

LEGISLATIVE COUNCIL PANEL ON WELFARE SERVICES

Creation of One Assistant Director of Social Welfare Post to Take Charge of the Social Security Portfolio

PURPOSE

This paper briefs Members on our proposal to create one permanent post of Assistant Director of Social Welfare (ADSW) (D2), to be designated as Assistant Director (Social Security) (AD(SS)), in the Social Welfare Department (SWD) to oversee the social security portfolio and to head the Social Security (SS) Branch. The creation of the new AD(SS) post will be offset by the deletion of one permanent post of Principal Social Work Officer (PSWO) (D1).

BACKGROUND

2. The social security programme is SWD's largest programme delivered through the SS Branch. It is staffed by some 1,770 permanent civil servants representing 35% of SWD's establishment and involves an estimated recurrent expenditure of \$24.1 billion representing 70% of the Department's annual budget for 2008-09. The major functions of the SS Branch are –

- (a) to administer non-contributory social security schemes to assist members of the community who are in need of financial assistance to meet their basic and special needs;

- (b) to keep the social security schemes, namely, the Comprehensive Social Security Assistance (CSSA) Scheme, Social Security Allowance (SSA) Scheme, Criminal and Law Enforcement Injuries Compensation Scheme, Traffic Accident Victims Assistance Scheme and Emergency Relief Service under regular review to ensure that the social security schemes are operating effectively and are financially sustainable;
- (c) to formulate and implement strategic plans to prevent and combat fraud and abuse of the social security schemes; and
- (d) to formulate strategic plans for achieving the goal of “from Welfare to Work” and to implement the Support for Self-reliance (SFS) Scheme to help able-bodied employable CSSA recipients and single parents become self-reliant.

3. The SS Branch Headquarters comprises six functional sections, namely –

- (a) the Operations Section;
- (b) the Policy Review Section;
- (c) the Computerised Social Security System Management Section;
- (d) the Support for Self-reliance Section;
- (e) the Risk Management Section; and

(f) the Special Investigation Section.

4. The functional sections in paragraphs 3(a) to (d) above are each headed by a Chief Social Security Officer (CSSO) (MPS Point 45 – 49) and the sections in paragraphs 3(e) and (f) are headed by one CSSO. The day-to-day management and administration of the social security schemes and the employment assistance measures are operated through 37 Social Security Field Units and 38 employment assistance teams under the supervision of seven Senior Social Security Officers (MPS Point 34 – 44).

JUSTIFICATION

Inadequacies of the Existing Structure

5. At present, the Deputy Director (Administration) (DD(A)) at AOSGB^{Note} (D3) level directly supervises the work of the SS Branch with the support of the CSSOs. At the same time, she is responsible for overseeing the work of the Administration Branch, Finance Branch, Human Resources Management Branch, Information System and Technology Branch, and Research and Statistics Section.

6. Over the last few years, there has been a substantial and rapid growth in the scope, volume and complexity of the social security system. In particular, many initiatives have been introduced in recent years to help the underprivileged groups. The lack of full-time directorate support to DD(A) on the social security front has posed real operational problems.

^{Note} Supernumerary post holding against a post of Deputy Director of Social Welfare (D3).

7. A lot of routine operational issues which are beyond the responsibility of the CSSO level and can be dealt with at the directorate level had all been escalated to DD(A). Given her span of control, DD(A) was hard pressed in adequately attending to the operational details of SS Branch, in addition to overseeing a number of other Branches. Many critical decisions on day-to-day management issues, which in normal circumstances could operationally be taken by an officer at the AD level, had fallen on DD(A).

8. Following a review in 2007, we considered it operationally essential to provide a full-time officer at ADSW (D2) level to take charge of the social security portfolio. Pending approval for the creation of a permanent ADSW post, SWD has temporarily redeployed a PSWO since September 2007 to help out as a stop-gap measure.

The Challenges

9. Social security is a major item of welfare expenditure. Over the last decade, CSSA expenditure increased almost two-fold from \$9.4 billion in 1997-98 to \$17.9 billion in 2006-07. Over the same period, the SSA expenditure rose from \$3.7 billion to \$5.5 billion. CSSA and SSA expenditure constituted about 12.2% of total Government recurrent expenditure in 2006-07. The growth of our ageing population with financial difficulty as well as the increase in the number of people of working age turning to CSSA arising from the economic depression in past years have attracted a great deal of public concern and resulted in considerable pressure on the SS Branch to introduce new schemes to address the new trends.

