

**For discussion
on 10 December 2012**

Legislative Council Panel on Welfare Services

**Proposed Injection into the
Community Investment and Inclusion Fund (CIIF)**

Purpose

This paper seeks Members' support for the Administration's proposal to inject \$200 million into CIIF to ensure that it can continue to perform its social function in furthering social capital development.

Background

2. In 2001, the Chief Executive announced in the Policy Address the setting up of the \$300 million CIIF. Subsequently, the Finance Committee (FC) approved a commitment of \$100 million from the General Revenue Account, whilst the remaining \$200 million was sought from the Lotteries Fund as the initial capital for the establishment of CIIF (please refer to FCR (2001-02)62).

3. CIIF serves as seed money to implement diversified social capital development projects in the community, promote reciprocity between the public and different sectors, and build a cross-sectoral collaborative platform. It seeks to garner mutual trust, social networks, spirit of co-operation and social cohesion, and enhance mutual support among individuals, families and organisations so that our community can grow from strength to strength. The CIIF Committee has been established to examine and approve applications, to decide on the level of funding for each successful application, and to monitor and evaluate the effectiveness of the funded projects. It is also tasked to advise the Secretary for Labour and Welfare on the most appropriate and effective means to facilitate the development of social capital in Hong Kong, as well as on all matters related to the administration of CIIF. Two Sub-

Committees have been set up under the CIIF Committee, namely, the Assessment and Evaluation Sub-Committee, and the Promotion and Development Sub-Committee. The eligibility criteria for CIIF are at Annex.

4. The CIIF-funded projects, operating in diversified models, aim to enhance the development of cross-sectoral partnership, with a view to bringing changes to the community. CIIF projects also coordinate cross-sectoral efforts to enhance personal capacity and support network of the disadvantaged, thereby relieving them from poverty. Examples of CIIF projects are as follows –

- (a) taking forward mentoring projects through “Government-Business-Community” tripartite partnership to provide all-rounded support to youth development and enhance employability;
- (b) meeting school children’s needs for care and growth through “Family-School-Community” collaboration;
- (c) introducing the “House Captain” system in housing estates, under which residents voluntarily serve as house captains to promote the message of cross-generational collaboration and active ageing, and to facilitate the building of neighbourhood support networks among residents; and
- (d) supporting the elders and chronic patients’ needs for care through “Medical-Welfare-Community” collaboration.

The Latest Position of CIIF

Use of funding and implementation of projects

5. Since the establishment of CIIF in 2002, a total of 19 batches of applications have been processed. As at November 2012, CIIF has provided/ committed funding of about \$260 million to 251 projects launched by over 170 agencies/ service units. Among these projects, 48 projects are in operation/ will be launched soon. Some project teams continued to develop their projects by different means, for example, by incorporating the project model into the agency’s mainstream service, continuously developing mutual support networks by the participants themselves, operating on a self-financing basis, or injecting new elements/

innovative ideas for next-stage development. At present, CIIF accepts three batches of applications every two years. The Secretariat is now processing the 20th batch of applications with the main theme “Build a Caring Cross-generational Network” to encourage the establishment of mutual help network among people from all generations. The vetting result is expected to be announced in the first quarter of 2013¹.

Evaluation Study

6. In order to have a fuller understanding of the effectiveness of CIIF in promoting social capital development, the Labour and Welfare Bureau (LWB) commissioned the University of Hong Kong, the City University of Hong Kong, the Hong Kong Polytechnic University, the Chinese University of Hong Kong and the Lingnan University in 2006, as well as the City University of Hong Kong and the Hong Kong Polytechnic University in 2012, to conduct two evaluation studies. The findings of these studies affirmed that the various collaboration models developed under CIIF could effectively enhance capacity building of individuals, and promote cross-generational care, mutual help across different social strata and ethnic harmony, resulting in an overall enhancement of community capacity. The study reports have been uploaded on the CIIF website for reference.

Promotion and Development

7. 2012 marks the 10th anniversary of CIIF. With the theme “10 Years of Social Capital: Succession, Action and Transcendence”, CIIF has showcased to the public and stakeholders in the community its achievements in the past decade through different means. Major events include the brand-building exercise and the 10th Anniversary Forum cum Social Capital Builders Award Presentation Ceremony held on 23rd November.

1 It is expected that CIIF will have a balance of about \$19 million by then. According to the current disbursement level of about \$25 million per batch, an injection is required by the second quarter of 2013 in order to commence the 21st batch of applications.

Proposed Injection of Funding

8. Given CIIF's notable achievements in capacity building, enhancement of interpersonal relationship and development of community networks, the Financial Secretary proposed in the 2012-13 Budget to inject an additional \$200 million into CIIF to ensure that it can continue to perform its social function in furthering social capital development at the district level. CIIF has been operating smoothly since its establishment and we will continue to closely monitor its operation after the proposed injection.

Financial Implications

9. A one-off injection of \$200 million into CIIF is proposed. FC's approval is necessary to increase the existing commitment for Item 016 Community Investment and Inclusion Fund under Head 141 Government Secretariat: Labour and Welfare Bureau Sub-head 700 General non-recurrent from \$300 million to \$500 million. As in the past, the costs for administering CIIF will be absorbed by the existing resources of LWB.

Way Forward

10. Subject to Members' views, we will, in the first quarter of 2013, seek FC's approval for an increase in the commitment for the CIIF as mentioned in paragraph 9 above.

Advice Sought

11. Members are invited to note the CIIF injection proposal.

Labour and Welfare Bureau
December 2012

Eligibility Criteria for CIIF

(Extract from the Application Guide of CIIF)

Eligibility Criteria

1. The following parties are eligible to submit applications to organise community projects:
 - non-governmental organisations (e.g. welfare agencies, community groups, women's groups, etc.); or
 - private and public corporations.
2. The following are not eligible to submit applications:
 - individuals; or
 - government agencies.
3. Organisations should normally be registered under section 88 of the Inland Revenue Ordinance, the Companies Ordinance or the Societies Ordinance.
4. We encourage collaboration amongst agencies and therefore they may submit application as joint applicants. However, there should be clear accountability arrangements, with one of the applicants identified as the lead applicant.
5. There is no limit on the number of applications each applicant may submit, provided they can demonstrate the ability to deliver.