

ITEM FOR ESTABLISHMENT SUBCOMMITTEE OF FINANCE COMMITTEE

**HEAD 141 – GOVERNMENT SECRETARIAT :
LABOUR AND WELFARE BUREAU
Subhead 000 Operational expenses**

Members are invited to recommend to Finance Committee the creation of the following supernumerary post in the Labour and Welfare Bureau for two years with effect from 1 June 2014 or the date of approval of the Finance Committee, whichever is later –

1 Administrative Officer Staff Grade C
(D2) (\$136,550 - \$149,350)

PROBLEM

We need dedicated staffing support at the directorate level in the Labour and Welfare Bureau (LWB) to assist the Elderly Commission (EC)¹ in formulating an Elderly Services Programme Plan (Programme Plan) and in exploring the feasibility of introducing a voucher scheme on residential care services for the elderly (RCS voucher scheme).

PROPOSAL

2. We propose to create one supernumerary Administrative Officer Staff Grade C (AOSGC) (D2) post, designated as Principal Assistant Secretary (Special Duties) (PAS(SD)), for two years with effect from 1 June 2014 or the date of approval of the Finance Committee (FC), whichever is later.

/JUSTIFICATION

JUSTIFICATION

3. Like many other economies, Hong Kong is facing an ageing population. In 2012, the number of elderly people aged 65 and above stood at about one million, representing 14% of our population. According to the latest population projection, the number of elderly people will increase to 2.56 million by 2041, representing 30% of our population. Concurrently, the life expectancy of Hong Kong's population continues to increase. On average, men and women in Hong Kong today are expected to live 81 years and 86 years respectively.

4. For elderly persons with long-term care (LTC) needs, we strive to provide quality and cost-effective subsidised services in line with our policy of promoting “ageing in place as the core, institutional care as back-up”. Since 2000, the Social Welfare Department (SWD) has implemented the Standardised Care Needs Assessment Mechanism for Elderly Services to assess the care needs of elderly persons. Based on the assessment results on their care needs, elderly persons may be matched with appropriate subsidised LTC services, including “residential care services (RCS) only”, “community care services (CCS) only” or a “dual option” (i.e. RCS and/or CCS). Applicants matched with “RCS only” may also apply for CCS, while applicants matched with the “dual option” may apply for either one or both, though the majority of them choose to apply for RCS. Where there is a spectrum of CCS and RCS subsidised by the Government, the private market also has a share in the provision of LTC services.

5. With the combined effect of an ageing population and increasing longevity, there will be a pressing need for the Government to enhance its medium to long-term planning for elderly services, while at the same time explore a viable model for subsidised LTC services. Against this background, it has been announced in the 2014 Policy Address by the Chief Executive that the Government will task EC to prepare the Programme Plan within two years as well as to study the feasibility of introducing an RCS voucher scheme and submit a report within a year's time.

Programme Plan

6. At its meeting on 4 March 2014, EC had some preliminary discussions on the modus operandi in formulating the Programme Plan. A dedicated working group would be set up under EC to take forward this task. If considered necessary, task forces on specific areas of study could be set up under the dedicated working group to allow more focused and intensive discussion in some specific areas. EC would engage consultants to assist it in collating and analysing information related to the provision of LTC services for the elderly and in engaging relevant stakeholders and other interested groups in the process.

/7.

7. In its formulation of the Programme Plan, EC would make reference to the subjects highlighted in its earlier studies on LTC services for the elderly² as well as the views expressed by different stakeholders and interested groups on elderly care services. Particular attention would be given to the supply and demand of welfare premises for the elderly services, related manpower issues, and the viability and desirability of different modes of service delivery. In this connection, the Special Scheme on Privately Owned Sites for Welfare Users³, the Pilot Scheme on CCS Voucher for the Elderly (as referred to in paragraph 8 below), the feasibility study on introducing an RCS voucher scheme (as referred to in paragraph 9 below), the pilot scheme on a carer allowance funded by the Community Care Fund⁴ etc., would be taken into account in the wider context of the Programme Plan.

