

Adult Education Subvention Scheme 2023/24

Administrative Guide

1. Receipt of Subvention

- 1.1 Organisations participating in Adult Education Subvention Scheme (“AESS”) (“participating organisations”) should be charitable institutions exempted from tax under the Inland Revenue Ordinance (Cap. 112), and should **NOT** be in receipt of other subvention from the Government for those items / courses already subvented by Labour and Welfare Bureau (“LWB”) under AESS.
- 1.2 Participating organisations must operate the approved courses according to the stipulations in this Administrative Guide to receive the concerned subvention under AESS.

2. Operation of the Approved Course

2.1 Operation Mode

- 2.1.1 Participating organisations should employ appropriate staff to operate the subvented courses in accordance with the Employment ordinance (Cap. 57) and the Mandatory Provident Fund Schemes Ordinance (MPFSO) (Cap. 485). **Contracting out the operation of the courses to any other organisations/ individuals is not allowed. Also, engaging staff under self-employment terms is strictly prohibited.**
- 2.1.2 Participating organisations are requested to **inform LWB of any changes to the information of the participating organisations by submitting the notification form [Proforma (h)] to LWB at the earliest possible timing, before such changes are made** during the academic year.

2.2 Course Contents and Arrangements

- 2.2.1 The approved courses should be conducted **strictly** in accordance with the course content and arrangements stated in the application forms. The teaching content and arrangements of all approved courses / classes **must not be changed**, unless prior approval from LWB has been obtained. In case of any changes that have not been approved by LWB, subvention for those courses / classes may be clawed back.

2.3. Course Schedule

- 2.3.1 The dates for running the approved courses should follow the course schedule as stated in the approval letter. **Any proposed changes to the course schedule should be submitted to LWB for prior approval via Proforma (h) at the earliest possible timing before class commencement. The course schedule should not be changed unless prior approval from LWB has been obtained. All classes must be completed on or before 31 August 2024.** The total number of hours for each class must tally with that as stipulated in the approval letter.
- 2.3.2 In case a lesson has been cancelled due to unexpected circumstances (e.g. absence of teaching staff or adverse weather), the participating organisations should arrange a make-up class in the following week after the last lesson of the class or on a day agreed by all participants. Changes to the course schedule should be subsequently submitted to LWB via Proforma (h) for examination. Approved courses with completion date beyond 31 August 2024 will **not** be subvented.

2.4 *Venues and Display of Exemption Order issued by the Education Bureau*

- 2.4.1 The venues for conducting the approved courses should be limited to the premises stipulated in the Order of Exemption issued by the Education Bureau in accordance with Section 9(5) of the Education Ordinance (Cap. 279), if applicable. The venues should also be confined to those stated in the application forms.
- 2.4.2 Participating organisations are required to **display prominently the schedule of the approved courses as well as the Order of Exemption as mentioned in Clause 2.4.1 above (if applicable) in the centres / schools** for public information and to facilitate inspection by the supervisors of the participating organisations and the Government.
- 2.4.3 **Prior approval must be obtained from LWB** if it is absolutely necessary to make any changes to the venues for operating the subvented courses. Frequent changes to the operation of the approved courses are not permitted.

2.5 *Enrolment and Attendance of Participants*

- 2.5.1 Participants should be local residents of the Hong Kong SAR, aged 15 or above.
- 2.5.2 Participating organisations should verify the eligibility of applicants as set out in Clause 2.5.1 above and ensure that they are the designated targets of the courses concerned before admitting them to the subvented courses under AESS.
- 2.5.3 Enquiries regarding the eligibility of applicants should be directed to the Immigration Department (Tel: 2824-6111; email: enquiry@immi.gov.hk; website: <https://www.immd.gov.hk/eng/index.html>).
- *2.5.4 Before class commencement, participating organisations must ensure that **the size of each class of the subvented courses is NOT LESS THAN that as approved by LWB in the approval letter along the following standards –**
- 7 for courses designed for ethnic minorities;
 - 10 for courses designed for persons with disabilities or new arrivals; and
 - 15 for Basic Chinese / English Literacy Courses, Basic Putonghua Courses, Basic Computer Courses, General Education Courses and Courses of Social, Moral and Family Education
- (Please refer to the Purview of AESS for more details of course categories)
- 2.5.5 If participating organisations foresee a genuine difficulty in meeting the minimum enrolment requirement as stated in Clause 2.5.4 for **very special reasons**, they may apply, **in the application form**, for LWB's special prior approval **for enrolment slightly lower than required with full justifications**. Subject to the discretion of LWB, subvention to the course would **not** be deducted if such approval is granted. The minimum enrolment requirement for the course as stated in the approval letter shall be final and not subject to appeal. Illustrative examples of justifications which would be considered are set out below –
- (a) Participating organisations which wish to conduct a level-up course on a particular subject (e.g. Adult Basic Mathematics (Primary Two)) upon successful completion of a class of lower level (e.g. Adult Basic Mathematics (Primary One)) may rely on the previous enrolment record to envisage the demand for the level-up course. The participating organisations should also elaborate on its plan to explore and recruit new participants.

