

立法會
Legislative Council

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**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 current session. It will be tabled at the meeting of the Council on 21 June 2000.

The Panel

2. The Panel was formed by a resolution of this Council on 8 July 1998 for the purpose of monitoring and examining Government policies and issues of public concern relating to welfare services matters. The terms of reference of the panel are in **Appendix I**.

3. The Panel comprises 11 members. Hon CHAN Yuen-han and Hon HO Sai-chu were elected Chairman and Deputy Chairman of the Panel respectively. The membership list of the Panel is in **Appendix II**.

Major work

Review of the social welfare subvention system

4. The above subject was discussed on four occasions during the session. During the briefing on the Administration's latest proposals for the future delivery and funding of welfare services, members noted that the proposals comprised the following three main components -

- (a) the lump sum funding system;
- (b) the service performance monitoring system, which was introduced in April 1999 focusing on output and outcome measurements; and

- (c) the competitive bidding system for allocation of new services.

The Administration explained that the proposals were developed to address the long-existing problems with the present subvention system which emphasized too much on input control and lacked flexibility in the deployment of resources. It emphasized that the review was not a cost saving exercise and there would be no reduction in social welfare provisions.

5. Members noted that under the proposed lump sum funding system, non-governmental organizations (NGOs) were allowed to retain any savings achieved for redeployment. Some of them were worried that if the Administration no longer required the salary structure of NGO staff to be linked to the Master Pay Scale (MPS) of the Civil Service, it was highly likely that NGOs would discontinue the linkage in order to cut costs. They considered that such a change would have a serious effect on staff morale and stability of services.

6. Some members were also concerned about the effect of the competitive bidding system on service quality. The Administration explained that in considering tender bids, the Administration would first consider whether the bidder was able to meet the requirements in terms of service quality before considering the price offered. Members pointed out that under the competitive bidding system, a service unit providing a particular welfare service would be unsure whether it could successfully bid for the contract for providing this welfare service again in the next allocation exercise. Therefore the new system would make it difficult for the service units to draw up long-term service plans. As the NGO staff would lack job security, they would be deterred from pursuing further studies for career development which would affect the quality of service in the welfare sector. The Administration clarified that for existing services which had already been allocated to NGOs, the Administration did not propose to put these services out for tendering again if the NGOs were performing well.

7. The Panel met representatives of the welfare sector at a special meeting in December 1999. At the conclusion of the discussion, members unanimously passed a motion strongly objecting to further contracting out welfare services through competitive bidding and urging the Social Welfare Department (SWD) to consult social services organizations, staff and users of services before it further implemented that policy. The Panel also urged the Government to consult the NGOs, staff and users of services before it further expanded the lump sum funding system.

8. The Panel further discussed with the representatives from the welfare sector at a meeting in March 2000 when the Administration presented a paper outlining the proposed lump sum funding package and planning reforms. Members shared the welfare sector's concern about the effect of the lump sum

funding proposal on the staffing structure of NGOs. They also shared the sector's view that the proposed calculation of Provident Fund (PF) employer's contribution at 6.8% for existing staff and 5% for new services was inadequate. The Administration explained that the 6.8% PF contribution was set having regard to the present sector-wide average PF employer's contribution. A Tide-Over Grant would be available to NGOs to address any problems in meeting contractual obligations to serving staff in the first three years. As regards the 5% PF for staff of new service units, the Administration pointed out that an NGO, in deploying existing staff to run new service units, would still need to recruit new staff to fill the consequential vacancy. Since the lump sum grant for new service units would be calculated on the basis of mid-point salary even though NGOs might recruit new staff at entry point, the lump sum funding allocated to the NGOs should, on balance, be adequate.

9. Following discussion, members urged the Administration to provide sufficient resources to NGOs to enable them to maintain the current remuneration and benefit packages for existing staff and to defer implementation of the new funding proposal until it had the support of the welfare sector. Members also asked the Administration to report to the Panel details of the finalized proposal before it applied for funding from the Finance Committee.

