

## **ITEM FOR FINANCE COMMITTEE**

**HEAD 156 – GOVERNMENT SECRETARIAT :  
EDUCATION BUREAU**

**Subhead 000 Operational expenses**

**HEAD 170 – SOCIAL WELFARE DEPARTMENT**

**Subhead 179 Comprehensive social security assistance scheme**

**HEAD 173 – STUDENT FINANCIAL ASSISTANCE AGENCY**

**Subhead 228 Student financial assistance**

Members are invited to approve –

- (a) enhancement measures for the Pre-primary Education Voucher Scheme and the Kindergarten and Child Care Centre Fee Remission Scheme; and
- (b) supplementary provision of \$99 million under Head 173 Student Financial Assistance Agency Subhead 228 Student financial assistance in 2011-12 to implement the enhancement measures for the Kindergarten and Child Care Centre Fee Remission Scheme from the 2011/12 school year.

### **PROBLEM**

We need to implement enhancement measures for the Pre-primary Education Voucher Scheme (PEVS) and the Kindergarten and Child Care Centre Fee Remission Scheme (KCFRS) recommended by the Working Group (WG) of the Education Commission (EC) in its Report on Review of the PEVS.

**/PROPOSAL .....**

**PROPOSAL**

2. The Secretary for Education (SED) proposes that –
- (a) the existing PEVS as a mechanism for providing direct fee subsidy for parents to pay for kindergarten (KG) education should be enhanced, with the following modifications, with effect from the 2012/13 school year (sy) –
    - (i) the value of the voucher for parents to defray the tuition fee of KG education for their children should be adjusted annually with reference to the Composite Consumer Price Index (CCPI);
    - (ii) the existing eligibility criteria<sup>1</sup> for admission of KGs to the PEVS should continue, with the fee thresholds either increased annually according to movement in CCPI or frozen in case of deflation; and
    - (iii) the voucher subsidy to the PEVS KGs should be disbursed according to their tuition fee payment schedules; and
  - (b) fee remission for half-day and whole-day KG education under the KCFRS should continue to operate in parallel with the PEVS, with assistance to KG children of needy families enhanced from the 2011/12 sy as follows –
    - (i) the calculation of fee remission under the KCFRS should be revised;
    - (ii) the social needs assessment for eligibility for whole-day rate of fee remission should be removed; and
    - (iii) the meal allowance ceiling for needy KG children attending whole-day PEVS KGs should be adjusted annually with reference to the Consumer Price Index (A) (CPI(A)).

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<sup>1</sup> Under the existing PEVS, only KGs which are non-profit-making, offer local curriculum and charge a tuition fee at a level not exceeding the fee thresholds of \$24,000 per student per annum (pspa) for a half-day place and \$48,000 pspa for a whole-day place are eligible for joining the Scheme.

**JUSTIFICATION**

Encl. 1 3. The PEVS was introduced since the 2007/08 sy to provide direct fee subsidy to parents in meeting towards the tuition fee of KG education for their children. The guiding principles of the PEVS are summarised at Enclosure 1. Responding to the concerns of major stakeholders, the EC set up a WG in October 2009 to review the implementation of the PEVS and make recommendations to the Administration for improvement. EC endorsed and submitted its WG report to the Administration in December 2010. A summary of the EC WG's recommendations is at Enclosure 2.

4. In gist, the WG recommends that the PEVS should be continued having regard to its penetration and the incentive for professional upgrading and self-improvement that it has induced. The Education Bureau (EDB) also shares the WG's view that we should further facilitate, within the PEVS framework, the professional and governance improvement of the KG sector. In addition, access to affordable and quality pre-primary education by needy families should be enhanced. Details of the proposed enhanced measures are elaborated in paragraphs 5 to 12 below.

**Voucher value**

5. The non-means-tested voucher has much enhanced accessibility to financial subsidy for meeting KG tuition fee. The existing PEVS, however, has only set out the rate of the voucher subsidy up to the 2011/12 sy (vide FCR(2006-07)29). The rates thereafter need to be decided. EDB supports the WG's recommendation that the voucher value in and beyond the 2012/13 sy should be adjusted with reference to consumer price changes on the basis of the 2011/12 sy level of \$16,000 per student per annum (pspa). Subject to the approval by the Finance Committee (FC), SED will adjust the voucher value annually from the 2012/13 sy according to the year-on-year rate of change in CCPI.

