

## **ITEM FOR FINANCE COMMITTEE**

### **HEAD 53 – GOVERNMENT SECRETARIAT : HOME AFFAIRS BUREAU**

#### **Subhead 700 General non-recurrent**

#### **Item 844 Injection into the Community Care Fund**

Members are invited to approve an additional injection of \$15 billion into the Community Care Fund.

### **PROBLEM**

We need to provide an additional injection into the Community Care Fund (CCF) to strengthen the poverty alleviation efforts to support the underprivileged and low-income families.

### **PROPOSAL**

2. The Secretary for Home Affairs proposes to inject an additional \$15 billion into the CCF for launching assistance programmes and pilot schemes to provide assistance to people facing economic difficulties.

### **JUSTIFICATION**

#### **Operation of the CCF**

3. The CCF is a trust fund established in early 2011 under the Secretary for Home Affairs Incorporation Ordinance (Cap. 1044) with the Secretary for Home Affairs Incorporated (SHAI) as its trustee. Its main objective is to provide assistance to people facing economic difficulties, in particular those who fall

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outside the social safety net or those within the safety net but have special circumstances that are not covered. In addition, the CCF may implement measures on a pilot basis to help the Government identify those that can be considered for incorporation into the Government's regular assistance and service programmes.

4. In late 2010, the then Chief Executive appointed the Steering Committee on the CCF as chaired by the Chief Secretary for Administration to oversee and co-ordinate the work of the CCF. An Executive Committee and four Sub-committees (Education, Home Affairs, Medical and Welfare) were set up under the Steering Committee to support the operation of the CCF.

5. The terms of the above-mentioned committees/sub-committees ended in end 2012 and the CCF has been integrated into the work of the Commission on Poverty (CoP) since 2013. The CCF Task Force, set up under the CoP, is responsible for advising the CoP on the CCF's various arrangements (including investment, finance and administrative operations), as well as the formulation of assistance programmes, the co-ordination and overseeing of the implementation of assistance programmes and the reviewing of their effectiveness. The CCF Task Force will also liaise closely with other CoP task forces and provide mutual support, so as to draw up programmes to provide assistance to the underprivileged. The membership and terms of reference of the CoP and the CCF Task Force are at Enclosure 1.

Encl. 1

6. The Home Affairs Bureau has set up a secretariat to coordinate cross-bureaux/departmental efforts to support the CCF in mapping out and implementing assistance programmes. Operating expenses of the CCF, including dedicated staffing and other administrative costs arising from implementing CCF initiatives, have been charged to the CCF.

### **Progress of the Work**

7. The Finance Committee (FC) of the Legislative Council (LegCo) approved the injection of \$5 billion into the CCF in May 2011 and approved in July 2011 an additional injection of \$1.5 billion into the CCF to implement the programme to provide a one-off allowance of \$6,000 to new arrivals. Since its establishment, the CCF has launched 19 assistance programmes (see Enclosure 2 for details) for target beneficiary groups including children, the elderly, persons with disabilities, patients, new arrivals and ethnic minorities, etc. People outside the existing safety net or the coverage of the Government's short-term relief measures have been successfully identified and provided with immediate assistance, and

Encl. 2

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more than 100 000 people have benefited under these programmes. In addition, nearly 200 000 people have benefited under the programme to provide a one-off allowance of \$6,000 to new arrivals.

8. The CCF also implemented measures on a pilot basis to help the Government identify those that have been proven effective for incorporation into the regular assistance programme. Among these, the programme providing subsidy to needy patients of Hospital Authority (HA) for the use of Samaritan Fund subsidised drugs has been incorporated into the regular assistance programme (i.e. the Samaritan Fund) since September 2012. The Government is also studying the incorporation of the following programmes into the regular assistance programme –

- (a) Subsidy to meet lunch expenses at whole-day primary schools for students from low-income families;
- (b) Subsidy for Tenant Purchase Scheme flat owners on Comprehensive Social Security Assistance (CSSA); and
- (c) Training subsidy for children who are on the waiting list of subvented pre-school rehabilitation services.

9. As at end May 2013, the total commitments for implementing the 19 assistance programmes amounted to around \$1.7 billion, and the CCF has disbursed around \$821 million to various implementing agencies<sup>1</sup>.

10. Apart from views collected from stakeholders at focus group meetings held on specific issues and suggestions from various sectors received from various channels, the CCF has held several rounds of public consultation to gauge public views on the work of the CCF (including target beneficiaries and assistance programmes).

### **Financial Position of the CCF**

11. Apart from the Government's injection mentioned at paragraph 7 above, bank accounts have been opened to accept donations from the community. The amount of donations pledged is about \$1.8 billion, some of which are made by yearly instalments over three years. Up to now, the actual amount of donations received under the CCF is around \$1.258 billion. The Government has no plan to appeal for donations from the business and other sectors now but will continue to

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<sup>1</sup> Including the disbursements to beneficiaries and the staffing and administrative expenses of the implementing agencies, but excluding the amount incurred for implementing the programme to provide a one-off allowance of \$6,000 to new arrivals.

welcome the support of the community for the CCF through donations. As a general principle, the Government's injection and donations received will constitute the seed capital, and the operation of the CCF will be funded by investment returns on the capital. However, the CoP may authorise the use of the seed capital in response to special needs that may arise, taking into account the cash flow requirements of the assistance programmes and future operation of the CCF in a financially prudent manner.

12. A deposit of \$5 billion has been placed with the Hong Kong Monetary Authority (HKMA) to earn a high investment return that is linked to the performance of the Hong Kong Exchange Fund (HKEF). The placement period is six years, and the placement cannot be withdrawn until the end of the period (i.e. mid-June 2017). The rate of return on the investments for the placement with the HKMA is calculated on the basis of the average annual investment return of the HKEF's investment portfolio for the past six years, which are 6%, 5.6% and 5% for 2011, 2012 and 2013 respectively. The remaining amount of the CCF funding has been deposited with banks to earn interest income and meet the cash flow requirements for financing the assistance programmes and other liquidity needs.

