

For discussion on 14 January 2008

LegCo Panel on Education

**Progress Report on Implementation of the
Pre-primary Education Voucher Scheme**

Purpose

This paper reports on the progress of the pre-primary education voucher scheme (PEVS) since its implementation from the beginning of the 2007/08 school year.

Background

2. The Panel on Education discussed PEVS at its meetings on 19 October, 13 and 21 November 2006. Having fully considered the interests of the majority of parents and views of the society at large, and with the support of the Panel on Education and the major kindergarten organizations, the Administration obtained funding support from the LegCo Finance Committee on 15 December 2006 to introduce PEVS with effect from the 2007/08 school year on the basis of the following principles –

- (i) only children attending local non-profit-making (NPM) kindergartens or relevant classes in local NPM kindergarten-cum-child care centres (hereafter collectively referred to as “KGs”) are eligible to join PEVS¹;
- (ii) the voucher should only be redeemed by KGs charging a school fee not exceeding \$24,000 per student per annum (pspa) for a half-day place or not exceeding \$48,000 pspa for a whole-day place;
- (iii) the KGs should at the same time meet all stipulated disclosure and transparency requirements;
- (iv) all KGs are subject to a quality assurance mechanism so that starting from the 2012/13 school year only KGs meeting the prescribed standards may redeem the voucher; and
- (v) all KGs should enjoy full discretion in determining teacher salaries, subject to market forces.

EDB will review the implementation of PEVS in 2011/12.

¹ A transitional period of three years until the end of the 2009/10 school year is provided for private independent (PI) KGs satisfying all prescribed requirements of eligible NPM KGs save for the NPM status to redeem vouchers from parents whose children are enrolled in the nursery classes or above in these PI KGs as of the 2007/08 school year and throughout these children’s education in the same PI KGs.

Current status of implementation

Number of KGs joining PEVS

3. As of December 2007, a total of 838 (85%) out of some 980 KGs have joined PEVS, among which 749 are NPM KGs and 89 are Private Independent (PI) KGs eligible under the 3-year transitional arrangement until the end of the 2009/10 school year. The number of places in the operating classes of KGs joining PEVS and those not joining are estimated to be 171 000 and 26 000 respectively.²

4. PI KGs have been encouraged to convert to NPM operation early. Hence out of the 173 KGs with PI status when first approved to join PEVS, around 100 KGs have taken action for the conversion. So far 84 of these KGs have successfully changed their status to PEVS-NPM-KGs. As for the remaining PI KGs joining PEVS under the transitional arrangement, some 35 have indicated their intention to turn NPM by August 2008 and another some 35 indicated that they were undecided or would not turn into NPM operation. Should these KGs wish to re-join PEVS with NPM status from the 2008/09 school year onward, they can complete the conversion process before the 2008 summer recess.

5. As of December 2007, the total number of KG students redeeming the vouchers is around 104 000. Together with the 15 000 students receiving fee assistance through the Comprehensive Social Security Assistance (CSSA) Scheme and the Child Care Centre Fee Assistance Scheme (CCCFAS), some 85% of the KG students are benefiting from direct subsidy towards their tuition fee.

Professional Upgrading

6. Under PEVS, financial support will be provided to serving KG principals and teachers for professional upgrading. While a teacher development subsidy is embedded in each voucher for those serving at PEVS-NPM-KGs, principals and teachers of PI and non-PEVS NPM KGs may claim reimbursement from the Education Bureau (EDB) for up to 50% of the fees for an approved diploma or degree course in early childhood education, capped at \$60,000.

7. All serving KG teachers will be expected to obtain the Certificate in Early Childhood Education (C(ECE)) within five years by the 2011/12 school year. As of September 2007, around 70% of KG teachers have either completed the C(ECE) or equivalent qualifications or taking C(ECE) courses. We anticipate that the rest of the teachers will apply for admission to in-service C(ECE) programmes³ in the next two years for completion before the end of the 2011/12 school year.

8. All serving principals are encouraged to obtain a Bachelor in Education in ECE (BEd(ECE)) qualification. In the 2007/08 school year, around 240 KG principals are

² The actual number of places in the KGs concerned in this school year will only be available at a later stage.

³ The Hong Kong Institute of Education, the Hong Kong Baptist University, the Hong Kong Institute of Vocational Education (Lee Wai Lee), the University of Hong Kong and the Open University of Hong Kong are providing in-service C(ECE) programmes or equivalent in the 2007/08 school year.

pursuing a BEd(ECE) qualification. The first certification programme for aspiring principals will be offered from January 2008. New KG principals appointed from 2009/10 onward will be required to possess a BEd(ECE), plus one year post-qualification experience and completion of the certification course for principals.