**Eligibility criteria**

6. Education voucher world-wide comes in many different forms in actual implementation. Conditions are usually set to ensure that the voucher goes towards meeting tuition fees at government-approved schools. In Hong Kong, the PEVS has helped make more KGs affordable to parents. We consider it appropriate to continue with the present eligibility criteria (i.e. the KGs must be non-profit-making, offering local curriculum with reference to the curriculum guide issued by the Curriculum Development Council and charging tuition fee not exceeding the prescribed threshold levels). EDB agrees to the WG's proposal to review the fee thresholds annually with reference to consumer price changes.

7. EDB proposes to conduct annual review of the fee thresholds with reference to CCPI, and make adjustments with effect from the 2012/13 sy. In order not to adversely affect PEVS KGs' smooth operation, parents' planning and continuity of children's KG education, EDB further proposes freezing the fee thresholds when the year-on-year rate of change in CCPI is negative, and raising it again in subsequent school years only when the accumulated increase has offset the accumulated decline. Subject to FC's approval, SED will adjust the fee thresholds annually from the 2012/13 sy accordingly.

### **Disbursement of voucher subsidy**

8. Under the current payment schedule, the voucher subsidy is disbursed to the PEVS KGs by 12 instalments (from August to July) regardless of when their school terms start and the number of instalments in which they collect their tuition fees. Some KGs find such an arrangement cumbersome in that they cannot easily ascertain if they can make ends meet on a monthly basis. EDB therefore proposes to address the concern by revising the schedule for disbursing voucher subsidy to the PEVS KGs according to their tuition fee payment schedules. Under this proposed arrangement, a KG child may receive PEVS subsidy slightly higher or lower than the prevalent rate of the voucher if he or she changes KG within a school term.<sup>2</sup> Adopting the proposed streamlining arrangement, the PEVS may incur additional expenditure, but it will help reduce the administrative workload of the KGs considerably.

### **Enhancement to KCFRS**

9. It was originally envisaged that when the voucher value for fee subsidy under the PEVS reached the fee remission ceiling of \$16,000 pspa (fixed since the 2007/08 sy) for half-day KGs in the 2011/12 sy, there would be no need to operate KCFRS for children attending half-day KG classes. However, to facilitate parental choice, EDB restored in the 2009/10 sy the adjustment mechanism under which the fee remission ceilings for half-day and whole-day KGs under the KCFRS are reviewed annually in accordance with the respective weighted average tuition fees of the PEVS KGs. EDB agrees with the WG that the KCFRS should enhance

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<sup>2</sup> Using the yearly voucher value of \$12,000 pspa as an example, a student after attending a KG (say for six months) which collects tuition fee by ten instalments would have redeemed \$7,200 from the voucher subsidy. Should the student transfer to another KG which collects tuition fee by 12 instalments, the KG will redeem \$6,000 from the voucher although the remaining balance is \$4,800. Conversely, a student after attending a KG (say for six months) which collects tuition fee by 12 instalments would have redeemed \$6,000 from the voucher subsidy. Should the student transfer to another KG which collects tuition fee by 10 instalments, the KG will redeem \$4,800 from the voucher, instead of the remaining balance of \$6,000.

needy families' access to quality pre-primary education services. Given the importance the community attaches to education as a means of social mobility, EDB proposes that fee remission for half-day KGs, as well as whole-day KGs under the KCFRS<sup>3</sup> should continue to operate in parallel with the PEVS, with the following modifications to provide enhanced assistance to KG children of needy families from the 2011/12 sy –

- Encl. 3 (a) to calculate the percentage of fee remission after deducting the voucher subsidy as illustrated at Enclosure 3;
- Encl. 4 (b) to remove the social needs assessment in processing applications for fee remission for children attending relevant classes in whole-day PEVS KGs. The social needs assessment criteria are set out at Enclosure 4; and
- (c) to adjust annually the meal allowance ceiling for needy KG children attending whole-day PEVS KGs with reference to the annual movement of CPI(A).

10. At present, needy families receive additional financial support on top of the voucher subsidy only when the level of fee remission under the KCFRS exceeds the voucher value. The proposed modification as set out in paragraph 9(a) above will enhance support for the needy families and increase their choice of KGs for their children.