Feasibility Study on Introducing a RCS Voucher Scheme

8. In December 2009, EC, after examining the key issues involved in the waitlisting situation of subsidised RCS, submitted to the Government a report prepared by its research team on how to target subsidised RCS at elderly persons most in need and how to promote future development of quality self-financing and private RCS and encourage shared responsibilities among individuals, their families and society in meeting the LTC needs of our senior citizens. Having taken on board EC's recommendation, SWD implemented in September 2013 the four-year Pilot Scheme on CCS Voucher to experiment a new funding mode whereby the Government provided subsidy directly to the service users instead of the service providers so that money followed the users. This would enable our senior citizens and their families to exercise greater choice and control of their utilisation of LTC services, while having the effect of incentivising improvements to CCS. The features of this Pilot Scheme on CCS Voucher, as set out in the LC Paper No. CB(2)1397/12-13(01), were presented to the LegCo Joint Subcommittee on Long-term Care Policy on 24 June 2013.

/9.

² EC released the report on the Consultancy Study on Residential Care Services for the Elderly in 2009 and the report on the Consultancy Study on Community Care Services for the Elderly in 2011.

³ The Special Scheme on Privately Owned Sites for Welfare Users (Special Scheme) encourages non-governmental organisations owning land, through redevelopment or expansion, to provide more diversified services, particularly for the elderly and person with disabilities. Details of the Special Scheme have been provided to the Panel on Welfare Services of the Legislative Council (LegCo) vide LC Paper No. CB(2)799/13-14(03) and LC Paper No. CB(2)927/13-14(01).

⁴ The pilot scheme on the provision of living allowance to carers of the elderly persons from low income families under the Community Care Fund, to last for two years, will benefit altogether 2 000 eligible carers during the pilot period. Details of this pilot scheme were provided to LegCo Panel on Welfare Services at its meeting on 10 February 2014 vide LC Paper No. CB(2)799/13-14(04). At the request of the Panel, the paper for discussion at the meeting of the Commission of Poverty held on 24 March 2014 was also provided to Members of the Panel for information.

9. The subject of exploring a voucher approach to RCS was referred to in the EC's 2009 study as mentioned in paragraph 8 above. EC will conduct a study on the feasibility of an RCS voucher scheme and report to the Government in a year's time. This task will be conducted mainly by EC's existing Working Group on Long-term Care Model⁵. EC has also planned to commission consultants to conduct a study to assess the feasibility and engage the stakeholders and concerned groups as appropriate. If it is considered feasible to run such a scheme on a pilot basis, EC will design the features of the scheme based on the recommendations of the aforementioned consultancy study, taking into account the further findings to be obtained from in-depth briefings, consultation sessions and discussions with relevant stakeholders conducted by EC/the consultant/the Government.

The Proposed New Post

10. The issues involved in these two tasks are complicated and would have far-reaching implications on the long-term development of the elderly services. This is of particular significance to Hong Kong at this stage when an ageing population is both a fact and a trend. LWB will need to provide dedicated policy input and secretariat support to EC in taking these tasks forward within the specified timeframes. Specifically, this will involve literature review; data collection and analysis; drawing up proposals; organising focus groups, briefings, engagement sessions; preparing papers for and taking minutes of EC meetings; and participation in other related activities. Given the complexity of the issues involved as well as the large number of stakeholders and interested groups to be engaged, LWB will need to provide, coordinate and consolidate quality input, while assisting EC in devising suitable engagement plans and in implementing the public engagement exercise in a most effective manner. LWB will also be responsible for commissioning consultancy studies and monitoring the work of the consultants. Further, LWB will need to assist EC in drafting the reports for submission to the Government against the tight deadlines. In the process, LWB will assist EC in weighing the different options and assessing the implications for implementing the recommendations put forward by EC in its reports.

11. It is considered necessary and appropriate to create within LWB, for two years with effect from 1 June 2014 or the date of approval of the FC, whichever is later, the PAS(SD) post at AOSGC (D2) rank to provide the necessary dedicated support to EC in formulating the Programme Plan and in exploring the feasibility of an RCS voucher scheme. The proposed job description of PAS(SD) is at Enclosure 2. PAS(SD) will be supported by two non-directorate staff (one Senior Administrative Officer and one Personal Secretary I) and will

/report

Encl. 2

⁵ At present, EC has three Working Groups: on Long Term Care Model; on Active Ageing; and on Elder Academy Development Foundation.

report to the Deputy Secretary(Welfare)² of LWB who assumes overall policy responsibilities over, among others, elderly services as a whole. The proposed organisation chart of the PAS(SD)'s team (i.e. the Special Duty Team) is at Enclosure 3. An organisation chart of LWB showing the creation of the proposed PAS(SD) post is at Enclosure 4.