13. As at end May 2013, the balance of the CCF stood at around \$5.9 billion, mainly including the placement of \$5 billion and the investment return of \$455 million at the HKMA, as well as around \$448 million of bank deposits<sup>2</sup>. Taking into account the investment returns from the HKMA, the bank interest income and the pledged donations to be received in 2013-14, and deducting the commitments for assistance programmes, it is expected that about \$820 million would be available for the CCF in 2013-14 to support new programmes and extend the existing programmes.

## **Proposed Additional Injection into the CCF**

### ***Major Purposes***

14. The proposed additional injection of \$15 billion into the CCF serves the following major purposes –

- (a) providing assistance to persons who could not benefit from the Budget's relief measures, i.e. those colloquially known as "n have-nots" (generally refer to those who do not own any properties, live in public rental housing or receive CSSA);

/ (b)

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<sup>2</sup> But excluding the balance of around \$300 million under the programme to provide a one-off allowance of \$6,000 to new arrivals. Unused funds (including interest), if any, will be returned to the Government after the completion of the programme.

- (b) enhancing the CCF's capacity to plug the gaps in the existing system and launching more targeted assistance programmes and pilot schemes to help those who are facing economic difficulties; and
- (c) continuing the implementation of programmes which are proved to be effective but have yet to be incorporated into the Government's regular assistance programme for the time being owing to the recurrent expenditure limit of a particular year or the time taken to study or rationalise related policies, so that assistance can be provided to the needy continuously.

### ***Workplan***

15. Over the past two years, the CCF rolled out a number of assistance programmes within a short period of time. This is a manifestation of the flexibility of CCF operation. In addition, through the continuous review and evaluation mechanism under the CCF, relevant Government departments/organisations responsible for implementing the programmes could draw on experience gained and collect data as soon as possible to determine which programmes need to be revised or extended, or have been proven effective for incorporation into the Government's regular assistance programme. The CCF will roll out the following this year –

- (a) To continue the “Subsidy to meet lunch expenses at whole-day primary schools for students from low-income families” programme in the 2013/14 school year, which is expected to benefit about 62 000 students with an estimated expenditure of about \$216.9 million.
- (b) To continue the “After-school care pilot scheme” in the 2013/14 school year, the target beneficiaries of which will be expanded to cover Primary one to Secondary three students receiving “half grant” from the Student Financial Assistance Agency. The programme is expected to benefit about 5 000 students with an estimated expenditure of about \$40 million.
- (c) To continue the “Subsidy for HA patients for specified self-financed cancer drugs which have not yet been brought into the Samaritan Fund safety net” programme in August 2013. In the third year of operation of the programme (i.e. August 2013 to July 2014), two specified self-financed cancer drugs will be introduced and the treatment duration of an existing drug will be extended. Estimated expenditure will be \$97.173 million and it is expected to benefit about 1 000 patients.

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- (d) To re-launch the “Subsidy for CSSA recipients living in rented private housing” programme to provide a one-off subsidy to households living in rented private housing whose actual rent payment exceeds the maximum rent allowance under the CSSA Scheme. Subsidy for one-person households will be \$2,000 while that for two-or-more-person households will be \$4,000. The programme, with an estimated expenditure of \$56.81 million, is expected to benefit about 17 000 households. The subsidy will be disbursed at the end of this year.
- (e) To adjust the eligibility criteria of the “Elderly dental assistance programme” to cover elderly who are users of the “Integrated Home Care Services” and “Enhanced Home and Community Care Services” subvented by the Social Welfare Department (SWD) as at 31 December 2012. The estimated expenditure of the programme is maintained at \$100 million and it is expected to benefit around 9 500 elders.
- (f) To roll out a new programme “Extra travel subsidy for needy special school students” from the 2013/14 school year, so as to strengthen the support for needy special school students to meet their daily basic needs of travelling to and from school. Under the programme, an extra 50% travel subsidy will be provided on top of the existing student travel subsidy. This is a two-year programme with a total estimated expenditure of \$3.27 million. It is expected to benefit about 1 700 students each year.

16. In addition, the CCF rolled out last year two programmes that target low-income tenants in leased private housing, i.e. the “Subsidy for low-income persons who are inadequately housed” and the “Subsidy for low-income elderly tenants in private housing” programmes. As at end May 2013, these two programmes have successfully reached out to and benefited 27 552 households (60 908 persons), and the amount of subsidy involved was about \$158.78 million. Considering that those “n have-nots” can directly benefit from these two programmes, the CCF plans to re-launch the “Subsidy for low-income persons who are inadequately housed” programme, which will also cover the elderly beneficiaries under the “Subsidy for low-income elderly tenants in private housing” programme as target beneficiaries. At the meeting held in mid-April 2013, the CCF Task Force considered the evaluation reports of the two programmes and initially discussed the eligibility criteria, etc. and possible enhancements for the re-launched programme. Among these, having regard to the views received, members of the CCF Task Force unanimously agreed that the definition of “inadequately housed”

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should be relaxed to benefit more households living in sub-divided units. If the FC approves the proposed injection, the enhanced programme could likely be launched before the end of this year. The number of beneficiaries is expected to increase substantially to over 70 000 households (close to 200 000 persons). Based on the existing levels of subsidy (i.e. \$3,000, \$6,000 and \$8,000 for one-person, two-person and three-or-more-person households respectively), the programme will incur around \$500 million.

17. Apart from the above programmes, the CCF Task Force will take into account the views of the public and stakeholders and continue to launch more programmes in collaboration with other task forces under the CoP. Among others, the CCF may consider exploring the following –

- (a) to consider expanding the existing eligibility criteria of the “Elderly dental assistance programme” progressively, taking into account the progress of implementation and the experience gained, so that more elders who are facing economic difficulties and do not receive CSSA will benefit;
- (b) to consider how to strengthen the support to persons with severe physical disabilities who require long-term care but do not receive CSSA, for them to live in the community, pending the launch of long-term assistance programmes by SWD and HA;
- (c) to launch a pilot scheme of setting up saving accounts for CSSA recipients with employment whose salary exceeds the current maximum level of disregarded earnings which will be deducted under the CSSA system. The deducted amount will be deposited in the saving accounts through the CCF, thereby increasing these recipients’ enthusiasm and incentives to work;
- (d) to launch a pilot scheme of providing allowance for the carers of the elderly with financial needs, so as to help the elderly to age in place; and
- (e) how to enhance support to students from low-income families to participate in extra-curricular activities and after-school support programmes.