10. In view of the substantial increase in social security payment and

in order to strengthen safeguards against fraud and abuse of the system, SWD has to conduct regular reviews to revamp and enhance the provision of social security services, the checking and reviewing system for prevention and combating fraud and abuse as well as the technical infrastructure. These include, inter alia, reviewing the provision of social security services under the various schemes, employment assistance programmes and intensified measures under the SFS Scheme and other incentives to motivate able-bodied recipients to rejoin the workforce, gate-keeping mechanism to safeguard public expenditure against fraud, abuse and overpayment as well as the mission-critical Computerised Social Security System (CSSS).

11. To cope with the increasing challenges, the SS Branch also has to closely monitor its operation to actively make improvements so that the SS Branch could discharge its duties in a more effective, efficient and customer-friendly way. The officer filling the proposed AD at the rank of ADSW is expected to draw on his or her expertise and experience in social welfare service development and administration, resource management and operational matters in leading and steering the SS Branch and provide support to DD(A). These aspects are further elaborated in the following paragraphs.

(a) Provision of social security services

The social security schemes cover a significant portion of the Hong Kong population. The Legislative Council, political parties, social organisations as well as members of the public and the media take a keen interest in the administration and development of social security schemes. SWD needs a dedicated AD who has the ability and sensitivity to effectively administer and monitor the social security schemes in

accordance with the policy objectives; to keep under close scrutiny the administrative arrangements including the processing and handling procedures as well as internal work flow; and to co-ordinate the co-operation of the social security system with other systems in the Government's social policy.

(b) Preventing and combating fraud

Over the years, SWD has conducted a number of reviews on prevention of social security fraud and abuse with the joint efforts from parties such as the Hong Kong Police Force, Independent Commission Against Corruption and Efficiency Unit. Many of the recommendations require cross-branch collaboration. A committee under the chairmanship of DD(A), with representatives from various branches in the Department, has been set up to follow up on the progress of implementation. We consider it necessary to have a dedicated AD, not only to map out a thorough and co-ordinated strategic plan to take forward the recommendations and monitor progress, but also to steer the SS Branch and co-ordinate with other branches on improving efficiency and reinforcing prevention of fraud and abuse on an on-going basis.

(c) Enhancement of technical infrastructure

The mission-critical Computerised Social Security System (CSSS) was launched in October 2000 to process social security payments. As the normal life cycle of a system like CSSS is five to ten years, SWD conducted a feasibility study on a major

upgrade or replacement of the CSSS. The study was completed in February 2008 with the recommendation that the current CSSS should be replaced. To achieve this, a time frame of 36 months is required. To ensure the smooth implementation of the proposed replacement exercise, SWD has to map out how to take forward the implementation of the recommendations and make the necessary arrangements, including seeking funds, organising manpower support, arranging tendering and monitoring the replacement project.

Taking into account the size, magnitude, and complexity of the CSSS, it is essential to have an experienced and dedicated directorate officer to take a strategic approach to take forward the recommendations of the feasibility study and monitor the implementation process throughout. Apart from ensuring a smooth switch from the current CSSS to the replacement system to effectively support the on-going operations of the social security schemes, an experienced directorate officer would be expected to steer the development of the replacement system to meet further business needs.

(d) Implementation of self-reliant initiatives

SWD has launched a series of self-reliant initiatives since 2006 to assist different types and groups of CSSA recipients. These include the Special Training and Enhancement Programme targeting at young employable CSSA recipients living in Tin Shui Wai; the New Dawn Project aiming to help CSSA single parent recipients and child carers with the youngest child aged between

12 and 14 move towards self-reliance through engagement in work; and the District Employment Assistance Trial Projects to help long-term and hard-to-assist unemployed employable CSSA recipients re-enter the labour force and secure sustainable employment. SWD has to closely monitor the implementation of these schemes and their results to facilitate consideration of the best means for helping employable able-bodied CSSA recipients return to work.