Encl. 3

Encl. 4

ALTERNATIVES CONSIDERED

12. Under the current establishment of LWB, the responsibilities of two of the Principal Assistant Secretary (PAS) posts, namely PAS(Welfare)³ and PAS(Welfare)⁴, are wholly or partially related to elderly services. However, both of them are fully engaged in their existing duties. Apart from overseeing the provision of elderly care services under the conventional modes, PAS(Welfare)³ is following up on a number of major new initiatives, including the Pilot Scheme on CCS Voucher for the Elderly, the Pilot Scheme on RCS in Guangdong and the pilot scheme on the provision of living allowance to carers for the elderly from low income families. On the other hand, PAS(Welfare)⁴ is responsible for the promotion of active ageing while his major responsibilities also cover the Comprehensive Social Security Assistance (CSSA) Scheme and the Social Security Allowance Scheme. He is responsible for overseeing some major initiatives including the implementation of a pilot incentive scheme to encourage CSSA recipients to secure employment, the implementation of the Guangdong Scheme whereby the Old Age Allowance is made available to eligible elderly persons in Guangdong, the review of the Disability Allowance and the review of the Old Age Living Allowance. There is no scope for these two PASs to share out the duties of the proposed PAS(SD).

13. We have also critically examined the possibility of redeploying the other PASs in LWB to share out the responsibilities of the proposed PAS(SD) post but conclude that this is not feasible. As all these directorate staff are fully engaged in their own schedules of duties, it is operationally not possible for them to take up the tasks without adversely affecting the discharge of their current duties. The main responsibilities of the existing PASs are set out in Enclosure 5.

Encl. 5

FINANCIAL IMPLICATIONS

14. The additional notional annual salary cost of the proposed time-limited AOSGC (D2) post at mid-point is \$1,739,400, and the full annual average staff cost, including salaries and staff on-cost, is \$2,503,000. As for the two non-directorate posts, the additional notional annual salary cost at mid-point is \$1,510,440 and the full annual average staff cost of these two posts is \$2,337,000.

/We

We have included the necessary provision in the Draft Estimates of 2014-15 to meet the cost of this proposal.

PUBLIC CONSULTATION

15. We consulted EC at its meeting held on 4 March 2014 and EC members unanimously supported the above proposal. We also consulted the LegCo Panel on Welfare Services on the above proposal at its meeting held on 10 March 2014 and the Panel supported the proposal in general. Some Panel Members sought clarifications of the detailed scope and content of the Programme Plan. We explained at the meeting that the scope and content of the Programme Plan would be further discussed at EC having regard to, inter alia, views to be gathered from the relevant stakeholders and other interested groups. Some Members had reservation about introducing an RCS voucher scheme at this juncture. We clarified that on the basis of the findings of EC's 2009 study, EC would study the feasibility of introducing such a scheme⁶, and due regard would be given to the comments made by relevant stakeholders and other interested groups. We would not at this stage prejudge the outcome of EC's feasibility study. For the time being, support for creating a supernumerary directorate post was to be sought. We were not at this stage seeking financial resources for implementing an RCS voucher scheme, which would be subject to the outcome of EC's report on its feasibility study to be submitted at a later stage.

ESTABLISHMENT CHANGES

16. The establishment changes in LWB for the past two years are as follows –

Establishment (Note)	Number of Posts		
	Existing (as at 1 April 2014)	As at 1 April 2013	As at 1 April 2012
A*	10 + (1) #	10 + (1)	10 + (1)
B	28	28	27
C	66	64	64
Total	104 + (1)	102 + (1)	101 + (1)

/Note

⁶ Subject to EC's discussion, the feasibility study could cover areas such as eligibility criteria, the scope of service, potential service providers, voucher value, service quality assurance requirements, evaluation etc.

Note:

- A - ranks in the directorate pay scale or equivalent
- B - non-directorate ranks, the maximum pay point of which is above MPS Point 33 or equivalent
- C - non-directorate ranks, the maximum pay point of which is at or below MPS Point 33 or equivalent
- * - excluding supernumerary post created under delegated authority
- () - number of supernumerary directorate posts created with the approval of the Establishment Subcommittee and Finance Committee
- # - as at 1 April 2014, there was no unfilled directorate post in LWB

CIVIL SERVICE BUREAU COMMENTS

17. The Civil Service Bureau supports the proposed creation of the supernumerary AOSGC post. The grading and ranking of the proposed post are considered appropriate having regard to the level and scope of the responsibilities required.