18. In addition, other task forces under the CoP are looking into the needs of different disadvantaged groups (including students from low-income families, persons with disabilities, ethnic minorities, new arrivals and single-parent families, etc.) and considering whether the Government’s support for them is sufficient, with a view to achieving poverty alleviation, reduction and prevention. The CoP will make use of the CCF to introduce pilot schemes where necessary, so as to plug the gaps in the existing system and further assist those who have financial needs.

***Financial Arrangements***

19. The CoP and the CCF Task Force will continue to review the financial position of the CCF in the light of practical experience. If the proposed additional injection of \$15 billion is approved, the CCF Task Force will finalise the investment arrangement for the additional injection, including the placement of a substantial portion with the HKMA to earn a high investment return that is linked to the performance of the HKEF. The remaining amount will be deposited with the banks or deployed for prudent investments to meet the cash flow requirements. For example, if \$14 billion is placed with the HKMA and assuming the rate of return is 5% per annum, the funding available will be around \$1.2 billion per year on average for each of the four financial years from 2013-14 to 2016-17. As a general principle, the operation of the CCF will be funded by investment returns. However, the seed capital may also be used in response to special needs that may arise, taking into account the cash flow requirements of the assistance programmes and future operation of the CCF in a financially prudent manner. We will update the CCF Task Force and the CoP regularly on the latest investment situation.

***Review and Monitoring Mechanism***

20. The CoP and the CCF Task Force will continue to monitor the implementation of various assistance programmes. Government departments and other organisations entrusted to implement the programmes are required to submit periodic progress and financial reports to the CCF Task Force for review of the programmes. The statement of accounts of the CCF will be audited by the Director of Audit and incorporated into the financial report of the SHAI for tabling at the LegCo annually and uploading to the CCF website. In addition, the registers of interests of members of the CCF Task Force, the summary of discussion of meetings and the information about the CCF and its programmes have also been uploaded to the CCF website.

21. On formulating assistance programmes, we will continue the current mode of operation whereby the CCF Task Force will draw up programmes for the approval by the CoP, in order to maintain the flexibility of the CCF. At present, through the CCF's continuous review mechanism, some of the programmes are adjusted and implemented promptly, so that assistance can be provided to the needy in an effective manner. This has clearly demonstrated the flexibility of the CCF, such that the original objective of establishing the fund could be served.

22. Members of the CCF Task Force and the CoP come from the LegCo and different sectors in the community, who shall closely monitor the implementation of CCF programmes and provide views on the work of the CCF.

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There has been the suggestion that FC's approval is required before launching individual programmes. Not only is this suggestion different from the operational arrangement of many other trust funds established in a similar manner<sup>3</sup>, but the flexibility of the CCF will also be undermined owing to the time required for going through the relevant procedures, hence frustrating the original objective of establishing the fund. Based on past practical experience, launching pilot schemes requires considerable flexibility as we may need to adjust the details when carrying out or extending the programmes to meet the genuine needs of beneficiaries and to test the actual effect of the pilot schemes. The "After-school care pilot scheme" mentioned at paragraph 15(b) above is one of the examples. If such assistance programmes and subsequent adjustment to details are subject to FC's approval after being endorsed by the CCF Task Force and the CoP, implementation of programmes may be delayed and timely assistance could not be provided to the needy.

23. Nevertheless, we understand Members' concerns. Having balanced various considerations, we propose that the Subcommittee on Poverty under the House Committee or relevant Panels of the LegCo will be consulted prior to launching brand-new programmes which are pilot in nature and the funding provision of which is expected to exceed \$100 million. For example, at the meeting of the Panel on Welfare Services on 21 May 2013, we consulted Members on the pilot scheme to encourage CSSA recipients to take up employment as mentioned at paragraph 17(c) above.

24. Although we have updated the LegCo on the progress of the CCF from time to time, to enhance the CCF's transparency, we will report regularly to the Subcommittee on Poverty the financial position of the CCF and the implementation progress of its programmes (with the table set out at Enclosure 2) every six months. The information will also be uploaded to the CCF website for easy reference by the public.

## FINANCIAL IMPLICATIONS

25. We propose a one-off injection of \$15 billion into the CCF in 2013-14. In line with existing practice, we will recover the full costs of staff dedicated for taking forward the CCF initiative and programmes from the CCF. Administrative costs arising from taking forward the CCF initiative and programmes will also be recovered from the CCF.

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<sup>3</sup> Other trust funds include the Language Fund, the HKSAR Government Scholarship Fund, etc. For these funds, while the one-off funding injections have been approved by FC (for injections exceeding \$10 million), individual programmes are not subject to FC's separate approval.

26. The CCF programmes will not be automatically incorporated as regular assistance programmes, thus the proposed injection into the CCF will not directly give rise to additional recurrent expenditure of the Government. If bureaux and departments, after consideration, propose to incorporate CCF programmes that have been proven effective into the Government's regular assistance programmes, the resources required will be met with through redeployment or sought in accordance with the established mechanism.

## **PUBLIC CONSULTATION**

27. The proposed injection of \$15 billion into the CCF has the support of the CoP and the CCF Task Force.

28. We briefed Members on the proposed injection at the special meeting of the LegCo House Committee on 22 March 2013. We also consulted the Subcommittee on Poverty under the House Committee of the LegCo on 24 May 2013 and Members supported the proposed injection and the submission to FC for approval. Some Members were worried that the CCF might not be able to receive all the pledged donations eventually, while some were concerned about how to strengthen the monitoring of the CCF's operations. We explained that some donations had been made by yearly instalments, and the outstanding donations were scheduled to be received in full within the current financial year. In addition, as mentioned in paragraphs 23 and 24 above, we would consult the Subcommittee on Poverty or relevant Panels on individual programme proposals and report regularly to the Subcommittee on Poverty the financial position of the CCF and the implementation progress of its programmes every six months, and submit the evaluation reports of programmes to the Subcommittee for reference.

