Regina IP shared the view that a standard mode of services might not be suitable for different DTRCs, and various types of services should be available to cater for the needs of different youth drug abusers. She enquired about the different types of services available, the existing number and shortfall of places, as well as the age groups of drug abusers receiving residential treatment services at DTRCs. She also enquired about the projected demands for

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such services in the light of the increasing number of young drug abusers, in particular those under the age of 12.

43. C for N explained that drug treatment services might broadly be grouped into two models, namely, non-medical, such as gospel affiliation model, and medical model. The latter type mainly catered for heroin abusers. She pointed out that a large number of drug abusers receiving residential treatment services at subvented DTRCs suffered from psychotropic substance abuse. They needed educational, counselling, medical and/or vocational training services. The proposals to be put forward by operators of DTRCs as mentioned in paragraph 40 above should address those needs in the treatment programmes. Many young drug abusers might not prefer returning to mainstream schooling after rehabilitation, and would prefer vocational training. C for N further said that there were about 1 600 places in DTRCs. It should be noted, however, that only a small proportion of drug abusers required residential treatment services. The majority of them received community-based treatment, such as those provided by Counselling Centres for Psychotropic Substance Abusers, outreaching service, and doctors. As considerable effort was being made to identify potential or occasional young drug abusers early, the demand for residential treatment should not be too great.

44. To follow up, Mrs Regina IP asked which treatment model, i.e. gospel affiliation or medical model, was found to be more effective.

45. C for N advised that a survey had been conducted in the anti-drug sector in the past few months to look into the issues such as usage of and waiting list for residential treatment services. The findings showed that over 100 people were awaiting residential treatment services, and the waiting period ranged from a few weeks to two or three months. A lot of residential places were provided by organizations with gospel affiliations. Some young drug abusers did not prefer this type of residential treatment as its length of stay could be as long as one year or more. She stressed the importance of providing a wide spectrum of treatment services of various lengths for young drug abusers, and both gospel affiliation and medical models had their own merits. For addicted heroin abusers, methadone treatment had its advantages. As for psychotropic substance abusers, methadone treatment was not appropriate as they needed different kinds of medical services.

46. Mr CHEUNG Man-kwong considered it necessary for the provision of various treatment programmes for school-age drug abusers. He would like to pay a visit to different types of organizations to gain a better knowledge of their services.

47. To better understand the various treatment programmes, the Chairman requested the Administration to provide written information on the number of school-age drug abusers, the types of drugs abused, the types of treatment

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required by them, the types of services required after treatment such as placement in mainstream or SSD. She considered it important to grasp the full picture of the problem and the services required. SED said he would see if the requisite information was available.

Provision of school places for Mui Wo residents

48. Mr LEE Cheuk-yan said that the relocation of the centres of the Association and the needs of Mui Wo residents for local school places were not opposing and should be addressed without delay. He called on the Administration to adopt a new mindset in addressing the provision of school places for Mui Wo residents. He pointed out that more than 100 Primary six students in Mui Wo sought secondary school places annually. The reason for the low participation in the Secondary School Places Allocation ("SSPA") by Mui Wo primary six students, i.e. about 50 annually, was because of the absence of a quality local secondary school. Should there be a quality secondary school in Mui Wo, more local students would choose to study there instead of selecting schools in other districts such as Cheung Chau and Hong Kong Island. He considered that the Administration should assess the feasibility of building a secondary school in Mui Wo based on the actual number of Primary six students each year.

49. SED explained that the ex-SDSS was closed down because of the low intake of students. It was the choice of Mui Wo residents to send their children to schools in other districts. In the event that the CZSC was not relocated to the vacant premises of the ex-SDSS, the Administration would consider viable proposals from Mui Wo residents.

50. Mr LEE Cheuk-yan said that it was unjust on the part of the Administration to assess the present needs of Mui Wo students for school places on the basis of past experiences. He reiterated that Mui Wo students had not selected the ex-SDSS because of its poor quality. The Administration should assess the feasibility of building a high quality secondary school in Mui Wo with a view to attracting more students. SED clarified that the ex-SDSS was a government school, and its teaching quality was on par with that of other public-sector schools.

51. Mr LEUNG Yiu-chung pointed out that the education needs of Mui Wo students could not be met by the mere provision of school places in Tung Chung, Cheung Chau and Hong Kong Island as Mui Wo students had to spend considerable time and money travelling to schools daily. Mui Wo residents as well as Island District Councilors had therefore been calling for the establishment of a local secondary school. The lack of local secondary school places was one of the reasons for their rejection of the relocation of CSZC to the ex-SDSS site. The Administration should seriously consider providing local secondary school places for Mui Wo students.