ADVICE OF THE STANDING COMMITTEE ON DIRECTORATE SALARIES AND CONDITIONS OF SERVICE

18. The PAS(SD) post is proposed on a supernumerary basis. Its creation, if approved, will be reported to the Standing Committee on Directorate Salaries and Conditions of Service in accordance with the agreed procedure.

Labour and Welfare Bureau
April 2014

Elderly Commission

Terms of Reference

1. To advise Government on the formulation of a comprehensive policy for the elderly including matters relating to the care, housing, financial security, health and medical, psychological, employment and recreational needs of the elderly;
2. To co-ordinate the planning and development of various programmes and services for the elderly, and to recommend priorities for implementation having regard to manpower, financial and other resources available; and
3. To monitor implementation of policies and programmes affecting the elderly, and to make recommendations to Government to ensure that agreed objectives are met.

Membership

	<u>Name</u>	<u>Background</u>
Chairman:	Prof CHAN Cheung-ming, Alfred	Academic
Vice-chairman:	Dr LAM Ching-choi	Medical and Social Service
Member:	Prof FUNG Yuk-kuen, Sylvia	Academic
	Dr CHAN Hon-wai, Felix	Medical
	Dr CHENG Kam-chung	Commercial
	Dr CHEUNG Moon-wah	Housing
	Dr CHONG Ming-lin, Alice	Academic
	Mr MA Ching-hang, Patrick	Commercial
	Mr MA Kam-wah, Timothy	Social Service
	Mr YAU How-bo, Stephen	Social Service
	Ms CHAN Man-ki, Maggie	Legal
	Mrs CHAN LUI Ling-yee, Lilian	Education and Social Service

Member: (cont'd)	Mr SHIE Wai-hung, Henry	Commercial and Social Service
	Dr TUNG Sau-ying	Medical
	Mr WONG Fan-foung, Jackson	Commercial
	Mrs WONG WONG Yu-sum, Doris	Social Service
	Miss CHAN Man-yee, Grace	Social Service

Official Representative:

- Secretary for Food and Health or representative
- Secretary for Labour and Welfare or representative
- Secretary for Transport and Housing / Director of Housing or representative
- Director of Health or representative
- Director of Social Welfare or representative
- Chief Executive, Hospital Authority or representative

Secretary: Principal Assistant Secretary for Labour and Welfare (Welfare) 4

**Proposed Job Description for
Principal Assistant Secretary (Special Duty)**

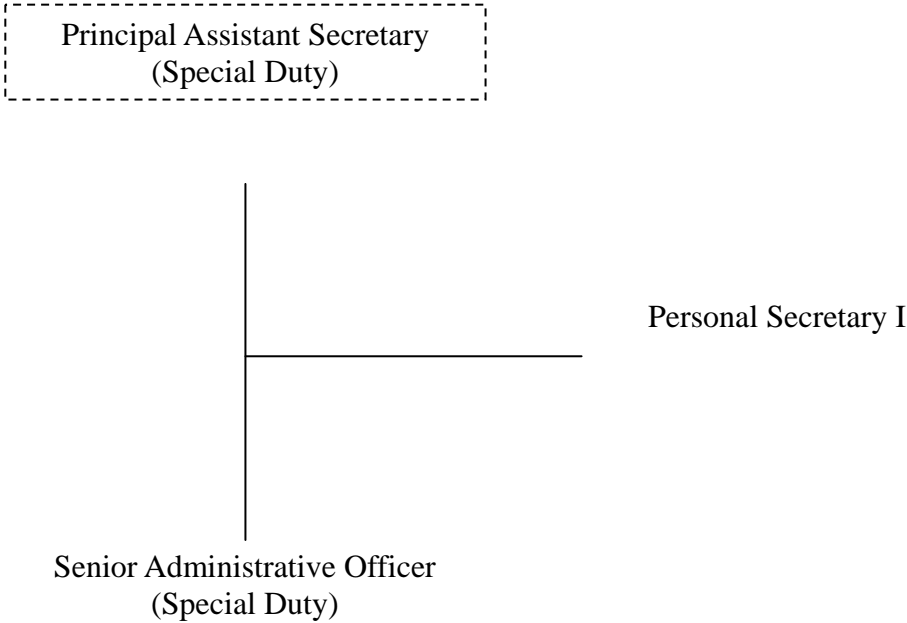
Rank: Administrative Officer Staff Grade C (D2)