## **BACKGROUND**

29. The operation of the CCF is guided by the following principles –
- (a) building a caring culture in society by gathering the efforts of various sectors of the community and encouraging the better-off to contribute;
  - (b) programmes should be people-oriented with assistance directly provided to beneficiaries; administrative costs or involvement of implementing agencies should be minimised though the need for non-government organisations' help to reach out to target groups outside the existing service network will not be precluded; programmes should be multifarious in nature; and the vetting process should be streamlined to ensure cost-effectiveness;

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- (c) programmes should complement the assistance and services provided by the Government or other charitable funds; duplication of efforts should be avoided as far as practicable; and
- (d) operation of the CCF will mainly be funded by investment returns on the seed capital, but the seed capital may be deployed in accordance with the principle of financial prudence in response to needs.

The target beneficiaries of the CCF are those facing economic difficulties and in need of assistance.

30. In the Appropriation Ordinance 2013, the Financial Secretary has earmarked \$15 billion for an additional injection into the CCF to strengthen the poverty alleviation efforts.

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Home Affairs Bureau  
June 2013

**Enclosure 1 to FCR(2013-14)20**

**Commission on Poverty  
Membership**

**Name**

**Occupational/ Professional  
Background**

Chairman

Chief Secretary for Administration  
(Chairperson of the Social Security and  
Retirement Protection Task Force)

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Non-official Members

Ms Amy Chan Lim-chee, JP

Manager, Racing Development Board,  
The Hong Kong Jockey Club/  
Principal, Apprentice Jockeys' School,  
The Hong Kong Jockey Club

Ms Sylvia Chan May-kuen

Principal, Ma On Shan Ling Liang  
Primary School

Ms May Chan Suk-mei, BBS, JP

Director, News and Public Affairs  
Department, Commercial Radio Hong  
Kong

Mr Clement Chen Cheng-jen, BBS, JP  
(Chairperson of the Education, Employment  
and Training Task Force)

Executive Director, Tai Hing Cotton  
Mill Limited

Dr Henry Cheng Kar-shun, GBS

Chairman and Executive Director, New  
World Development Company Limited

Hon Cheung Kwok-che

Legislative Council Member

Professor Stephen Cheung Yan-leung, BBS, JP  
(Chairperson of the Social Innovation and  
Entrepreneurship Development Fund Task  
Force)

Dean, School of Business, the Hong  
Kong Baptist University

Mr Chua Hoi-wai  
(Chairperson of the Special Needs Groups  
Task Force)

Business Director (Policy Research and  
Advocacy), The Hong Kong Council of  
Social Service

Dr Stephen Frederick Fisher, SBS

Director General, Oxfam Hong Kong

Hon Frederick Fung Kin-kee, SBS, JP

Legislative Council Member

<u>Name</u>	<u>Occupational/ Professional Background</u>
Mr Ho Hei-wah, BBS	Director, Society for Community Organisation
Ms Lam Shuk-ye, SBS	President, Hong Kong Federation of Trade Unions
Dr Law Chi-kwong, SBS, JP (Chairperson of the Community Care Fund Task Force)	Associate Professor, Department of Social Work and Social Administration, the University of Hong Kong
Hon Leung Che-cheung, BBS, MH, JP	Legislative Council Member
Ms Li Fung-ying, SBS, JP	Non-Executive Director, Zanwell Limited/ Honorary President, United Labour Chi Hong Association Limited
Hon Michael Tien Puk-sun, BBS, JP	Legislative Council Member/ Chairman, G2000 (Apparel) Limited
Dr David Wong Yau-kar, BBS, JP (Chairperson of the Societal Engagement Task Force)	Permanent Honorary President, The Chinese Manufacturers' Association of Hong Kong
Dr Rosanna Wong Yick-ming, JP	Executive Director, The Hong Kong Federation of Youth Groups
<u>Ex-officio Members</u>	
Secretary for Home Affairs	--
Secretary for Labour and Welfare (Vice-chairperson of the Social Security and Retirement Protection Task Force)	--
Secretary for Education	--
Secretary for Food and Health	--
<u>Vice-chairpersons of the other Task Forces</u>	
Mr Bunny Chan Chung-bun, SBS, JP (Vice-chairperson of the Community Care Fund Task Force)	Chairman, Prospective Holdings Limited/ Chairman, Kwun Tong District Council
Mr Cheung Kin-fai, MH (Vice-chairperson of the Special Needs Groups Task Force)	Director, Joint Council for the Physically and Mentally Disabled Hong Kong

<b><u>Name</u></b>	<b><u>Occupational/ Professional Background</u></b>
Dr Philemon Choi Yuen-wan, SBS, JP (Vice-chairperson of the Education, Employment and Training Task Force)	Honorary General Secretary, Breakthrough Limited
Miss Leonie Ki Man-fung, SBS, JP (Vice-chairperson of the Societal Engagement Task Force)	Executive Director, New World Development Company Limited
Dr Joseph Lee, SBS, JP (Vice-chairperson of the Social Innovation and Entrepreneurship Development Fund Task Force)	Group Chairman, Wofoo Plastics Limited

### **Terms of Reference**

- (1) examine the current poverty situation and causes of poverty in Hong Kong with a view to identifying favourable conditions for personal development, self-reliance and social mobility; and set poverty line as a tool for gauging the poverty situation and assessing the effectiveness of poverty alleviation policies;
- (2) review existing policies and formulate new policies to achieve the objectives of preventing and alleviating poverty and social exclusion, promoting social mobility as well as providing an appropriate safety net to better help the disadvantaged overcome material deprivation and improve livelihood;
- (3) co-ordinate and monitor the implementation of poverty prevention and alleviation policies and evaluate measures funded by the Community Care Fund, the Social Innovation and Entrepreneurship Development Fund and other relevant government funding sources as appropriate;
- (4) engage stakeholders and advise on ways to promote tripartite partnership among the Government, the business sector and community organisations in poverty alleviation, including the development of social enterprises;
- (5) promote district-based poverty alleviation measures to better meet the specific needs of local residents; and
- (6) monitor the poverty situation in Hong Kong.