(b) Participating organisations which conduct Special Education Courses (Category H) for a targeted group of persons with disability (e.g. Sign Language Course for the Hearing Impaired) may illustrate with evidence its genuine difficulty in meeting the minimum enrolment number as the **service targets are highly restricted and limited in number**.

2.5.6 If participating organisations wish to operate any subvented courses without fulfilling the minimum enrolment requirements as set out in Clauses 2.5.4 and 2.5.5 above upon the issuance of the approval letter, they must seek LWB’s prior approval with **full justifications**. Approval will only be granted in very special circumstances. **No subvention will be disbursed to classes of which the enrolment is below the minimum requirement without LWB’s approval**. LWB reserves the right to reduce the subvention to the participating organisations on a pro-rata basis in accordance with the actual enrolment.

An illustrative example is set out below –

Type of course	Minimum enrolment requirement	Subvention originally granted for this course ¹	Actual enrolment	Subvention to be granted
Basic literacy course	15	\$10,000	12	$\$10,000 \times (12/15) = \$8,000$

As the actual enrolment of the above course constitutes only 80% of the minimum enrolment requirement, even if the participating organisation is approved to operate this course on an exceptional basis, only 80% of the approved subvention (i.e. \$8,000) will be disbursed at the discretion of LWB, and the remaining 20% of the originally approved amount (i.e. \$2,000) may be withheld.

2.5.7 Participating organisations are urged to maintain an average attendance of 80% or more. **All participants should sign on the attendance lists for each class they have attended**. Participating organisations must provide **full justifications** for classes with average attendance below 80%. LWB will consider reducing the approved subvention for courses with low attendance record if full justifications are not provided.

2.5.8 Participating organisations are reminded not to admit any full-time students aged between 15 and 17 to any courses exceeding 24 hours subvented under AESS.

2.6 *Collection of Course Fees*

2.6.1 Participating organisations are required to charge **flat fees** from the participants for all subvented courses. **Disparity** in course fees for members and non-members of the organisations is **not** permitted. Collection of deposit is also prohibited. The fees collected should only be used for the operation of the subvented courses and all the income and expenditure items should be properly reflected in the account. Fee stubs and receipts should be properly kept for audit and inspection purposes.

2.7 *Publicity*

2.7.1 In publicising the subvented courses, **a remark should be added to indicate that the courses are “subvented by the Labour and Welfare Bureau”**. Use of other improper wordings should be avoided. However, any certificates issued to the participants should bear the name of the participating organisations only.

¹ Calculated by adding up the subvention for staff cost (i.e. centre administrator, teaching staff and clerical staff) and accommodation cost of the course concerned wherever applicable, excluding subvention for audit cost, water, electricity and telephone cost and equipment cost.

2.7.2 In order to support the promotion of courses, a **publicity fee** would be granted as subsidy for printing of publicity materials (e.g. posters, leaflets and banners). Subvention on publicity will be disbursed at the start of the academic year and **no prior application is required**. While participating organisations are not required to obtain written quotations for the purchase of printing services, receipts and related records should be properly kept for audit and inspection purposes. Participating organisations should clearly reflect the purchase of printing services in the Auditor's Report at the end of the academic year and return all unspent subvention on publicity to LWB upon notice.

2.8 *Purchase of Teaching Equipment*

2.8.1 Participating organisations may apply for purchase of teaching equipment via the application form. The approved teaching equipment should be purchased within the approved grants. **Participating organisations must obtain at least two written quotations for each of the approved equipment and purchase the equipment at the lowest quoted price among those obtained with relevant documentations properly kept for inspection purpose.** If the amount of the purchase is higher than the approved level, the participating organisations have to absorb the amount in excess of the approved level by their own funding.