11. The proposed removal of the social needs assessment for KG fee remission for the whole-day rate as recommended by the EC will enhance the accessibility of families already meeting the means test to whole-day KG education. It may also encourage the parents to seek at least part-time employment. While targeting support for the needy families, EDB's position remains that the choice of half-day or whole-day KGs should be determined by parents. The single-valued voucher providing a uniform level of fee subsidy to parents in meeting the tuition fee in the PEVS KGs should therefore continue. Parents are free to choose KGs appropriate to their need and that of their children, and top up the differences with their own means.

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<sup>3</sup> Applications for fee remission under KCFRS are currently subject to means test, with three levels of assistance, i.e. 100%, 75% and 50% of the fee remission ceilings. The means-test cut off points in respect of family income are subject to annual adjustment in accordance with the movement of CPI(A). Applications for fee remission for whole-day KG education are also subject to the social needs assessment.

12. It is also proposed that the value of the meal allowance under the KCFRS, currently capped at \$400 per child per month since 2005 for KG children attending whole-day PEVS KGs, be adjusted annually with reference to CPI(A) movement with effect from the 2011/12 sy. This CPI(A)-based adjustment mechanism is in line with most other means-tested student financial assistance schemes administered by the Student Financial Assistance Agency (SFAA). Subject to FC's approval, SED will adjust the rate annually from the 2011/12 sy accordingly.

### **Other PEVS issues**

#### **Salary scale for KG teachers**

13. Under the PEVS, KGs are given the discretion to determine remuneration packages for their staff. Overall, KGs have exercised the flexibility in offering competitive pay and awarding increments to teachers. There are nevertheless demands for the Administration to prescribe a salary scale for KG teachers and principals. With the increase in investment in pre-primary education through the PEVS and progressive professional enhancement, EDB believes that respecting KG's discretion to provide remuneration packages would best facilitate KGs to attract and retain staff having regard to their professional training and teaching effectiveness.

#### **Smoothing transition to professional upgrading**

14. EDB agrees to the WG's recommendation that the PEVS KGs with sufficient number of teachers possessing the Certificate (Early Childhood Education) (C(ECE)) qualifications based on the teacher to child ratio of 1:15 may continue to employ non-C(ECE) teachers with Qualified Kindergarten Teacher qualifications, or a qualification acceptable to the Permanent Secretary for Education. This will help retain experienced teachers, smoothen transition towards professional upgrading and maintain system stability. EDB also agrees with the WG that until the end of the 2013/14 sy, or under special circumstances, EDB may consider counting those teachers pursuing the C(ECE) qualifications as C(ECE) teachers for the purpose of meeting the 1:15 C(ECE) teacher to child ratio requirement.

### **Governance and quality assurance**

15. Quality Review (QR), comprising KGs' self evaluation and external review by EDB<sup>4</sup>, promotes quality assurance and sustainable capacity enhancement. All KGs under the PEVS have put in place a self-evaluation mechanism for continuous improvements. To date, EDB has carried out external review for over 99% of the PEVS KGs, and will complete external review for the remaining ones<sup>5</sup> before the end of the 2010/11 sy. KGs which fail in QR will not be eligible to stay in the PEVS from the 2012/13 sy onwards<sup>6</sup>. However, to minimise disruption to parents and students, existing students of these KGs will continue to receive the voucher until they leave the KG concerned. EDB agrees with the WG's recommendation to continue the application of QR. It is reviewing the QR process so that it will be more improvement-oriented and provide enhanced support to KGs.

### **Evidence-based policy formulation**

16. EDB agrees to the WG's recommendation that the PEVS should be subject to periodic reviews for continuous improvement and to ensure that its operation will facilitate parents' accessibility to affordable and quality KG education for their children. EDB will, in consultation with academics and other experts in the ECE field, strive to identify a framework to collect quantitative and qualitative data to facilitate an evidence-based evaluation of pre-primary education in order to inform policy formulation in future.