Responsible to: Deputy Secretary for Labour and Welfare (Welfare) 2

Main Duties and Responsibilities –

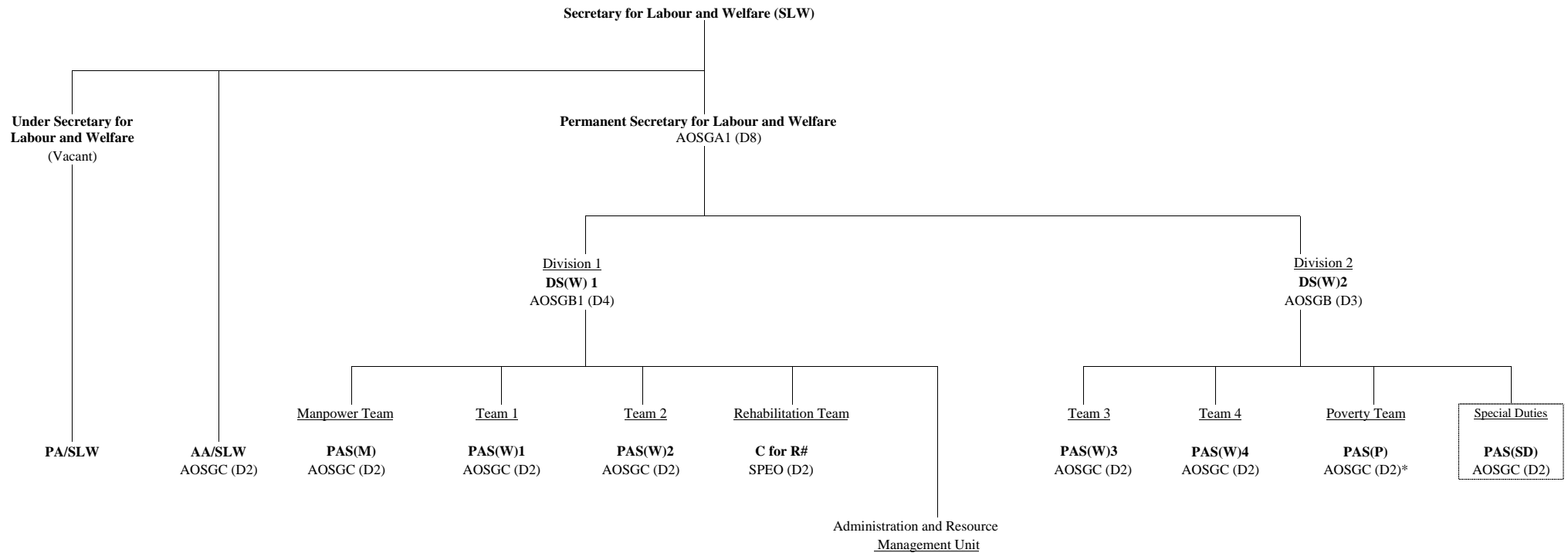
1. To provide policy input to the formulation of the Elderly Services Programme Plan (Programme Plan) and to coordinate contributions from parties concerned to facilitate the Elderly Commission's deliberation and discussion of the issue.
2. To assist in drawing up engagement plans and arranging engagement sessions with the stakeholders and interested groups on the Programme Plan.
3. To assist in taking forward work related to the exploration of the feasibility of introducing a residential care services (RCS) voucher scheme and the relevant consultation with stakeholders and interested groups.
4. To commission and oversee consultancy studies related to the Programme Plan and the feasibility study on an RCS voucher scheme.
5. To help respond to public/media enquiries on matters related to the two tasks.