A dedicated AD is required to develop strategies and measures to assist able-bodied CSSA recipients to move back to work; to monitor the progress and performance of the projects; and to keep in view their effectiveness. The dedicated AD will also have to work closely with other parties concerned on developing a 'one-stop shop' model with regard to employment and training/retraining services.

Need for one ADSW Post

12. Considering the range, complexity and growing sensitivity involved in the delivery of social security services, the interface between the social security system and other welfare systems and the immense challenges ahead, the SS Branch requires a full-time dedicated AD with rich social welfare development and administration experience, thorough understanding of social problems, and ability to handle complex issues to oversee the social security portfolio. The proposed AD will be tasked to steer the SS Branch to meet the challenges ahead; to strategically take forward the development, management and operation of the social security system; to better co-ordinate and optimise the deployment and management of resources available for

social security services; and to ensure that the policy commitments and priorities are met. In addition, with this arrangement, the expertise and experience of social security matters can be retained in the Department which will benefit its long-term development.

13. The proposed job description of the proposed AD(SS) post is at Enclosure 1. The proposed organisation charts of SWD and the SS Branch are at Enclosures 2 and 3 respectively.

Deletion of one PSWO (D1) post

14. The provision, planning and implementation of social welfare services are delivered through 12 District Social Welfare Offices (DSWOs) of SWD, each headed by a PSWO (D1). SWD has over the past few years implemented a number of efficiency saving measures, including the closure and hiving-off of non-core departmental service units, and rationalisation and integration of service units such as the co-location of the six residential homes for mal-adjusted juveniles and young offenders. These changes have necessitated a review of the district structure with reference to the social and demographic characteristics, demands for social welfare services of each district and scope of control, including the number of service units under the supervision of each DSWO with a view to optimising and maximising the use of resources. The review recommended, among others, that the Central and Western / Islands DSWO be merged with the Southern DSWO to form a new Central, Western, Southern and Islands DSWO, and this proposal was implemented in September 2007. Upon the merger, one PSWO post was released and is currently temporarily redeployed to the SS Branch as a stop-gap measure. It is proposed that this PSWO post be deleted on a permanent basis.

ALTERNATIVES CONSIDERED

15. SWD has critically examined the feasibility of identifying an existing service AD within the Department to absorb the duties of the proposed AD(SS), but has concluded that such an alternative is not feasible. Given the rapid expansion in different service areas of social welfare, all existing service ADs are already fully committed to their responsibilities relating to elderly services, family and child welfare services, rehabilitation and medical social services, youth and correctional services and subvention matters. We have also considered redeploying the PSWO post mentioned in paragraph 14 above to head the SS Branch permanently, but in the long-term an officer at AD level is required which is commensurate with the scale and complexity of the social security portfolio without which the smooth functioning and development of the overall social security system and the effective and efficient delivery of social security services will be hampered in the long run.

FINANCIAL IMPLICATIONS

16. The additional notional annual salary cost at mid-point of the proposal is –

	Permanent Post	\$	No. of Post
	ADSW	1,428,000	1
Less	PSWO	1,201,200	1
	Additional Cost	<u>226,800</u>	<u>0</u>

The additional full annual average staff cost of the proposal, including salaries and staff on-cost, is \$204,000. We have included the necessary provision in the 2008-09 draft Estimates to meet the cost of this proposal.

THE WAY FORWARD

17. Subject to Members' comments, we plan to submit the proposal to the Establishment Subcommittee of the Finance Committee for consideration at its meeting on 30 April 2008.