**Community Care Fund Task Force**  
**Membership**

<b><u>Name</u></b>	<b><u>Occupational/ Professional Background</u></b>
<b><u>Chairperson</u></b>	
Dr Law Chi-kwong, SBS, JP	Associate Professor, Department of Social Work and Social Administration, the University of Hong Kong
<b><u>Vice-chairperson</u></b>	
Mr Bunny Chan Chung-bun, SBS, JP	Chairman, Prospectful Holdings Limited/ Chairman, Kwun Tong District Council
<b><u>Members of the Commission on Poverty</u></b>	
Hon Cheung Kwok-che	Legislative Council Member
Mr Chua Hoi-wai	Business Director (Policy Research and Advocacy), The Hong Kong Council of Social Service
Mr Ho Hei-wah, BBS	Director, Society for Community Organisation
Hon Michael Tien Puk-sun, BBS, JP	Legislative Council Member/ Chairman, G2000 (Apparel) Limited
<b><u>Co-opted Members</u></b>	
Miss Ophelia Chan Chiu-ling, BBS	Retired/ former Assistant Director of Social Welfare
Ms Chang Siu-wah	Director, the ABM Hong Kong Swatow Baptist Church Community Service Association
Dr Cheung Wai-lun, JP	Director (Cluster Services), Hospital Authority
Dr Saimond Ip	Chief Executive Officer, OnePort Limited
Mr Frederick Lai Wing-hoi	Service Head, Youth and Community Service Caritas – Hong Kong
Mr Lau Ming-wai, JP	Vice-chairman and Non-Executive Director, Chinese Estates Holdings Limited
Dr Sigmund Leung Sai-man, JP	President, Hong Kong Dental Association

<u>Name</u>	<u>Occupational/ Professional Background</u>
Dr Donald Li Kwok-tung, SBS, JP	Director, Family Medical Practice Limited
Miss Nancy Tsang Lan-see, JP	Director, Heep Hong Society
Dr Yuen Pong-yiu	Principal, Tin Ka Ping Secondary School

Ex-officio Members

Permanent Secretary for Education (or his representative)  
Permanent Secretary for Food and Health (Health) (or his representative)  
Permanent Secretary for Home Affairs (or his representative)  
Permanent Secretary for Labour and Welfare (or his representative)  
Director of Home Affairs (or his representative)  
Director of Social Welfare (or his representative)

**Terms of Reference**

- (1) advise the Commission on Poverty (CoP) on the Community Care Fund's various strategies and arrangements (including investment, finance and administrative operations), as well as the formulation of assistance programmes (including target beneficiaries, assistance amounts, handling of cross-sectoral issues and setting priorities);
- (2) co-ordinate and oversee the implementation of assistance programmes and review their effectiveness, as well as advising the CoP on the incorporation of programmes into the Government's regular assistance programme and service;
- (3) liaise closely with other CoP task forces and provide mutual support, as well as making timely report on work progress and plans to the CoP; and
- (4) collaborate with the CoP and other CoP task forces to prepare for the annual Poverty Summit, report the progress of the CoP's work to the public, and exchange with the members of the public and various sectors of the community on promoting poverty alleviation work.

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## Assistance Programmes under the Community Care Fund (CCF)

Assistance programme (Disbursement amount)	Implementation date	Funding provision (\$ million)	Major eligibility criteria	Beneficiary statistics (as at 31 May 2013)	Disbursements (\$ million) (as at 31 May 2013)	Progress and evaluation
<p>(1) Setting up the School-based Fund (Cross-boundary Learning Activities) to subsidise primary and secondary school students from low-income families to participate in cross-boundary learning activities/ competitions</p> <p>(A subsidy of not more than \$3,000 for each benefited student to participate in cross-boundary learning activities and competitions respectively)</p>	June 2011 (a three-year programme)	194.66	<ul style="list-style-type: none"> <li>● Students receiving full or half grant from the Student Financial Assistance Agency (SFAA);</li> <li>● Students receiving Comprehensive Social Security Assistance (CSSA); or</li> <li>● Students meeting the “financially needy” criteria as determined by individual schools.</li> </ul>	23 069 persons	Around 54.45	<p>The programme was initially set up to subsidise eligible students to participate in cross-boundary learning activities. The scope of the programme was expanded in July 2012 to subsidise eligible students to represent Hong Kong to take part in cross-boundary competitions.</p> <p>Evaluation is being planned and the progress will be reported to the CCF Task Force in future.</p>

<b>Assistance programme (Disbursement amount)</b>	<b>Implementation date</b>	<b>Funding provision (\$ million)</b>	<b>Major eligibility criteria</b>	<b>Beneficiary statistics (as at 31 May 2013)</b>	<b>Disbursements (\$ million) (as at 31 May 2013)</b>	<b>Progress and evaluation</b>
<p>(2) Subsidy for patients of Hospital Authority (HA) for specified self-financed cancer drugs which have not yet been brought into the Samaritan Fund (SF) safety net but have been rapidly accumulating medical scientific evidence and with relatively higher efficacy</p> <p>(To subsidise the drug costs borne by benefited patients for the relevant drug treatment)</p>	August 2011 (a programme with funding provision for three years)	215.45 <sup>1</sup>	<ul style="list-style-type: none"> <li>● The prevailing SF financial assessment mechanism and its sliding scale are adopted as the financial assessment criteria.</li> </ul>	1 236 person-times	Around 106.88 <sup>2</sup>	<p>The programme initially covered six specified self-financed cancer drugs and was expanded to nine subsequently.</p> <p>The evaluation results were reported to the former Steering Committee on the CCF in May 2012.</p>
(3) Subsidy to meet lunch expenses at whole-day primary	September 2011 (a three-school year)	529.207	<ul style="list-style-type: none"> <li>● Whole-day primary school students receiving</li> </ul>	56 387 persons <sup>3</sup>	Around 306.82	The former Steering Committee on the CCF was briefed on the evaluation

<sup>1</sup> Including the administrative and audit expenses of this programme and programme (11) below.