"Promoting Self-reliance" Scheme

10. At the Panel meeting in May 2000, members were briefed on a package of measures in 2000-01 to promote self-reliance. The measures included extending the Active Employment Assistance programme to all unemployed able-bodied CSSA recipients, offering active employment assistance to single-parents and low-income CSSA recipients, and strengthening various support services such as child care services and home/community care services. The package of measures would result in additional capital expenditure of \$36 million for setting up the Intensive Employment Assistance Fund and annual recurrent expenditure of \$163.5 million.

11. Some members were skeptical about the cost effectiveness of the proposed measures which would require 130 additional staff for the Social Security Field Unit (SSFU). They noted that following the recruitment of new staff on non-civil servant contract basis, SSFU had a very high turnover rate and therefore might have difficulty in implementing the measures effectively. They therefore suggested that the Administration should consider inviting NGOs to implement the proposed measures instead. Members also expressed concern that the measures might result in further dragging down the wage levels of workers with low education level and little skill. Members considered that the Administration should provide more information in its submission to the Finance Committee to justify the cost effectiveness of the measures.

Issues arising from the review of the Comprehensive Social Security Assistance (CSSA) Scheme

12. Following discussion at the Panel meeting in December 1999, members decided to form a subcommittee to follow up the various issues arising from the review of the CSSA Scheme. The subcommittee held a total of four meetings with the Administration.

13. Members were particularly concerned about the requirement that persons living with family members had to apply for CSSA on a household basis. They were worried that the policy would make it necessary for more and more elderly CSSA recipients to move out in order to retain their eligibility and avoid being a burden to their children. They urged the Administration to allow some flexibility in respect of elderly recipients taking into account the fact that there was no old age pension scheme in Hong Kong. The Administration explained that as a standard procedure, the SSFU staff was required to ask the elderly applicant in each case whether he/she had any difficulties in applying for CSSA on a household basis. If the SSFU staff detected a relationship problem between the elderly applicant and his/her family members, the staff would refer the case to a family service centre for assistance. Members suggested that for the withdrawal cases, the SSFU staff should ask for the reasons and put them on record. In addition, the record system should be improved to facilitate easy retrieval of particular cases for review.

14. The subcommittee also discussed the exercise of discretionary power, relaxation of the eligibility criteria for disregarded earnings; special grants for rental deposits and various other expenses; ownership of properties in the Mainland in relation to the asset test requirement; and the one-year residence requirement in respect of new arrivals. Members requested the Administration to report on the outcome of its consideration of the various suggestions made by the subcommittee by June 2000.

Services for the elderly

15. The Administration briefed the Panel on a consultancy study which had been commissioned to review the care and support services for the elderly and to explore ways to improve the interface of the various types of elderly services. In response to members' concern as to whether the review was aimed at cost-saving, the Administration explained that it was conducted with a view to meeting the genuine needs of the elderly people, the majority of whom had clearly indicated strong preferences for living at home. The Administration was therefore exploring ways to enhance the provision of community care and support services for the elderly and their families. Members pointed out that as there were many elderly people who had genuine needs for residential

services, the Administration should not reduce the provision of such services. Members also urged the Administration to address the poor conditions of some of the existing elderly homes.

16. During their discussion of the progress report on social networking for the elderly, members noted that according to the General Household Survey of the Census and Statistics Department, there were 111 000 one-person households with single elderly persons aged 60 or above out of whom some 70 000 had been contacted by the support teams. Members asked the Administration to consider recruiting unemployed women in public housing estates with experience in taking care of the elderly to participate in the social networking project and paying remuneration to them. The Administration agreed to consider the suggestion.