## **FINANCIAL IMPLICATIONS**

17. The implementation of the enhancement measures under the KCFRS as set out in paragraph 2 above will incur an estimated additional recurrent expenditure of about \$99 million in 2011-12 under SFAA. The implementation of the streamlining approach in paragraph 2(a)(iii) may incur minor additional recurrent expenditure. Subject to FC's approval, a supplementary provision of \$99 million will be made to Head 173 Student Financial Assistance Agency Subhead 228 Student financial assistance for 2011-12 to meet the additional financial requirement. We have earmarked sufficient provision in the 2011-12 Estimates for the above purpose.

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<sup>4</sup> EDB's external review assesses the performance of KGs in the areas of "Management and organisation", "Learning and teaching" and "Support to children and school culture".

<sup>5</sup> EDB will conduct QR for the newly established KGs one year after they have come into operation when they have compiled their School Reports based on their Annual School Plans.

<sup>6</sup> For KGs that have failed the QR by 2010/11 sy, they may opt for follow up QRs in 2011/12 sy. Those which fail in the follow up QRs would not be allowed to stay in the PEVS.

18. In addition, since the special grant covering KG fees under the Comprehensive Social Security Assistance (CSSA) Scheme is pegged to the fee remission ceiling of the KCFRS, there will be consequent additional expenditure on the CSSA Scheme due to the implementation of the enhancement measures proposed in paragraph 2(b) above. We estimate that this will incur an estimated additional recurrent expenditure of about \$16 million in 2011-12 under the CSSA Scheme. Supplementary provision for 2011-12, if required, will be sought towards the latter part of the financial year.

19. The actual amount of disbursement under the PEVS, the KCFRS and the CSSA Scheme each year as a result of the implementation of the proposals in paragraph 2 above will depend on such factors as the size of student population, the number of applications, the result of the means test of individual applicants, changes in price levels and KG tuition fees, etc.

Encl. 5 20. Detailed breakdowns of the estimated financial implications are at Enclosure 5. The financial implications for 2012-13 and beyond will be reflected in the draft Estimates of the relevant years.

## **IMPLEMENTATION PLAN**

21. Subject to FC's approval, we plan to implement the KCFRS enhancement measures under paragraph 2(b) above from the 2011/12 sy and the PEVS enhancement measures under paragraph 2(a) above from the 2012/13 sy.

## **PUBLIC CONSULTATION**

22. The EC WG conducted a series of focus group meetings and consultation sessions with the relevant stakeholders, including teacher education institutions, school sponsoring bodies, principals, teachers and parents between December 2009 and October 2010 to gauge their views on the implementation of the PEVS. The WG also took into account written submissions by the stakeholders. It has accorded ample opportunities for stakeholders to express their views and given due consideration to the views expressed. The WG Chairman attended the meeting of the Legislative Council Panel on Education (the Panel) on 17 December 2010, at which deputations were received from various stakeholders. The deputations generally supported the WG's guiding principles and its recommendations. Some expressed concerns that the WG had not addressed the demand for 15-year free education, the additional financial support for whole-day KGs and the salary scale for KG teachers.



23. EDB consulted the major KG associations on 2 June 2011 and the Panel on 13 June 2011 on the proposal. While some expressed concern about the absence of a teacher salary scale and doubted if voucher was the best approach, they generally supported the proposed measures as they would increase financial support for the needy families and enhance parents' choice and affordability.

## **BACKGROUND**

24. With FC's approval (vide FCR(2006-07)29), the PEVS has been implemented since the 2007/08 sy. As of the 2010/11 sy, about 80% of KGs have joined the PEVS. The PEVS has significantly enhanced the capacity of the KG sector in providing quality pre-primary education. It also renders pre-primary education more affordable to a wide spectrum of the community. Since the introduction of the PEVS, an average of some 85% KG children have benefited from the voucher subsidy annually, compared to some 50% KG children benefiting from the financial assistance under the former Kindergarten and Child Care Centre Subsidy Scheme.

25. The percentage of KG teachers holding or pursuing C(ECE) qualification has increased from 56% in the 2006/07 sy to some 90% as of the 2009/10 sy. Starting from the 2009/10 sy, all newly appointed KG principals have been required to possess a degree in ECE. KGs joining the PEVS conduct self-evaluation for continuous improvement.