Labour and Welfare Bureau
 Social Welfare Department
 March 2008

**Job Description for
Assistant Director (Social Security)**

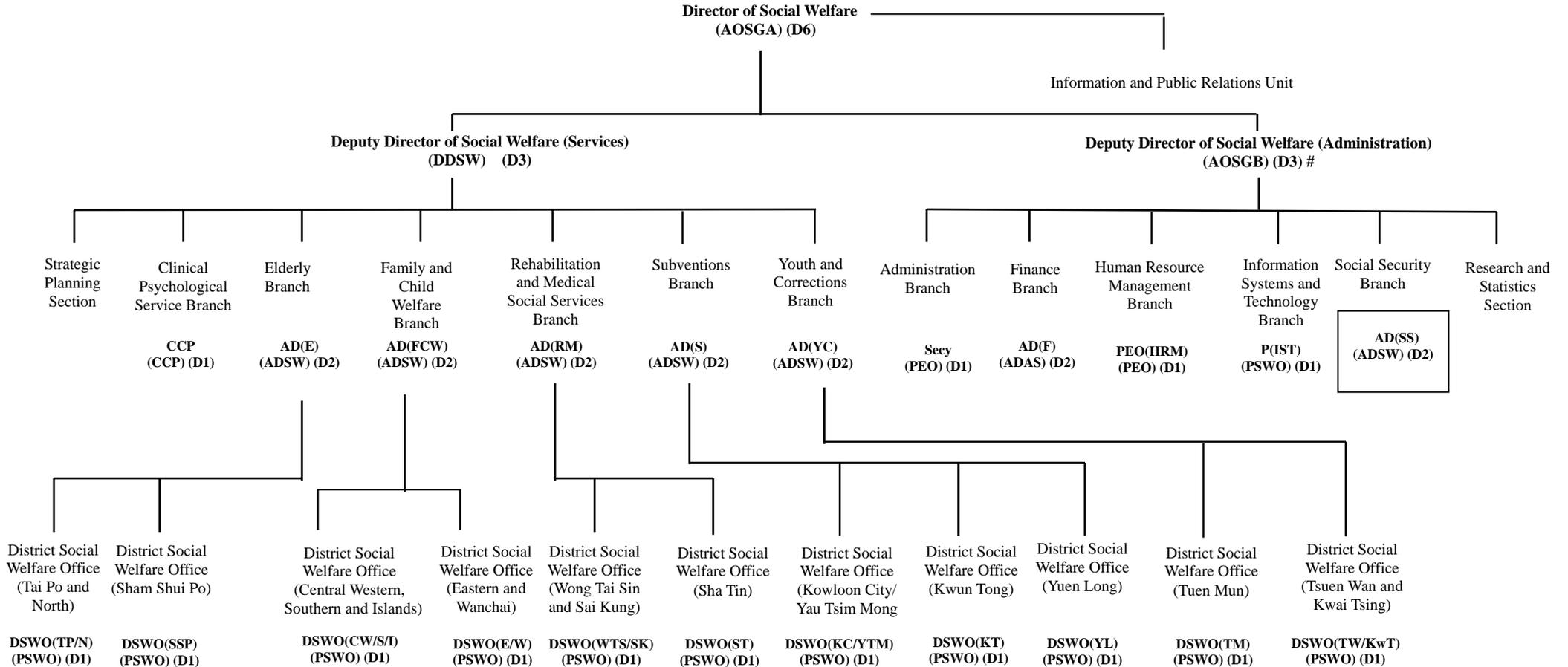
Rank : Assistant Director of Social Welfare (D2)

Responsible to : Deputy Director of Social Welfare (D3)

Main Duties and Responsibilities –

1. To assist in the formulation of strategies and policy objectives on social security services.
2. To plan, develop and manage the overall social security system.
3. To design and review the operational policies, instructions and procedures covering the various social security schemes.
4. To ensure uniformity of practice among all social security field units in respect of the operation of the various social security schemes.
5. To deal with policy matters and oversee the work of the Traffic Accident Victims Assistance Section, the Criminal and Law Enforcement Injuries Compensation Section, and the Social Security Appeal Board.
6. To oversee and review the emergency relief policy and operational procedures and coordinate these services in the event of natural disasters.
7. To oversee the collection and analysis of statistical data required for review and monitor social welfare services for the planning purposes.
8. To administer and direct the personnel and other resources allocated and oversee the manpower planning and training of social security staff to meet changing operational requirements.