<sup>2</sup> This refers to the subsidy for drug costs approved for beneficiaries as at 31 May 2013.

<sup>3</sup> This refers to the number of benefited students in the 2011/12 school year. The estimated number of benefited students in the 2012/13 school year is 62 000.

Assistance programme (Disbursement amount)	Implementation date	Funding provision (\$ million)	Major eligibility criteria	Beneficiary statistics (as at 31 May 2013)	Disbursements (\$ million) (as at 31 May 2013)	Progress and evaluation
<p>schools for students from low-income families</p> <p>(The subsidy level is determined by the actual fee charged by lunch suppliers and the subsidy is directly paid to lunch suppliers through the schools)</p>	<p>programme)</p>		<p>full grant from SFAA and having lunch as arranged by their schools.</p>			<p>results in May 2012 and it supported the programme's regularisation by the Education Bureau (EDB). As the Government is studying its incorporation into regular assistance programme, the CCF agreed to continue the provision of subsidy to eligible primary school students in 2012/13 and 2013/14 school years.</p>
<p>(4) Financial assistance for ethnic minorities and new arrivals from the Mainland for taking language-related international public examinations</p> <p>(Reimbursement of relevant examination fees to the beneficiaries on an accountable basis)</p>	<p>September 2011 (a two-year programme)</p>	<p>1.05</p>	<ul style="list-style-type: none"> <li>● Passed the family/household-based means-test establishing eligibility for CSSA Scheme, student financial assistance schemes or HA Medical Fee Waiving Mechanism; or</li> <li>● household income not exceeding 75% of the</li> </ul>	<p>283 persons</p>	<p>Around 0.3</p>	<p>The evaluation plan was reported to the CCF Task Force in February 2013. The Home Affairs Department (HAD) is evaluating the programme.</p>

Assistance programme (Disbursement amount)	Implementation date	Funding provision (\$ million)	Major eligibility criteria	Beneficiary statistics (as at 31 May 2013)	Disbursements (\$ million) (as at 31 May 2013)	Progress and evaluation
			Median Monthly Domestic Household Income.			
<p>(5) Subsidy for the severely disabled persons aged below 60 from families with financial difficulties who are non-CSSA recipients, requiring constant attendance and living in the community</p> <p>(A monthly subsidy of \$2,000)</p>	<p>September 2011 (application period for the extended programme till end February 2013)</p>	<p>133.83</p>	<ul style="list-style-type: none"> <li>● Aged below 60 and receiving Higher Disability Allowance (HDA) under the Social Security Allowance (SSA) Scheme as at 31 July 2012;</li> <li>● living in the community as at 31 July 2012; and</li> <li>● monthly household income not exceeding 100% of the Median Monthly Domestic Household Income.</li> </ul>	<p>3 051 person-times</p>	<p>Around 50.72</p>	<p>The former Steering Committee on the CCF approved to invite a new round of applications in November 2012, with certain eligibility criteria relaxed (including the income limits and the method of calculating the number of household members). A subsidy for 12 months at most will be provided to the beneficiaries during the extended period.</p> <p>The evaluation results were reported to the Commission on Poverty (CoP) in May 2013.</p>

Assistance programme (Disbursement amount)	Implementation date	Funding provision (\$ million)	Major eligibility criteria	Beneficiary statistics (as at 31 May 2013)	Disbursements (\$ million) (as at 31 May 2013)	Progress and evaluation
<p>(6) Subsidy for CSSA recipients who are owners of Tenant Purchase Scheme flats for five years or above and not eligible for rent allowance under the CSSA Scheme</p> <p>(A subsidy of \$2,000 per household)</p>	<p>September 2011 (a one-off subsidy programme which has been completed)</p>	<p>1.73</p>	<ul style="list-style-type: none"> <li>● CSSA households meeting the relevant criteria as at 1 July 2011.</li> </ul>	<p>825 households</p>	<p>1.65</p>	<p>The former Steering Committee on the CCF was briefed on the evaluation results in May 2012 and it supported the programme's regularisation by the Social Welfare Department (SWD). The Government is now planning for the programme's incorporation into regular assistance programme, and expects to have the specific proposal ready within 2013.</p>
<p>(7) Subsidy for elders aged 65 or above from low-income families who are on the waiting list of Integrated Home Care Services (IHCS) (Ordinary Cases) for Household Cleaning and Escorting Services for Medical Consultations</p>	<p>October 2011 (application period for the extended programme till end March 2013)</p>	<p>15.256</p>	<ul style="list-style-type: none"> <li>● Aged 65 or above; living in the community; and have been on the waiting list for IHCS (Ordinary Cases) on or before 31 October 2012; and</li> <li>● household income not exceeding 75% of the Median Monthly</li> </ul>	<p>1 339 persons</p>	<p>Around 2.96</p>	<p>The former Steering Committee on the CCF approved in November 2012 to invite a new round of applications and extend the provision of subsidy for existing beneficiaries. Eligible elders may receive the subsidy until 31 March 2014 the latest.</p> <p>The evaluation results were reported to the CoP in May</p>

Assistance programme (Disbursement amount)	Implementation date	Funding provision (\$ million)	Major eligibility criteria	Beneficiary statistics (as at 31 May 2013)	Disbursements (\$ million) (as at 31 May 2013)	Progress and evaluation
(A monthly subsidy of not more than \$480 which has been raised to \$560 since December 2012)			Domestic Household Income.			2013.
<p>(8) Subsidy for CSSA recipients living in private housing paying rents which exceed the maximum rent allowance under the CSSA Scheme</p> <p>(When the programme was first launched: a subsidy of \$1,000 for one-person household; and \$2,000 for two-or-more-person household)</p> <p>(When the programme is re-launched: a subsidy of \$2,000 for one-person household; and \$4,000 for two-or-more-person household)</p>	The programme was first launched in October 2011	33.671	<ul style="list-style-type: none"> <li>● CSSA households meeting the relevant criteria as at 1 July 2011.</li> </ul>	22 605 households	Around 32.09	<p>The evaluation results were reported to the CoP in May 2013.</p> <p>The CoP approved to re-launch the programme at its meeting in May 2013.</p>
	The programme is expected to be re-launched by the end of 2013	56.81	<ul style="list-style-type: none"> <li>● CSSA households meeting the relevant criteria as at a specific date.</li> </ul>	not applicable for the time being	not applicable for the time being	