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52. Noting the submission of the South Lantau Education Concern Group which was tabled at the meeting, Ms Starry LEE urged the Administration to take proactive steps to meet the education needs of students of South Lantau.

53. Mr Tommy CHEUNG pointed out that the Administration had considered it not justifiable to build a secondary school in Mui Wo as there were less than 50 Primary six students participating in the SSPA annually. Having regard to the remoteness of Mui Wo and the long travelling time of local students to go to schools, he called on the Administration to relax its policies and build a secondary school in the area to meet the needs of local students. He enquired whether the Administration would not consider building a secondary school in Mui Wo even if the relocation proposal would not be taken forward.

54. SED explained that it was at the request of Lantau residents that the Administration had expanded the Island school net to allow Mui Wo students to choose schools in other districts. The closure of the ex-SDSS was the result of low intake of students. He stressed that the Administration was willing to consider any proposals for a new school put forward by the residents of Mui Wo as well as South Lantau provided that the proposed school could attract a sufficient number of students for sustainable operation.

55. Responding to Mr Tommy CHEUNG's enquiry on whether the Administration would consider any proposal for building a school at ex-SDSS or other sites, SED said that the Administration would consider any viable proposals in accordance with the established mechanism.

56. To follow-up the relocation issue, the Chairman proposed and members agreed that the Panel should convene a special meeting to discuss the matter and one of the four items to be discussed at the next regular meeting. The Secretariat would issue a circular to consult members on the date of the next meeting.

57. Mr CHEUNG Man-kwong said that the Administration should provide its list of requisite documents from the Association and the Association should provide a written response before the special meeting. The Chairman requested the Administration to provide the various information requested by members in two weeks.

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(Post-meeting note: the special meeting will be held on Friday, 30 April 2010, at 10:45 am)

V. Integrated Student Financial Assistance System

[LC Paper Nos.1085/09-10(01)-(02) and CB(2)1091/09-10(01)]

58. Members noted the background brief entitled "Student Financial

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Assistance Agency" prepared by the LegCo Secretariat.

Powerpoint presentation by the Student Financial Assistance Agency

59. Mr Tony WONG, Senior Systems Manager (Information Technology Management Unit) ("SSM(ITMU)"), gave a powerpoint presentation to explain the proposal to implement an Integrated Student Financial Assistance System (ISFAST) for supporting the re-engineered business processes and organization re-structuring of Student Financial Assistance Agency ("SFAA") with a view to enhancing the efficiency and effectiveness of SFAA in daily operations.

Efficiency and effectiveness

60. Referring to the Audit Report No. 53 released in November 2009 concerning the review of SFAA's administration of the financial assistance schemes for post-secondary students, Mr CHEUNG Man-kwong pointed out that according to the findings of the Audit, the vetting error rates were as high as 10.2% for the means-tested grants and loans under the Tertiary Student Finance Scheme – publicly-funded programmes. Other errors included omission of signatures and failure to take into account certain information of applicants such as bonus income and take legal action against loan defaulters within the time-bar limit. He was concerned whether the implementation of ISFAST would ensure correctness and completeness of information provided by applicants and rectification of the deficiencies and human errors identified.

61. US(Ed) replied that the implementation of ISFAST would necessitate a major revamp of the organization of SFAA. With the change from scheme-based mode to function-based mode of SFAA's computer system, the administration of the various schemes by SFAA would be improved. US(Ed) believed that the deficiencies identified would be rectified.

62. Controller of SFAA ("C(SFAA)") supplemented that ISFAST would incorporate functions to enable risk-profiling of applications, thereby improving the quality and effectiveness of vetting and counter-checking. Applications would be processed on a household basis. An applicant family that wished to apply for assistance under more than one scheme or had more than one family member applying for assistance in an academic year would only need to fill in and submit one application form. Processing of information could be carried out in a focused manner, thus enhancing the assessment of applications. ISFAST would also incorporate case management functions with tracking of case progress. This could enhance monitoring of default recovery cases and ensure that timely legal action would be taken against loan defaulters.

63. Mr Tommy CHEUNG enquired whether the Business Process Review was initiated by the Efficiency Unit ("EU") or SFAA itself. SSM(ITMU) said that SFAA made an application to the Administrative Computer Project

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Committee, and, on its advice, commissioned the EU to conduct a Business Process Review to study how the operations of SFAA could be re-engineered to enhance their effectiveness and efficiency. SFAA subsequently engaged an external consultant to examine the feasibility of the recommendations of the EU.