Proposed Organisation Chart of Social Welfare Department

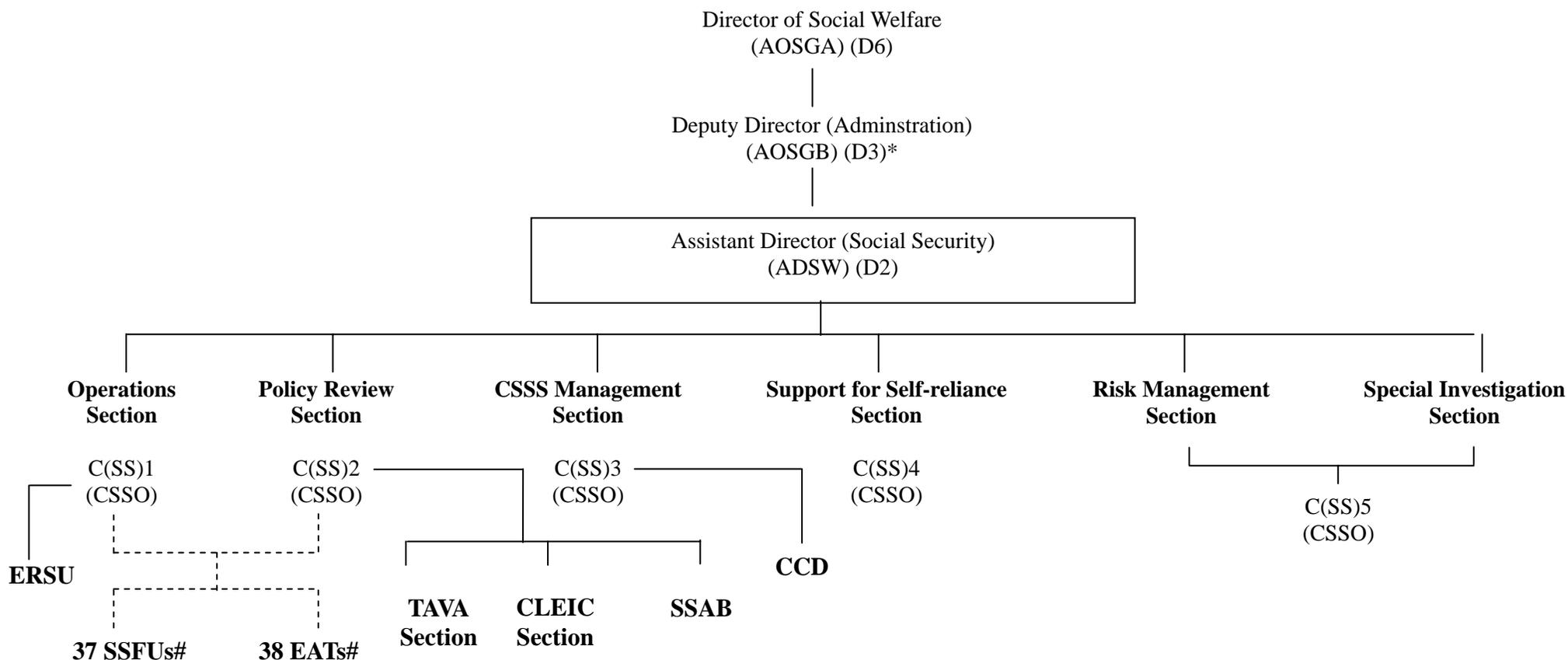


Legends :

- AOSGA : Administrative Officer Staff Grade A
- AOSGB : Administrative Officer Staff Grade B
- DDSW : Deputy Director of Social Welfare
- ADSW : Assistant Director of Social Welfare
- PSWO : Principal Social Work Officer

- ADAS : Assistant Director of Accounting Services
- PEO : Principal Executive Officer
- DSWO : District Social Welfare Officer
- # : Supernumerary post holding against a DDSW (D3) post
- : Post proposed to be created under current proposal

Proposed Organisation Chart of Social Security Branch under Social Welfare Department



Legends :

- AOSGA : Administrative Officer Staff Grade A
- AOSGB : Administrative Officer Staff Grade B
- ADSW : Assistant Director of Social Welfare
- CSSO : Chief Social Security Officer (MPS Point 45-49)
- EATs : Employment Assistance Teams

ERSU : Emergency Relief Support Unit

SSFUs : Social Security Field Units

- TAVA : Traffic Accident Victims Assistance
- CLEIC : Criminal and Law Enforcement Injuries Compensation
- SSAB : Social Security Appeal Board
- CCD : Central Casefile Depository
- : Post proposed to be created under current proposal
- * : Supernumerary post holding against a Deputy Director of Social Welfare (D3) post
- # : Supervised by District Social Welfare Officers on day-to-day operations