Assistance programme (Disbursement amount)	Implementation date	Funding provision (\$ million)	Major eligibility criteria	Beneficiary statistics (as at 31 May 2013)	Disbursements (\$ million) (as at 31 May 2013)	Progress and evaluation
<p>(9) Training subsidy for children with special needs from low-income families who are on the waiting list for subvented pre-school rehabilitation services</p> <p>(A monthly subsidy of not more than \$2,500, which has been raised to \$2,615 since May 2013)</p>	<p>December 2011 (application period for the extended programme till end February 2013)</p>	<p>68.145</p>	<ul style="list-style-type: none"> <li>● On the waiting list for subvented pre-school rehabilitation services on or before 30 November 2012; and</li> <li>● household income not exceeding 75% of the Median Monthly Domestic Household Income.</li> </ul>	<p>1 635 persons</p>	<p>Around 16.84</p>	<p>The former Steering Committee on the CCF approved in November 2012 to invite a new round of applications and extend the provision of subsidy for existing beneficiaries. Eligible children may receive the subsidy until 31 March 2014 the latest.</p> <p>The former Steering Committee on the CCF was briefed on the evaluation results in May 2012 and it supported the programme's regularisation by the SWD, which is now being studied by the Government.</p>
<p>(10) Relocation allowance for eligible residents of sub-divided units in industrial buildings who would have to move out as a result of the Buildings</p>	<p>December 2011</p>	<p>4.43</p>	<ul style="list-style-type: none"> <li>● Persons who have passed the family/household-based means-test establishing eligibility for CSSA Scheme, student financial</li> </ul>	<p>140 households (204 persons)</p>	<p>Around 0.39</p>	<p>BD has inspected all 30 target industrial buildings, and found suspected cases of unauthorised sub-divided units in 10 of them. BD has taken enforcement action against these cases and enforcement action was</p>

Assistance programme (Disbursement amount)	Implementation date	Funding provision (\$ million)	Major eligibility criteria	Beneficiary statistics (as at 31 May 2013)	Disbursements (\$ million) (as at 31 May 2013)	Progress and evaluation
<p>Department(BD)'s enforcement action</p> <p>(An allowance of \$2,100 for one-person household; \$4,600 for two-to-three-person household; and \$6,100 for four-or-more-person household)</p>			<p>assistance schemes, HA Medical Fee Waiving Mechanism or Work Incentive Transport Subsidy; or</p> <ul style="list-style-type: none"> <li>● household income not exceeding 75% of the Median Monthly Domestic Household Income.</li> </ul>			<p>completed in one building. BD will continue to follow up the enforcement actions in other industrial buildings.</p> <p>Evaluation is being planned and the progress will be reported to the CCF Task Force in future.</p>
<p>(11) Subsidy for needy HA patients who marginally fall outside the SF safety net for the use of SF subsidised drugs</p> <p>(To subsidise the drug costs borne by benefited</p>	January 2012	4.293	<ul style="list-style-type: none"> <li>● The prevailing SF financial assessment mechanism was adopted by applying a more relaxed maximum contribution ratio than that for the</li> </ul>	281 person-times <sup>4</sup>	4.293	The programme has been incorporated into the SF's regular mechanism with effect from 1 September 2012.

<sup>4</sup> The programme has ceased operation since 31 August 2012, and the statistics as at 31 August 2012 are shown.

Assistance programme (Disbursement amount)	Implementation date	Funding provision (\$ million)	Major eligibility criteria	Beneficiary statistics (as at 31 May 2013)	Disbursements (\$ million) (as at 31 May 2013)	Progress and evaluation
patients for the relevant drug treatment)			SF (i.e. 20%).			
(12) Subsidy for non-school-attending ethnic minorities and new arrivals from the Mainland to enroll in language courses  (A subsidy of \$350 to \$700 is provided for attending language courses organised by the Employees Retraining Board)	March 2012	0.5	<ul style="list-style-type: none"> <li>● Passed the family/household-based means-test establishing eligibility for CSSA Scheme, student financial assistance schemes or HA Medical Fee Waiving Mechanism; or</li> <li>● household incomes not exceeding 75% of the Median Monthly Domestic Household Income.</li> </ul>	89 persons	Around 0.03	The evaluation plan was reported to the CCF Task Force in February 2013. HAD is evaluating the programme.
(13) Subsidy for low-income elderly tenants in private housing	July 2012 (a one-off subsidy programme with	11.89	<ul style="list-style-type: none"> <li>● Elderly households aged 65 or above;</li> <li>● not receiving</li> </ul>	2 098 households (2 602 persons)	Around 10.41	The evaluation results were reported to the CoP in May 2013.

Assistance programme (Disbursement amount)	Implementation date	Funding provision (\$ million)	Major eligibility criteria	Beneficiary statistics (as at 31 May 2013)	Disbursements (\$ million) (as at 31 May 2013)	Progress and evaluation
(A subsidy of \$4,000 for one-person elderly household, \$8,000 for two-person elderly household and \$12,000 for three-or-more-person elderly household)	the application period closed on 31 January 2013)		CSSA; ● household income and rent not exceeding the specified limit; and ● not owning any property in Hong Kong.			
(14) After-school care pilot scheme  (The subsidy cap for each project is \$500,000)	August 2012 (a two-school year programme)	69.2	● Primary one to Secondary three students receiving CSSA or SFAA full grant; and ● Participating schools or non-government organisations have discretion to include needy students who do not meet the above criteria, but the number of these	5 473 persons	Around 27.55	EDB has disbursed 50% of the subsidy to 73 schools/ non-governmental organisations granted with the funding, and the remaining 50% will be disbursed from the first half of 2013 onwards.  Having regard to the good progress of the pilot scheme, and the scope for enhancement for further trial, the CCF Task Force agreed to extend the

