

For discussion on
15 March 2016

LC Paper No. CB(2)1034/15-16(01)

Legislative Council Subcommittee on Poverty

Provision of a One-off Grant for School-related Expenses to Kindergarten Students

Purpose

This paper invites comments from Members of the Legislative Council Subcommittee on Poverty on the Government's proposal to seek funding from the Community Care Fund (CCF) for providing a one-off grant for school-related expenses (one-off grant) to eligible kindergarten (KG) students. The proposed grant is intended for KG students attending local non-profit-making kindergartens/ kindergarten-cum-child care centres (hereafter collectively referred to as KG) under the Pre-primary Education Voucher Scheme (PEVS) in the 2016/17 school year, so that timely support can be given to needy families to defray basic learning or education expenses incurred from their children's KG education.

Background

2. The Chief Executive announced in the 2016 Policy Address that a free quality KG education policy would be implemented from the 2017/18 school year. Under this new policy, the Government will, in parallel to the continued implementation of the Kindergarten and Child Care Centre Fee Remission Scheme (KCFRS), also provide a grant for school-related expenses for students from needy families to defray expenditure incurred from learning or education. Before the new policy is launched in the 2017/18 school year, the Government will invite the CCF to consider implementing a programme to provide a one-off grant for KG students from needy families in the 2016/17 school year to cover their school-related expenses.

3. Presently, the Government provides non-means-tested fee subsidy to parents of KG students through the PEVS¹, under which each eligible student is entitled to a voucher subsidy of \$22,510 per annum in the 2015/16 school year. In addition to the PEVS subsidy, needy families may receive further fee remission² under the KCFRS administered by the Student Finance Office (SFO) of the Working Family and Student Financial Assistance Agency. In the 2015/16 school year, the respective fee remission ceilings under the KCFRS for half-day and whole-day classes are \$29,300 and \$44,700 per KG student per annum, while the remission of meal charges is capped at \$510 per KG student per month. There are three levels of fee remission. Applicants who have passed the means test of the SFO and meet the eligibility criteria will be entitled to full, 3/4 or 1/2 fee remission as appropriate.

4. Moreover, under the Comprehensive Social Security Assistance (CSSA) Scheme of the Social Welfare Department, a flat-rate grant is payable to recipient families for selected items of school-related expenses (i.e. books, stationery, school uniforms, miscellaneous and minor one-off expenses), in addition to the special grant for covering the school fees charged by KGs attended by their children. In the 2016/17 school year, the full flat-rate grant per KG student per school year is \$3,770.

Details of the Proposed Programme

5. Prior to the launch of the new policy in the 2017/18 school year, the PEVS will continue to be implemented in the 2016/17 school year. To provide timely support for needy families to defray school-related expenses incurred from their children's KG education other than school fees, the Education Bureau proposes seeking funding provision from the CCF for the SFO to provide a one-off grant in the 2016/17 school year to eligible KG students from families who have passed the means test.

¹ In the 2014/15 school year, there were a total of 133 000 KG students receiving school fee subsidy under the PEVS, which accounted for about 80% of the student population in local KGs.

² In the 2014/15 school year, there were a total of 35 480 KG students receiving fee remission, which accounted for about 20% of the student population in local KGs.

Target Beneficiaries

6. Target beneficiaries of the proposed programme must pass the means test of the SFO, be eligible for the KCFRS, and will attend nursery, lower or upper classes in KGs under the PEVS in the 2016/17 school year. Since CSSA families with children attending KGs are already entitled to a flat-rate grant to cover selected items of school-related expenses, it is not necessary to include them among the target beneficiaries.

Estimated Provision

7. The grant for school-related expenses to be provided by the Government for eligible KG students in the 2017/18 school year will be comparable with the flat-rate grant for school-related expenses payable to KG students under the CSSA Scheme. Hence, we propose that the one-off grant to be provided to eligible KG students in the 2016/17 school year be set at a rate equivalent to the flat-rate grant under the CSSA Scheme for the same period, currently at \$3,770.

8. In view of the three-level fee remission arrangements under the existing KCFRS, we propose that three different levels of grant, i.e. full grant, 3/4 grant and 1/2 grant, be set for the one-off grant so that eligible student applicants may receive the grant according to the results of the means test on their families to ensure that the level of grant provided corresponds to the different needs of the families. Should the proposed programme be implemented in the 2016/17 school year, we propose that the full-grant rate be equivalent to the flat-rate grant under the CSSA Scheme with the rates of 3/4 grant and 1/2 grant as follows:

	Eligible KG Students (Including students attending whole-day and half-day KG classes)
Full grant	\$3,770
3/4 grant	\$2,828
1/2 grant	\$1,885

Processing of Applications and Disbursement of Grant

9. The SFO will undertake matters concerning processing of applications, assessment of applicants' eligibility and the disbursement of grant.

10. We anticipate that about 36 000 KG students will be eligible for the KCFRS in the 2016/17 school year. There is no need for them to submit separate applications for the one-off grant, and the grant will be disbursed to them from October 2016 at the earliest.

11. Students who attend KGs charging a school fee that is equivalent to or lower than the subsidy of the PEVS need not make applications under the KCFRS as their school fees are fully or almost fully covered under the PEVS. Apart from the 36 000 KG students who will benefit from the KCFRS as mentioned above, we anticipate that an additional 14 000 KG students who have not made applications under the KCFRS but are eligible for the proposed programme will apply for the one-off grant. Of this batch of some 14 000 KG students, we expect that families of some of these students may not have to undergo the means test separately as SFO should have their household records when they made their applications for other student financial assistance schemes, i.e. applications made for the KG student's siblings. In such cases, the grant can also be disbursed from October 2016 at the earliest. According to the records of SFO, we expect that there are about 3 000 such students. The remaining some 11 000 students will have to submit applications to the SFO should they wish to apply for the grant. Subject to the results of the means test, the grant can be disbursed to them from November 2016 at the earliest.

Publicity

12. To ensure that all eligible families will benefit from the proposed programme, the SFO will distribute the publicity leaflet on the proposed programme and application details to those families with school-age children attending KG and were granted financial assistance for primary and secondary students in the 2015/16 school year, and to those who were provided with fee remission under the KCFRS in the 2015/16 school year. Regarding new KG intakes in the 2016/17 school year or KG students who have not made any applications under the KCFRS before, the SFO

will distribute the publicity leaflet along with the Household Application Form for Student Financial Assistance Schemes through the secondary schools, primary schools and KGs, and invite needy families to apply for the proposed programme. The SFO will also invite KGs to help promote the proposed programme and inform eligible families of the assistance available to them. Information on application procedures of the proposed programme will also be available on the SFO website to facilitate application from needy families.

Roll-out Period and Estimated Provision

13. The one-off grant for school-related expenses to KG students will be implemented in the 2016/17 school year for one year. The estimated funding requirement is around \$157 million and it is expected to benefit about 50 000 KG students. The CCF Task Force discussed the above proposal at its 4 March 2016 meeting and agreed to propose the initiative to the Commission on Poverty to implement the programme in the 2016/17 school year with CCF funding in order to provide timely support to needy families to defray basic learning or education expenses incurred from their children's KG education.

Advice sought

14. Members are invited to consider and comment on the above proposal.

Education Bureau

March 2016