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Education Bureau  
June 2011

**The Guiding Principles of the PEVS**

The PEVS introduced since the 2007/08 sy operates on the basis of the following principles –

- (a) subject to the transitional period<sup>1</sup>, only children attending local non-profit-making (NPM) KGs or relevant classes in local NPM Kindergarten-cum-Child Care Centres (KG-cum-CCCs) are eligible to join the PEVS;
- (b) the voucher should only be redeemed by local NPM KGs or relevant classes in local NPM KG-cum-CCCs 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;
- (c) the KGs should, at the same time, meet all stipulated disclosure and transparency requirements;
- (d) all KGs are subject to a quality assurance mechanism so that, starting from the 2012/13 sy, only KGs meeting the prescribed standards may redeem the voucher; and
- (e) all KGs should enjoy full discretion in determining teacher salaries.

2. A schedule of voucher value is set out below –

School Year	Value	For fee subsidy	For teacher development
2007/08	\$13,000	\$10,000	\$3,000
2008/09	\$14,000	\$11,000	\$3,000
2009/10	\$14,000	\$12,000	\$2,000
2010/11	\$16,000	\$14,000	\$2,000
2011/12	\$16,000	\$16,000	--

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<sup>1</sup> A transitional period of three years until the end of the 2009/10 sy was provided for private independent (PI) KGs satisfying all prescribed requirements of eligible NPM KGs, save for the NPM status, to redeem the vouchers from parents whose children were enrolled at various study levels in such PI KGs in the 2007/08 sy throughout these children’s education in the same PI KGs.

**Summary of the EC WG's Recommendations**

The EC WG's 12 recommendations are as follows –

**Recommendation 1**

The WG considers the PEVS to be an appropriate mechanism for funding pre-primary education as it can attend to the characteristics of the local context and, hence, recommends its continuation beyond the 2011/12 sy, subject to periodic review. A further review of early childhood education in response to developments in the macro environment should be conducted at an opportune time.

**Recommendation 2**

The WG recommends that, while keeping the three eligibility criteria for KG admission to the PEVS, the fee thresholds should be subject to an annual review with reference to inflation.

**Recommendation 3**

The WG recommends that the value of the voucher should be subject to an annual review with reference to inflation.

**Recommendation 4**

The WG recommends that while the current KCFRS should continue to provide additional support to children from needy families attending half-day or whole-day KGs in parallel with the PEVS, the percentage of fee remission should be calculated after first deducting the voucher subsidy. The WG also recommends the removal of social need assessment for needy children whose parents are applying for fee remission for attending whole-day KGs.

**Recommendation 5**

Building on the existing governance structure, the WG recommends the continuation of QR, and the following steps to be taken: (i) identify information that would contribute to transparency and dissemination of good practices to the public, especially parents; (ii) involve professionals in the sector to fine-tune the review process so that the QR is improvement-oriented; and (iii) put in place a mechanism to give attention to the under-performing KGs.

**Recommendation 6**

The WG recommends that parent education should be enhanced to support parents in making informed choices of KGs for their children. EDB should also encourage parental partnership with KGs in promoting the learning and development of children.

#### Recommendation 7

The WG recommends that local studies and research on the latest development of pre-primary education should be encouraged to inform good practices for future development.

#### Recommendation 8

The WG recommends that PEVS KGs with sufficient number of teachers holding the C(ECE) qualifications based on the teacher to child ratio of 1:15 may continue to employ teachers with Qualified Kindergarten Teacher qualifications, or a qualification acceptable to the Permanent Secretary for Education, to meet their individual needs. In-service training opportunities should continue to be provided for serving teachers without C(ECE) for professional upgrading in the 2012/13 sy and beyond. In the interim of two years, and under special circumstances, EDB may consider counting those teachers pursuing the C(ECE) qualifications as C(ECE) teachers for the purpose of meeting the 1:15 teacher to child ratio requirement.

#### Recommendation 9

The WG recommends that EDB should continue to provide support for the professional development of KG teachers and principals. The WG also encourages KGs to apply for the support of the Quality Education Fund for school-based initiatives.

#### Recommendation 10

The WG recommends that an advisory body should be set up to take a professional view on various issues relating to the long-term development and quality of pre-primary education, such as a reference salary scale for teachers and principals and their continuous professional development.

#### Recommendation 11

The WG recommends that the schedule for disbursing voucher subsidy to KGs should be revised to follow the tuition fee payment schedule of KGs so as to reduce their difficulties in handling administrative and accounting work.