**Proposed Organisation of the Special Duty Team
in the Labour and Welfare Bureau**



Supernumerary directorate post proposed to be created

Proposed Organisation Chart of the Labour and Welfare Bureau



Legend

AA	Administrative Assistant	M	Manpower
AOSGA1	Administrative Officer Staff Grade A1	P	Poverty
AOSGB	Administrative Officer Staff Grade B	W	Welfare
AOSGB1	Administrative Officer Staff Grade B1	R	Rehabilitation
AOSGC	Administrative Officer Staff Grade C		
C for R	Commissioner for Rehabilitation	*	Supernumerary AOSGC post up to 30.6.2017
DS	Deputy Secretary		
PA	Political Assistant to Secretary for Labour and Welfare		
PAS	Principal Assistant Secretary		
SPEO	Senior Principal Executive Officer		

 Proposed supernumerary AOSGC(D2) post

Legislative Council (LegCo) Establishment Subcommittee (ESC) will consider the Government's proposal to upgrade the ranking of the permanent post of the Commissioner for Rehabilitation and strengthen the establishment of his team. If the proposal is eventually approved by the LegCo Finance Committee, the organisation chart as set out in this Enclosure will be revised. Please refer to the ESC paper EC(2014-15)2 for details.

**Major Responsibilities of Other Principal Assistant Secretaries
in the Labour and Welfare Bureau**

Post / Rank	Major Responsibilities
Principal Assistant Secretary (Welfare)1/ AOSGC (D2)	<ul style="list-style-type: none"> • Social welfare subvention system • Long-term Social Welfare Planning • Welfare services for families, children and youth • Rehabilitation services for young offenders • Social work training and manpower planning • Legal Representation Scheme for Children/Juveniles involved in Care or Protection Proceedings • Social Welfare Advisory Committee • Welfare exchange with the Mainland • Community Investment and Inclusion Fund and social capital development • Chief Executive's Community Project List • Lotteries Fund and other welfare-related funds • Financial Assistance Scheme for Family Members of Those Who Sacrifice their lives to Save Others • Regulation of charitable fund-raising activities under Social Welfare Department's purview
Principal Assistant Secretary (Welfare)2/ AOSGC (D2)	<ul style="list-style-type: none"> • Policy on combating domestic violence • Policy on support for victims of sexual violence • Secretarial support to the Women's Commission and its working groups • Policy and strategies to promote the well-being and interests of women in Hong Kong • Gender mainstreaming within the Administration • Promotional and educational activities to enhance the awareness of public and civil service on women issues • Research, studies and surveys on women issues • Liaison and meetings with local women's groups and relevant international bodies • United Nations Convention on the Elimination of All Forms of Discrimination against Women • Beijing Platform for Action • UN Commission on the Status of Women • Public Transport Fare Concession Scheme for the Elderly and Eligible Persons with Disabilities

Post / Rank	Major Responsibilities
Principal Assistant Secretary (Welfare)3/ AOSGC (D2)	<ul style="list-style-type: none"> • Policy matters relating to elderly with long-term care needs • Allocation mechanism for subsidised long-term care services • Home and community care services for elderly ageing in the community • Residential care services for frail elderly and continuum of care, including the licensing regime • Carers' support and training • Manpower supply and training of care staff in elderly care services
Principal Assistant Secretary (Welfare)4/ AOSGC (D2)	<ul style="list-style-type: none"> • The Comprehensive Social Security Assistance Scheme • The Social Security Allowance Scheme - <ul style="list-style-type: none"> - Old Age Allowance (including the Guangdong Scheme) - Old Age Living Allowance - Disability Allowance • Promotion of active ageing, including lifelong learning and senior volunteerism • Support for vulnerable elderly people, including matters related to elder abuse and elderly suicide • Secretariat of the Elderly Commission
Principal Assistant Secretary (Poverty)/ AOSGC (D2)	<ul style="list-style-type: none"> • Co-ordinate the poverty alleviation work of the Labour and Welfare Bureau • Service the Social Security and Retirement Protection Task Force; Education, Employment and Training Task Force; and Special Needs Groups Task Force under Commission on Poverty • Child Development Fund • Short-term food assistance service projects • Employment in One-stop • Employment assistance programmes under the Comprehensive Social Security Assistance Scheme • Provide policy input and co-ordinate contribution in relation to social welfare initiatives of the Community Care Fund
Principal Assistant Secretary (Manpower)/ AOSGC (D2)	<ul style="list-style-type: none"> • Manpower statistics and projections • Vocational training and retraining • Housekeeping of the Employees Retraining Board and the Clothing Industry Training Authority • Continuing Education Fund • Manpower Development Committee • Apprenticeship Scheme and Adult Education Subvention Scheme • APEC Human Resources Development Working Group