64. Mr Tommy CHEUNG queried the need for additional staff at a cost of \$21.607 million following the implementation of ISFAST. He also sought information on the enhancement of operational efficiency of SFAA with the implementation of ISFAST.

65. SSM(ITMU) explained that additional manpower was required during the initial period to set up the system. On the basis of the cost and benefit analysis in the feasibility study, there would be an annual savings of \$25.307 million from the 2016-2017 year onwards, which could offset the estimated recurrent expenditure of \$13.78 million per annum. The net savings would be around \$11.527 million per annum. SFAA would be able to recover the initial investment, i.e. \$86.978 million, in about 10 years after the full implementation of ISFAST in the 2016-2017 year. ISFAST would improve its operational efficiency by around 20% as assessed by the EU.

66. Mr Tommy CHEUNG said that Members belonging to the Liberal Party supported the proposal.

67. Professor Patrick LAU said that he considered it acceptable to invest in computer systems to improve efficiency and effectiveness of the operation of SFAA. In his view, to save resources and simplify administrative procedures, SFAA, after ascertaining the eligibility of an applicant for a financial assistance scheme, should automatically approve the applicant for other financial assistance schemes, such as the Student Travel Subsidy Scheme and School Textbook Assistance Scheme. To go further, the Administration should consider providing financial assistance to students to pursue education without income and asset assessment.

68. C(SFAA) reiterated that with the implementation of ISFAST, applications would be processed on a household basis. An applicant family that wished to apply for assistance under more than one scheme or had more than one family member applying for assistance in an academic year would only need to fill in and submit one application form. This would save resources and streamline administrative procedures in administering different financial assistance schemes.

69. Mr CHEUNG Kwok-che asked whether applicants would be able to repay loans and check their loan accounts online, and whether reminders for loan repayment could be sent to applicants electronically. Noting that SFAA received around 821 000 applications in the 2008-2009 academic year, he enquired about the capacity of ISFAST in handling increased amount of applications in future.

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70. SSM(ITMU) said that ISFAST would incorporate e-services functions. Currently, SFAA had also joined the e-billing service project promoted by the Government. The e-billing service would subsequently be incorporated into ISFAST. Under ISFAST, applicants could submit applications, enquire about the status of their loan accounts, and repay their loans online, etc. Mere increase in the number of applications should not be a problem to ISFAST while the main concern would be the complexity of the financial assistance schemes to be added to the system.

71. Noting that ISFAST had an estimated life span of 10 years, Mr CHEUNG Kwok-che further enquired whether the hardware or software would need to be upgraded then. SSM(ITMU) replied that the upgrade required to the system would depend on the technological development and the new financial assistance schemes to be added. The relevant costs of replacing the hardware and software of ISFAST should not be expensive.

Tendering

72. Mrs Regina IP was concerned about the long tendering period, i.e. one-year, and the availability of opportunity for local firms to participate in the project. She asked whether SFAA had preconceived overseas companies to be awarded the tender.

73. SSM(ITMU) replied that the one-year tendering period was in line with the normal practice. He further said that it was common for overseas and local companies to carry out a particular project jointly. One of the major criteria for awarding the tender for the project would be that the staff of the company should be able to communicate effectively with SFAA project staff in the local language, i.e. Cantonese. US(Ed) supplemented that in the event where an overseas company was awarded the tender, the company should have local support. C(SFAA) clarified that the tendering process for the project would be open and fair, and SFAA had no preconceived companies for awarding the tender.

Risk management and privacy

74. The Chairman sought information on the risk management function of ISFAST. C(SFAA) explained that the risk-profiling function of ISFAST would enhance risk management by SFAA staff who could focus efforts in processing applications with higher than average level of risk, hence expediting the processing of applications. The risk management function would also deter applicants from supplying inaccurate and incomplete information.

75. The Chairman was concerned about the protection of privacy of information provided by applicants to SFAA. She pointed out that since the information provided by an applicant family would be used for various schemes

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administered by SFAA and in relation to different family members after the implementation of ISFAST, it was necessary to clarify whether such an arrangement had violated any rules and regulations or practices. She requested the Administration to seek the views of the Department of Justice and the Office of the Privacy Commissioner for Personal Data, and provide a written response. US(Ed) agreed.

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76. In concluding the discussions, the Chairman said that members of the Panel did not object to the submission of the proposal to the Finance Committee for consideration on 23 April 2010.

VI. Any other business

77. There being no other business, the meeting ended at 6:43 pm.

Council Business Division 2
Legislative Council Secretariat
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