#### Recommendation 12

The WG recommends that the existing policy and arrangements for rents, rates and government rent reimbursement for KGs should continue rather than subsuming these elements under the voucher subsidy.

**The KCFRS Calculation Formula**

Illustration 1: Say for a half-day (HD) KG charging \$18,700 per student per annum (pspa) and a voucher value at \$14,000 pspa through the PEVS.

Application meeting the eligibility criteria for HD fee remission	Method 1: the existing calculation formula  (Fee remission amount = Tuition fee or fee remission ceiling* x level of assistance – voucher value) <i>[i.e. (\$18,700 X 50% or 75% or 100%) - \$14,000]</i>  *whichever is the lower	Method 2: the proposed calculation formula  (Fee remission amount = (Tuition fee or fee remission ceiling* – voucher value) x level of assistance) <i>[i.e. (\$18,700 - \$14,000) X 50% or 75% or 100%]</i>  *whichever is the lower
Financial assistance for 50% fee remission	Fee remission: Not applicable  Voucher subsidy: \$14,000  Parental contribution: \$4,700	Fee remission: \$2,350  Voucher subsidy: \$14,000  Parental contribution: \$2,350
Financial assistance for 75% fee remission	Fee remission: \$25  Voucher subsidy: \$14,000  Parental contribution: \$4,675	Fee remission: \$3,525  Voucher subsidy: \$14,000  Parental contribution: \$1,175
Financial assistance for 100% fee remission	Fee remission: \$4,700  Voucher subsidy: \$14,000  Parental contribution: Nil	Fee remission: \$4,700  Voucher subsidy: \$14,000  Parental contribution: Nil

Illustration 2: Say for a whole-day (WD) KG charging \$30,200 per student per annum (pspa) and a voucher value at \$14,000 pspa through the PEVS.

Application meeting the eligibility criteria for WD fee remission	Method 1: the existing calculation formula  (Fee remission amount = Tuition fee or fee remission ceiling* x level of assistance – voucher value) <i>[i.e. (\$30,200 X 50% or 75% or 100%) - \$14,000]</i>  *whichever is the lower	Method 2: the proposed calculation formula  (Fee remission amount = (Tuition fee or fee remission ceiling* – voucher value) x level of assistance) <i>[i.e. (\$30,200 - \$14,000) X 50% or 75% or 100%]</i>  *whichever is the lower
Financial assistance for 50% fee remission	Fee remission: \$1,100  Voucher subsidy: \$14,000  Parental contribution: \$15,100	Fee remission: \$8,100  Voucher subsidy: \$14,000  Parental contribution: \$8,100
Financial assistance for 75% fee remission	Fee remission: \$8,650  Voucher subsidy: \$14,000  Parental contribution: \$7,550	Fee remission: \$12,150  Voucher subsidy: \$14,000  Parental contribution: \$4,050
Financial assistance for 100% fee remission	Fee remission: \$16,200  Voucher subsidy: \$14,000  Parental contribution: Nil	Fee remission: \$16,200  Voucher subsidy: \$14,000  Parental contribution: Nil

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**Criteria for Assessing Social Needs  
for Student-applicants for Fee Remission under the KCFRS**

<b>Social Needs Criteria</b>	<b>Examples of documentary evidence</b>
<p><b>Category(1):</b>                      Student-applicants cannot receive proper care at home as a result of one parent working full-time (i.e. for at least 120 hours per month) and the other working 104 hours or more in a month, within the entire assessment period of 12 months from 1 April to 31 March.</p> <p>Note: The Student Financial Assistance Agency (SFAA) will also consider cases whereby the parents of the student-applicants can prove, with documentary evidences such as appointment letters or employment certifications, that they can only meet the 120/104 hours criteria for a period after the normal assessment period up to the time of application for KCFRS (at least one month or more prior to applications). Based on the changes of the employment status of the applicant/applicant's spouse, the SFAA will consider assessing the applicant family's 'Adjusted Family Income' and 'Social Needs' according to the applicant's latest projected annual family income and situation.</p>	<ul style="list-style-type: none"> <li>➤ Employer's certification of the hours of work of the employee</li> <li>➤ Self-declaration (only applicable for casual workers who cannot produce any employer's certification)</li> </ul>
<p><b>Category(2):</b>                      Student-applicants whose parents are chronically ill, disabled, or under long-term hospital care.</p>	<ul style="list-style-type: none"> <li>➤ Medical certification issued by hospital or medical practitioner.</li> </ul>
<p><b>Category(3):</b>                      Student-applicants of single-parent families or student-applicants from broken families:</p> <ul style="list-style-type: none"> <li>a. Student-applicants whose parents are widowed, divorced, separated or deserted;</li> <li>b. Student-applicants of unmarried parents, i.e. born out of wedlock, not under the care of both parents;</li> <li>c. Orphans/semi-orphans under the care of relatives.</li> </ul>	<ul style="list-style-type: none"> <li>➤ Death Certificate, certificate of Cremation</li> <li>➤ Documentary Proof for Divorce/Separation</li> <li>➤ Birth Certificates and Self-declaration from unmarried parents.</li> <li>➤ Death Certificates and Self-declaration from relatives.</li> </ul>

