

**立法會**  
***Legislative Council***

LC Paper No. CB(2)937/12-13(04)

Ref : CB2/PL/WS

**Panel on Welfare Services**

**Updated background brief prepared by the Legislative Council Secretariat  
for the meeting on 16 April 2013**

**Child Development Fund**

**Purpose**

This paper provides background information and gives an account of the discussions on Child Development Fund ("CDF") at meetings of the Council and its committees.

**Background**

2. One of the key recommendations of the former Commission on Poverty ("CoP") is to set up a CDF to provide more development opportunities for children from a disadvantaged background, with a view to reducing inter-generational poverty. The former CoP also recommended that CDF –

- (a) should be used to promote building personal development plans among children from a disadvantaged background under on-going guidance and mentorship from non-governmental organizations ("NGOs") and voluntary mentors; and
- (b) should encourage targeted savings in order to examine whether asset-building habits would yield positive behavioural and mindset change among children from a disadvantaged background.

3. The Government accepted the former CoP's recommendation of setting up a CDF. Funding support was obtained in April 2008 and CDF

was launched in November 2008. According to the Administration, CDF aims to promote the longer-term development of children aged between 10 and 16 from a disadvantaged background and encourage them to develop an asset-building habit, thereby reducing inter-generational poverty. CDF comprises three key components, namely personal development plans, mentorship programme and targeted savings. CDF projects are implemented with the joint efforts of the family, the private sector, the community and the Government. Up to end March 2011, two batches of 22 projects have been rolled out, involving \$44.27 million and benefiting a total of 2 270 children.

### **Major issues raised by Members**

4. The Subcommittee to Study the Subject of Combating Poverty ("the Subcommittee") formed under the House Committee in the Third Legislative Council ("LegCo") had studied the subject of CDF. While welcoming the setting up of CDF, members considered that instead of launching a short-term fund, sustainable assistance should be provided for children from a disadvantaged background to help them escape poverty. Some members expressed concern about the ability of low-income families to save, and suggested that measures should be introduced to encourage them to make contributions CDF. Members also urged the Administration to take a more proactive approach in promoting the concept of CDF in the business sector, with a view to encouraging more business organizations to give donations to CDF.

5. The Administration advised that since the objective of the asset-building approach was to motivate children and their families to build up their own assets and plan for their own future, all children and families would be encouraged to do so irrespective of their financial conditions. To encourage the disadvantaged families to make contributions to CDF, the Administration would consider introducing incentives such as matching funds from the Government and/or the business sector. The Administration would also step up efforts to promote CDF in the business sector and encourage more business organizations to make donations.

### **Implementation of CDF projects**

6. At its meetings on 13 July 2009, 14 May 2010 and 13 June 2011, the Panel on Welfare Services ("the Panel") was briefed on the progress of the implementation of CDF. Members noted that the seven pioneer projects in the first batch were rolled out in December 2008. A total of 750

children were recruited initially. By the end of the second year, 732 children (97.6%) were still participating in the projects and 723 children (96.4%) had successfully completed the target saving programme. According to the Administration, most of the participating children had successfully accumulated financial and non-financial assets and drawn up their personal development plans ("PDPs"). Under the guidance of the operating NGOs and their mentors, the participating children would implement their PDPs in the third year of the projects by using their accumulated savings.

7. The Administration advised that the second batch comprising 15 CDF projects, which were rolled out in 13 districts/areas in June 2010, had recruited a total of 1 520 children including 79 ethnic minorities and 53 children with disabilities. Of them, 71.8% were aged between 14 and 16 and the remaining 28.2% were aged between 10 and 13. By the end of March 2011, there were still 1 503 children (98.9%) participating in the projects. In addition, more than 1 300 volunteers from all walks of life had been recruited by the operating NGOs to serve as mentors of the participating children.

8. Members noted that the Administration planned to roll out the third and fourth batches of CDF projects in September 2011 and mid-2012 respectively to benefit an additional 5 000 children. These two batches would each comprise 21 projects to be rolled out in 12 districts/areas for at least 2 500 children. It was the target to benefit some 13 600 children eventually. The Administration would roll out more CDF projects in phases in order to meet the target.

#### Participating children

9. Noting that only 750 children were recruited for the first batch of the pioneer projects, members of the Panel generally considered that the number of participating children was on the low side as a total of some 13 600 children were expected to benefit from CDF upon its full implementation. They strongly urged the Administration to draw up a concrete timetable for implementing the subsequent batches of projects and roll out the projects expeditiously. Some members also expressed concern about the selection criteria for participating children.

10. The Administration advised that children aged 10 to 16 who were receiving CSSA or full grants from student finance schemes administered by the Student Financial Assistance Agency or whose household incomes were less than 75% of the median monthly domestic household income

were eligible for participation in the pioneer projects. The participating children came from different backgrounds and were recruited and selected by the operating NGOs through their own networks, such as schools in the region/district. As a first step to try out a new service model, a target of at least 700 participating children was set for the first batch of the pioneer projects. Moreover, the operating NGOs needed time to recruit suitable and sufficient mentors.

11. Some members were of the view that when children reached the age between 14 and 16, it would be rather difficult for them to change their bad habits. Hence, priority should be given to younger children in participating in CDF projects so that they could develop a saving habit and build up relationship with their mentors at an earlier stage. To facilitate young children to save, a lower savings target could be set. Appropriate training on counselling and communication skills with the participating children and their parents should be provided for the mentors.

12. Some members noted with concern about the over-subscription of places for children aged 10 to 13 in the first two batches of projects. In their view, the Administration should allocate more places to meet the full demand from children of this age group so as to achieve the target of benefitting 13 600 children.