17. The Panel discussed the Report of the Working Group on Dementia with representatives of the Hong Kong Alzheimer's Disease and Brain Failure Association, the Hospital Authority and the Administration in February 2000. Members welcomed the pilot project to provide 36 day respite places at 12 day care centres and the proposal to increase respite places in residential care homes. They urged the Administration to expedite the implementation of the recommendations of the Report and to maintain close liaison with the Association to better understand the problems faced by the demented elderly and their carers. Members also expressed concern about the problem of residential care homes refusing admission of demented elderly. They noted that to address the problem, SWD would put in place a mechanism later in the year whereby assessment of the applicants for residential and day care services would be centrally handled by trained assessors using a set of objective assessment tools.

Review of support services for street sleepers

18. The Panel discussed the findings of a survey report on street sleepers conducted by the Society for Community Organization (SOCO) with the Administration at a meeting in November 1999. The survey found that apart from the increase in the number of street sleepers, the number of young and able-bodied persons in the 20-39 age group found street sleeping was also on the increase. In addition, the survey showed that 35% of the 94 street sleepers interviewed had completed secondary education, as compared with only 15% in a similar survey conducted in 1991.

19. Four street sleeper representatives attended the Panel meeting to give a brief account of their circumstances and to highlight areas where they considered improvements should be made. They expressed dissatisfaction with the poor conditions of the temporary shelters and hostels. They pointed out that the discontinuation of the special grant under CSSA for rental deposit had made it difficult for them to move to private accommodation. As they

could not provide a correspondence address or contact telephone number in the course of seeking employment, they had great difficulty in finding jobs and were forced to stay homeless.

20. To help overcome the problem of not having an address when applying for employment, members unanimously supported that rental deposit should be provided to able-bodied CSSA recipients who had difficulties in paying a deposit when moving to new accommodation and urged the Administration to reinstate the allowance. Members, together with the Secretary for Health and Welfare and representatives of SWD and SOCO, made an evening visit to two temporary shelters/hostels in Kowloon in early December 1999. Members found the conditions there urgently in need of improvement and urged the Administration to improve the facilities and to review the mode of services for street sleepers in general.

21. As the long-term accommodation and employment problems of street sleepers had to be solved by the joint efforts of various bureaux, departments and non-governmental agencies, members requested the Administration to provide a work plan for tackling the problems. The Administration had reported in a subsequent paper to the Panel that with the exception of one non-subsided NGO, all NGOs had agreed to delete the age restriction rule in respect of hostels. As regards improving the facilities of shelters/hostels, Lotteries Fund grants had been approved for three hostels while 10 other applications were being processed. In addition, concerted efforts of SWD and NGOs would be made to strengthen social work intervention in the shelters/hostels and to provide outreach service for street sleepers in all districts. As ex-prisoner street sleepers or residents in shelters/hostels required special assistance in their long-term rehabilitation, SWD had reached an understanding with the Society for the Rehabilitation of Offenders to accept referrals of these cases. There would also be ongoing co-operation with the Housing Department and the Labour Department in addressing the needs of street sleepers for compassionate housing and employment assistance respectively.

Services for squatter areas in the New Territories

22. Members shared the view that over the years there had been little improvement in the community and welfare services for squatter areas in the New Territories. Moreover, with more and more new arrivals settling in the areas and the announcement of several redevelopment plans in the North District, new problems had arisen. They considered that the situation could be improved by extending the services provided by the Neighbourhood Level Community Development Project (NLCDP) teams to these areas. They also pointed out that since the Rural Area Mobile Service Team set up to provide a support network and integrated services for the vulnerable groups in the area was made up of volunteers only, it could only play a supportive role.

23. The Administration pointed out that the Audit Commission had conducted a review in October 1997 to examine the management of the NLCDP services. One of the recommendations of the review was that the Administration should review whether there remained sufficient justifications for those projects with a service population below 3 000 and projects with no clearance or redevelopment dates to continue. For this reason, it was difficult for the Administration to accede to requests for provision of NLCDP service to squatter areas with no scheduled clearance. Members urged the Administration to review its policy in respect of NLCDPs. The subject was being followed up by a subcommittee under the Panel.

