

*Support for Self-reliance Scheme*

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The Audit Commission ("Audit") conducted a review of the Social Welfare Department's ("SWD") administration of the Support for Self-reliance ("SFS") Scheme.

2. To encourage and assist employable recipients of Comprehensive Social Security Assistance ("CSSA") to secure employment and achieve self-reliance, SWD has implemented the SFS Scheme since June 1999. In January 2013, SWD integrated the various employment assistance programmes under the SFS Scheme into an Integrated Employment Assistance Programme for Self-reliance ("IEAPS"). IEAPS provides four categories of services to employable CSSA recipients, namely, Ordinary Employment Assistance Services for unemployed persons (Category I services), Strengthened Employment Assistance Services for selected recipients of Category I services (Category II services), New Dawn Project Services for single parents and child carers (Category III services), and Special Training and Enhancement Programme for unemployed youths (Category IV services). According to SWD, the types of occupation secured by IEAPS participants mostly included labourer, waiter/waitress, salesperson, cleaner and watchman/guard.

3. The Committee noted the following findings from the Director of Audit's Report:

- under the SFS Scheme, SWD awarded contracts to 26 non-governmental organizations ("NGOs") for 41 IEAPS projects from January 2013 to March 2015. The relevant NGOs were required to comply with the service requirements (e.g. service capacity and staffing) and performance requirements (e.g. minimum job-securing rates) as specified in the IEAPS contracts. However, some projects achieved lower job-securing rates and off-CSSA-net rates. Four projects in Category I and II services had job-securing rates less than 15%, compared with the required minimum of 20% for employment of at least one month (for Category I services). Four projects in Category III services had job-securing rates less than 20%, compared with the required minimum of 40% for employment of at least one month. Moreover, only 2 048 (3.8%) of the 54 113 IEAPS participants had successfully left the CSSA net;
- only 61% and 70% of the total service capacity of Category I and Category III services required to be provided by the NGOs were used respectively. SWD had not effectively required the NGOs with more

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than 10% unused service capacity to provide additional services in accordance with the IEAPS contracts;

- the total classroom training hours provided by the relevant NGOs were 10 716 (6%) less than the requirement specified in the IEAPS contracts. The total work exposure service sessions provided during the contract period were 151 188 (23%) less than the total requirement for the 41 projects;
- there were no records to indicate that, in granting exemption from attending activities of service programmes to service recipients claiming that they were taking up casual employment on the same day, SWD or the relevant NGOs had considered the risk of abuse and taken action to verify such claims;
- there were instances of non-compliance by the relevant NGOs with SWD procedural guidelines in providing employment assistance services (e.g. service recipients did not attend at least two work exposure service sessions per week as required), and the non-compliance could reduce the effectiveness of IEAPS;
- there were limitations in SWD's computer information system (e.g. records of CSSA recipients and SFS Scheme participants were separately maintained in separate systems), rendering it difficult for SWD to conduct comprehensive data analysis regularly and efficiently. Also, SWD did not have a breakdown of the resources required for the implementation of the SFS Scheme and had not released the performance targets or indicators for the services to report on the overall performance of the SFS Scheme; and
- according to SWD, based on the on-going monitoring, the NGOs' performance was generally satisfactory. However, Audit was of the view that some NGOs had poor performance, and SWD commissioned the same 26 NGOs to continue running the 41 projects for two years after expiry of the original IEAPS contracts, without evaluating the NGOs' performance in a comprehensive manner.

4. The Committee did not hold any public hearing on this subject. Instead, it asked for written responses regarding the performance and cost-effectiveness of the 41 IEAPS projects led by the 26 NGOs, SWD's monitoring of IEAPS and measures to enhance the implementation of the SFS Scheme. The replies from Secretary for

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Labour and Welfare and Director of Social Welfare are in *Appendices 75 and 76 to 77* respectively.

5. The Committee wishes to be kept informed of the progress made in implementing the various recommendations made by Audit. In this connection, SWD is requested to update the Committee every six months on the progress of the SFS Scheme.