Social Needs Criteria	Examples of documentary evidence
<p><b>Category(4):</b> Student-applicants themselves having a need for whole-day care:</p> <ul style="list-style-type: none"> <li>a. Moderately mentally handicapped student-applicants and those who are slightly physically handicapped and are admitted under the Integrated Programme (cases usually referred by medical staff);</li> <li>b. Student-applicants who are members of twins and triplets etc;</li> <li>c. Student-applicants who are victims of child abuse;</li> <li>d. Student-applicants with a parent who is a drug abuser, or alcoholic or is aged, and is considered as being unable to exercise proper care of the student-applicants;</li> <li>e. Student-applicants with a parent or guardian in prison or absent from home for other valid reason for long periods.</li> </ul>	<ul style="list-style-type: none"> <li>➤ Medical certification issued by hospital or medical practitioner.</li> <li>➤ Birth Certificates</li> <li>➤ Social Worker’s recommendation</li> <li>➤ Social Worker’s recommendation</li> <li>➤ Self-declaration and the relevant supporting documents</li> <li>➤ Copies of Two-way Exit Permit</li> <li>➤ Social Worker’s recommendation</li> </ul>
<p><b>Category(5):</b> Student-applicants with parents who have to take care of a family member who is physically or mentally handicapped, chronically ill, senile, aged (over 70), or incapable of self-care.</p>	<ul style="list-style-type: none"> <li>➤ H.K. ID card(s) of the relevant family member(s)</li> <li>➤ Medical certification issued by hospital or medical practitioner</li> <li>➤ Documentary proofs for physically/mentally handicapped</li> </ul>
<p><b>Category(6):</b> Student-applicants from large families :</p> <ul style="list-style-type: none"> <li>a. Student-applicants with two or more siblings (at least two children aged below 6 must receive care at home, they would not qualify for ‘Social Needs’ assessment);</li> <li>b. Student-applicants from families with four or more children aged below 12 (at least three children must receive care at home, they would not qualify for ‘Social Needs’ assessment).</li> </ul>	<ul style="list-style-type: none"> <li>➤ Birth Certificates</li> <li>➤ Birth Certificates</li> </ul>
<p><b>Category(7):</b> Student-applicants referred and recommended by social workers.</p>	<ul style="list-style-type: none"> <li>➤ Social Worker’s recommendation</li> </ul>

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### Breakdowns of Estimated Financial Implications

Financial Year	2011-12	2012-13	2013-14	2014-15	2015-16
	(\$million)				
<u>Additional funding under KCFRS</u>					
- Continuation of KCFRS for half-day PEVS KG children	--	17	26	27	28
- Revision of formula for calculating fee remission	50	77	79	80	82
- Removal of social needs assessment for children attending whole-day PEVS KGs	18	28	29	29	30
- Relaxation of the income ceiling for full level of assistance under the means test mechanism of student finance according to the revised formula for calculating fee remission	31	82	86	89	91
Total	99	204	220	225	231
<u>Additional funding under CSSA Scheme</u>					
- Removal of social needs assessment for children attending whole-day KG under CSSA Scheme	16	16	16	16	16
- Continuation to provide special grant for half-day PEVS KG children under CSSA Scheme	--	34	34	34	34
Total	16	50	50	50	50

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