Implementation of the policy of one school social worker (SSW) for each school

24. Members were concerned that the Administration's proposal to create 152 additional SSW posts for existing schools from redeployment of resources from children and youth centres (CYCs) and study and reading (SR) rooms would undermine the quality of youth services and would give rise to staff redundancy. The Administration explained that to minimize the possibility of staff redundancy, it would maintain extensive consultations with the Hong Kong Council of Social Service and the NGOs involved in the provision of youth welfare services. The redeployment exercise would involve the rationalization of the current provision of some over-provided and/or under-utilized CYCs and redeployment of staff resources from SR rooms which would in future be manned by volunteers or redeployed staff. Members suggested that to ameliorate the potential problem of staff redundancy, the Administration should not set a deadline for the implementation of the policy. Instead, it should exercise flexibility in both the timeframe and the ranking of the staff for SSW duties.

Implementation of the Enhanced Productivity Programme (EPP) in subvented welfare agencies

25. Members noted that the approach taken by SWD in implementing EPP in the NGO sector was to engage the sector fully in the process and to secure their commitment in achieving productivity gains amounting to 5% of operating expenditure by 2002-03. To achieve the target reduction of \$58 million in 2000-01, a 1% across-the-board cut had been applied to the subvention allocation except for those items exempt from EPP. Members were concerned about the difficulties of NGOs in achieving savings by re-deployment of resources and asked the Administration to discuss with NGOs their problems in implementing EPP. In addition, Members passed a motion urging the Government to strive to meet the EPP target through service rationalization instead of adopting a broad-brush approach to cut the average subvention for service organizations. They also agreed that in the event that the remaining target of 4% savings could not be achieved through service

rationalization, the Government should not force NGOs to achieve full EPP savings.

26. The Administration explained that it had been maintaining a regular dialogue with NGOs to explore if they could agree on a service rationalization approach but so far it had proved to be very difficult to achieve much progress. Nevertheless, it assured members that it would continue discussion with NGOs to identify the service areas where there was room for achieving the EPP target.

Other matters discussed

27. Other matters discussed by the Panel included Year 2000 compliance in social welfare organizations, the Computerized Social Security System, shortage of Social Security Assistants, child care services, review of family services and assistance provided to the blind or visually impaired in use of the computer.

28. The Panel held a total of 13 meetings from October 1999 to June 2000.

Legislative Council Secretariat

16 June 2000

Legislative Council

Panel on Welfare Services

Terms of Reference

1. To monitor and examine Government policies and issues of public concern relating to welfare and rehabilitation services matters.
2. To provide a forum for the exchange and dissemination of views on related policy matters.
3. To receive briefings and to formulate views on any major legislative or financial proposals in the relevant policy areas prior to their formal introduction to the Council or Finance Committee.
4. To examine and to report on any major issues of wide public concern in the relevant policy areas as referred by the Council or House Committee or raised by the Panel itself.

立法會
福利事務委員會
Legislative Council
Panel on Welfare Services

委員名單
Membership List

陳婉嫻議員(主席)	Hon CHAN Yuen-han (Chairman)
何世柱議員(副主席)	Hon HO Sai-chu, SBS, JP (Deputy Chairman)
朱幼麟議員	Hon David CHU Yu-lin
何秀蘭議員	Hon Cyd HO Sau-lan
李卓人議員	Hon LEE Cheuk-yan
李家祥議員	Hon Eric LI Ka-cheung, JP
李啓明議員	Hon LEE Kai-ming, SBS, JP
李華明議員	Hon Fred LI Wah-ming, JP
楊森議員	Dr Hon YEUNG Sum
楊耀忠議員	Hon YEUNG Yiu-chung
羅致光議員	Hon LAW Chi-kwong, JP

合共: 十一位議員
Total : 11 Members

日期: 1999年10月7日
Date : 7 October 1999