13. The Administration explained that in the first two batches, priority was given to children aged 14 to 16 as some of them might be about to leave school and therefore have a more imminent need to plan for their future. In view of the strong demand for places from the 10 to 13 age group in the first two batches, the Administration would adjust the minimum percentage of children aged between 14 and 16 from 70% to 50% for the third and fourth batches of CDF projects. The operating NGOs might provide more than 50% of places for children aged 14 to 16 according to the actual needs in individual districts.

### Mentors

14. Members of the Panel expressed grave concern about the difficulties encountered by the operating NGOs in recruiting quality mentors and the training/assistance to the recruited mentors for the provision of proper guidance to the children. Some members considered that to expedite the full implementation of CDF projects, more operating NGOs should be invited to enlarge the network and a central register should be introduced to facilitate matching of mentors and children across the territory.

15. In the Administration's view, it was appropriate for the operating NGOs to recruit mentors through their established networks. Nonetheless, the CDF Secretariat would continue to promote CDF to the business sector and encourage corporations to mobilize their employees to join the mentorship programme. The practical experience of the first and second batches of projects suggested that mentors recruited from the same company were more effective in providing mutual support amongst themselves. The Administration advised that the operating NGOs were required to provide training programmes for mentors. In addition, mentors were provided with a guidebook prepared by the Labour and Welfare Bureau to help them understand their roles and responsibilities. Mentors were also reminded to seek assistance from the operating NGOs if necessary.

#### Personal development plans and targeted savings

16. Members of the Panel were advised that the participating children had started their two-year savings programme since April 2009. The Government had set aside \$15,000 for each participating child under the CDF pioneer projects for the provision of relevant training programmes for a period of two years so as to help them develop and pursue their own personal development plans with specific targets. Up to 31 March 2010, about 350 training sessions had been organised by the operating NGOs for the participating children, their parents and mentors. While there was no minimum attendance requirement for them, the average attendance rate was 70%.

17. Members expressed concern about the ability of children from a disadvantaged background to meet the monthly savings target of \$200. The Administration explained that affordability had been taken into consideration in setting the savings target. Of the 750 children initially recruited for the first batch pioneer projects, 723 children (96.4%) were able to complete the targeted savings programme, and more than 97% of them could meet the monthly savings target of \$200. Similarly, for the second batch projects, around 98% of the participating children were able to save \$200 per month. Given that the objective of the targeted savings programme was to encourage the participating children to develop a saving habit, the operating NGOs had made a lot of efforts to help the children complete the programme. For example, emergency funds were set up by NGOs to assist those who had difficulty meeting their savings target owing to temporary financial hardship, and some participating children and their families were allowed to set a lower savings target. For those children

who were unable to continue the targeted savings programme, the operating NGOs would invite them to participate in other training programmes under CDF.

18. Members were also concerned about the specific personal development plans developed by participating children and whether the savings were adequate to realise their plans. Some members considered that CDF projects should aim at early identification of the target participants for appropriate assistance, instead of focusing on the development of one's potential and talents.

19. According to the Administration, each participating child would be able to accumulate about \$13,000 (inclusive of the matching contributions from the partner organizations or individual donors and the special financial incentive of \$3,000 from CDF) upon the completion of the two-year savings plan. The mentors would provide on-going guidance to the children in developing their own plans. Since the participating children would develop their own personal development plans in the first two years of each project with the assistance of their mentors and the operating NGOs, most of the children had yet to finalize their personal development plans.

#### Monitoring and evaluation

20. According to the Administration, a Steering Committee on Child Development Fund ("SCCDF"), chaired by the Permanent Secretary for Labour and Welfare and comprised members from different sectors of the community, had been set up to steer the design and to oversee and monitor the implementation of CDF. The operating NGOs would make progress reports to SCCDF regularly. The Administration had commissioned the Hong Kong Polytechnic University to conduct a consultancy study on CDF, which was scheduled for completion by mid-2012, to evaluate the pioneer projects and make recommendations on how to further develop CDF into a longer-term model. According to the initial observations of the consultancy team, CDF projects were bringing about positive changes to the participants, including improving communication between the participating children and their family members, and building up a savings habit.

### **Latest development**

21. The third batch of 21 CDF projects was rolled out in 2011. The Administration will brief the Panel on the implementation progress and enhancement measures of CDF at its meeting on 16 April 2013.

### **Relevant papers**

22. A list of the relevant papers on the LegCo Website is in the **Appendix**.

Council Business Division 2  
Legislative Council Secretariat  
10 April 2013

## Appendix

### Relevant papers on Child Development Fund

Committee	Date of meeting	Paper
Subcommittee to Study the Subject of Combating Poverty	19 January 2007 (Item I)	<a href="#">Agenda</a> <a href="#">Minutes</a>
Subcommittee to Study the Subject of Combating Poverty	26 March 2007 (Item I)	<a href="#">Agenda</a> <a href="#">Minutes</a>
Subcommittee to Study the Subject of Combating Poverty	18 June 2007 (Item II)	<a href="#">Agenda</a> <a href="#">Minutes</a>
Panel on Welfare Services	14 January 2008 (Item V)	<a href="#">Agenda</a> <a href="#">Minutes</a>
Panel on Welfare Services	14 February 2008 (Item VI)	<a href="#">Agenda</a> <a href="#">Minutes</a>
Finance Committee	25 April 2008	<a href="#">Minutes</a> <a href="#">FCR(2008-09)4</a>
Panel on Welfare Services	13 July 2009 (Item III)	<a href="#">Agenda</a> <a href="#">Minutes</a>
Panel on Welfare Services	14 May 2010 (Item IV)	<a href="#">Agenda</a> <a href="#">Minutes</a>
Panel on Welfare Services	13 June 2011 (Item IV)	<a href="#">Agenda</a> <a href="#">Minutes</a>