Assistance programme (Disbursement amount)	Implementation date	Funding provision (\$ million)	Major eligibility criteria	Beneficiary statistics (as at 31 May 2013)	Disbursements (\$ million) (as at 31 May 2013)	Progress and evaluation
			students should not exceed 25% of the total number of student beneficiaries.			programme to 2013/14 school year <sup>5</sup> .  The progress of evaluation will be reported to the CCF Task Force in future.
(15) Elderly dental assistance programme	September 2012 (expected to be a two-year programme)	100	<ul style="list-style-type: none"> <li>● Aged 60 or above;</li> <li>● not receiving CSSA; and</li> <li>● users of the IHCS or “Enhanced Home and Community Care Services” (EHCCS) subvented by SWD as at 31 December 2011 and are paying level 1 or level 2 fee charge of the above services.</li> </ul>	278 persons	Around 1.86	<p>575 eligible elders have been referred to receive the dental services under the programme.</p> <p>The evaluation plan was reported to the CCF Task Force in February 2013. The CCF Task Force has set up a working group to review the eligibility criteria of the programme taking into account the progress of implementation and the experience gained.</p> <p>The CoP approved the proposal put forward by the</p>

<sup>5</sup> The target beneficiaries will be expanded in 2013-14 school year to cover Primary one to Secondary three students receiving SFAA half grant.

Assistance programme (Disbursement amount)	Implementation date	Funding provision (\$ million)	Major eligibility criteria	Beneficiary statistics (as at 31 May 2013)	Disbursements (\$ million) (as at 31 May 2013)	Progress and evaluation
						CCF Task Force in May 2013, adjusting the eligibility criteria to cover elderly who are users of IHCS or EHCCS subvented by SWD as at 31 December 2012.
(16) Subsidy for owners' corporations of old buildings  (Eligible owners' corporations can be granted a subsidy with the total amount capped at \$20,000 for relevant expenditure items on an accountable basis)	October 2012 (a three-year programme)	67.2	<ul style="list-style-type: none"> <li>● Residential or composite buildings aged 30 years or above; and</li> <li>● average rateable value of the residential units does not exceed \$120,000 for urban area and \$92,000 for New Territories.</li> </ul>	160 owners' corporations	Around 0.56	Among the 4 300 eligible owners' corporations, about 2 560 have indicated their intention to make an application.  The progress of evaluation will be reported to the CCF Task Force in future.
(17) Subsidy for low-income persons who are inadequately housed  (A subsidy of \$3,000 for	October 2012 (a one-off subsidy programme with the application period closed on	174.43	<ul style="list-style-type: none"> <li>● Persons renting on a monthly basis rooms/cubicles, cocklofts or bedspaces in private permanent</li> </ul>	25 454 households (58 306 persons)	Around 148.37	The former Steering Committee on the CCF approved to increase the estimated funding of the programme from \$91.43 million to \$174.43 million in

Assistance programme (Disbursement amount)	Implementation date	Funding provision (\$ million)	Major eligibility criteria	Beneficiary statistics (as at 31 May 2013)	Disbursements (\$ million) (as at 31 May 2013)	Progress and evaluation
one-person household; \$6,000 for two-person household; and \$8,000 for three-or-more-person household)	8 April 2013)		housing; persons renting bedspaces offered under the HAD's Singleton Hostel Programme; persons residing in temporary housing; or homeless persons; <ul style="list-style-type: none"> <li>● monthly household income and rent shall not exceed the specified limit;</li> <li>● not receiving CSSA; and</li> <li>● not owning any property in Hong Kong.</li> </ul>			December 2012, and it is expected that the number of beneficiaries will be 27 718 (about 55 436 persons)  The CCF Task Force supports re-launching the programme, subject to the approval of the additional injection of \$15 billion into the CCF. The elderly beneficiaries under programme (13) above will also be covered as target beneficiaries.  The evaluation results were reported to the CoP in May 2013.
(18) Provision of special subsidy to persons with severe physical disabilities for renting respiratory support medical	Late January 2013 (the application period will end on 30 June 2013)	12.6	<ul style="list-style-type: none"> <li>● All requirements of "Special Care Subsidy for the Severely Disabled" (programme (5)</li> </ul>	14 persons	Around 0.06	SWD has extended invitations for applications to persons who may meet the eligibility criteria since early February 2013. The subsidy has been disbursed from late

Assistance programme (Disbursement amount)	Implementation date	Funding provision (\$ million)	Major eligibility criteria	Beneficiary statistics (as at 31 May 2013)	Disbursements (\$ million) (as at 31 May 2013)	Progress and evaluation
<p>equipment</p> <p>(For beneficiaries with annual household disposable financial resources of \$100,000 or below, a monthly subsidy of \$2,500 will be granted. For beneficiaries with annual household disposable financial resources over \$100,000 but not exceeding \$180,000, a monthly subsidy of \$2,000 will be granted)</p>			<p>above) are met;</p> <ul style="list-style-type: none"> <li>● persons who have to rent the respiratory support medical equipment without any relevant assistance, and are still receiving HDA under the SSA Scheme; and</li> <li>● the annual household disposable financial resources do not exceed \$180,000.</li> </ul>			<p>March onwards.</p> <p>The progress of evaluation will be reported to the CCF Task Force in future.</p>
<p>(19) Extra travel subsidy for needy special school students</p> <p>(An extra 50% travel subsidy for eligible students on top of the Student Travel Subsidy</p>	<p>Expected to roll out in October 2013 (a two-school year programme)</p>	<p>3.27</p>	<ul style="list-style-type: none"> <li>● Needy special school students from Primary one to Secondary six who are receiving a full or half grant of STS from SFAA, including</li> </ul>	<p>Programme yet to be implemented</p>	<p>Programme yet to be implemented</p>	<p>Programme yet to be implemented.</p>

Assistance programme (Disbursement amount)	Implementation date	Funding provision (\$ million)	Major eligibility criteria	Beneficiary statistics (as at 31 May 2013)	Disbursements (\$ million) (as at 31 May 2013)	Progress and evaluation
(STS) disbursed by SFAA)			the physically disabled, visually impaired, hearing impaired, and the mildly, moderately and severely mentally handicapped.			

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