9. Taking advantage of the Teacher Development Subsidy, school-based training programmes covering all four domains of school work, (viz. management and organization, learning and teaching, support to children and school culture, and children's development) have been planned by individual KGs for continuous professional development.

Quality Review (QR)

10. Under PEVS, only local NPM KGs meeting the prescribed standards may redeem the voucher by the beginning of the 2012/13 school year. EDB has started the first batch of a planned number of 130 QR visits for the 2007/08 school year in November 2007. The QR is built on the performance indicators already established in consultation with the pre-primary education sector since 2000. While pre-primary education personnel have since then been trained and have practised self evaluation, some 40 workshops on QR were held between March and July 2007 for KG principals and teachers. Five briefings were held subsequently on the use of Handbook on the Quality Review Framework for pre-primary personnel. The QR is primarily improvement-oriented and conducted on the basis of document reviews, observation and discussion with KGs' stakeholders. The QR team will only require the KGs to submit their annual school plan and school report. Overpreparation and overdocumentation, which may indicate a lack of purposeful direction will be rigorously discouraged.

11. QR will examine closely how the inter-connected self-evaluation process, viz. planning, implementation and evaluation, function to help achieve sustainable school improvement. An overall professional judgement will be made on whether a KG has met the prescribed standards with reference to the performance indicators. A draft report will be issued to the KG within four weeks after the visit. Any KG not meeting the prescribed standards will receive an advisory letter issued by EDB. They may apply for a follow up QR by submitting an action plan to address the issues within two months after receiving the final QR report. The follow-up QR will be conducted about 12 months afterwards. KGs still not meeting the prescribed standards will not be eligible to join PEVS and can only redeem the voucher up to the 2011/12 school year.

Support to parents

12. To facilitate parents to make informed choice, more transparency is required of KGs to disclose information on application of funds to various expenditure areas, in addition to other essential operational and curriculum details. The Profile of Kindergartens and Kindergarten-cum-Child Care Centres 2006/07 with information on eligibility for voucher redemption was first uploaded on the web of EDB and Committee on Home-School Co-operation in March 2007, and updated on 31 July 2007. The Profile contains the approved school fees of the 2007/08 school year.

13. Three talks have been held in September and October 2007 for parents on the characteristics of early childhood education. In parallel, a booklet on "Helping your children of kindergarten age" has been updated for distribution to parents from October

2007.

Alignment with Other Subsidy Schemes

14. As a consequence of the introduction of PEVS, we have made modifications and transitional arrangements under the Kindergarten and Child Care Centre Subsidy Scheme (KCSS) and the Kindergarten and Child Care Centre Fee Remission Scheme (KCFRS). No application from eligible KGs was received to continue staying in the KCSS for the one-year transitional period. With effect from the 2008/09 school year, the KCSS will be renamed as the “Child Care Centre Subsidy Scheme” to better reflect its scope of providing subsidy to eligible operators of services for children aged below three after the introduction of PEVS.

15. Starting from the 2007/08 school year, the fee remission ceiling for half-day place under KCFRS will remain at \$16,000 pspa until the end of the 2010/11 school year. The transitional arrangement of providing fee remission to needy parents with children attending half-day KG classes will cease in the 2011/12 school year by which time the voucher value will be increased to \$16,000 pspa and fully dedicated towards fee subsidy. Consistent with the existing KCFRS, full grant beneficiaries who attend more expensive KGs will have to top up the school fees with their own funds.

16. It is also intended to extend PEVS to cover children on CSSA after the introduction of the scheme. We have begun to refer new CSSA recipients to apply for PEVS and additional fee subsidy under KCFRS in the 2007/08 school year. Children already receiving the special grant under CSSA to cover KG fee may continue with the arrangement until their completion of pre-primary education in the same KG.

KGs' Tuition Fee in 2007/08

17. Since PEVS had replaced KCSS to provide direct fee subsidy for parents starting from the 2007/08 school year and that KCSS subsidy received by KGs was not reflected in the approved school fee of the previous years, KGs concerned needed to reflect that part of expenditure previously covered by the KCSS subsidy in their application for fee adjustment and the level of approved school fee in the 2007/08 school year. As usual, other reasons for fee adjustment this year include salary adjustment for teachers, improvement to school facilities and operational expenses. EDB vetted the fee increase applications with reference to the estimated income and expenses, as well as the financial situation of the KGs, to ensure that the school fees are maintained at reasonable level. We shall monitor the development in KG tuition fee.

Application for PEVS for 2008/09

18. Starting from 21 January 2008, we shall invite parents of eligible children who will attend KG classes in the 2008/09 school year to apply for the Certificate of Eligibility under the PEVS. Students who have already been issued with the Certificate need not reapply.

19. Members are requested to note the progress of the implementation of PEVS.

Education Bureau
January 2008