2.8.2 Participating organisations are required to **purchase the approved equipment item(s) by 31 December 2023**. Non-compliance will be regarded as willing forfeiture of the approved grants and the grants for the respective items will be clawed back.

2.8.3 Subvention for the purchase of teaching equipment is granted on a yearly basis; any unspent subvention could **not** be carried forward to the following academic year and must be returned to LWB.

2.9 *Insurance to Cover Public Liabilities to Class Participants*

2.9.1 Participating organisations should obtain adequate public liability insurance against claims for accidental bodily injury to participants.

2.10 *Adverse Weather Arrangement*

2.10.1 Participating organisations should draw up a contingency plan to manage any problems caused by adverse weather. Before the commencement of any subvented courses, participating organisations should explain the class arrangement during adverse weather to participants, and should arrange for any necessary make-up classes in accordance with Clause 2.3.2.

3. Supervision of Operation of Courses

3.1 *Completion and Submission of Proformas*

3.1.1 Participating organisations are requested to complete and submit **the first half-year summary of subvented courses [Proforma (a)] conducted from 1 September 2023 to 29 February 2024** to LWB by **15 March 2024**.

3.1.2 **The annual summary [Proforma (c)] and the course evaluation [Proforma (d)]** of the subvented courses **conducted from 1 September 2023 to 31 August 2024** are to be submitted to LWB after the end of the academic year **by 15 September 2024**.

3.1.3 Centre administrators of participating organisations should also keep LWB and the Chairman / Director / Supervisor of the participating organisations informed of any changes in the course schedule, particulars of teaching staff and cancellation of any courses without delay.

3.2 *Centre visits*

3.2.1 Chairmen / Directors / Supervisors or representative(s) of the participating organisations should bear sole responsibility for supervising and monitoring the operation of all the approved subvented courses of the participating organisations under AESS. They should maintain a proper documentation of all completed and updated documents, including course schedules, half-yearly returns and annual return to facilitate checking by officers of LWB. They should also conduct at least one surprise visit to the centre(s) for **each** subvented course and keep records of such visits [Proforma (f)].

3.3 *Inspection from Officer(s) of LWB*

3.3.1 **Officer(s) of LWB may conduct spot-checks or surprise checks to participating organisations.** Participating organisations are required to readily provide the visiting officer(s) with the following –

- (a) half-yearly summaries [Proforma (a) and (b)] (if applicable by the time of inspection);
- (b) teaching staff particulars [Proforma (e)], employment contract and qualifications proofs;
- (c) records of visit to centre [Proforma (f)];
- (d) brief summary of course(s) conducted [Proforma (g)];
- (e) class attendance records (with students' signature);
- (f) feedback from participants on the courses attended;
- (g) receipt of the equipment items purchased and at least two written quotations obtained;
- (h) course fee receipt stubs or records;
- (i) publicity materials on courses;
- (j) receipt of printing services for the publicity items;
- (k) relevant documents to certify that adequate insurance has been obtained;
- (l) relevant certified documents for the MPF contributions; and
- (m) handouts for subvented courses.

3.3.2 Participating organisations are reminded that submission of copies of the above may be required by LWB.

4. **Disbursement of Subvention**

4.1 The subvention for approved courses will be disbursed to participating organisations **in two instalments**. **The first instalment** will be disbursed **at the beginning of the academic year**, and **the second instalment** will be disbursed **at the second half of the academic year subject to participating organisations' progress in conducting the courses**.

4.2 For participating organisations which conduct **40%** of the approved courses by **29 February 2024**, the second instalment will be disbursed to them in **early May 2024**. Participating organisations are required to submit the **first half-year summary [Proforma (a)]** as stated in Clause 3.1.1 by **15 March 2024**, with a list of the courses conducted between 1 September 2023 and 29 February 2024. LWB will disburse the second instalment on the condition that participating organisations have conducted 40% of the approved courses as reflected in the first half-year summary. Illustrative examples are set out below –

No. of approved courses	No. of courses that need to be conducted before 29 February 2024 (i.e. 40% of the approved courses)	No. of conducted courses as at 29 February 2024	Eligibility for receiving the second instalment in early May
Ten courses in total	Ten courses x 40% = Four courses	Five courses	Yes
Ten courses in total	Ten courses x 40% = Four courses	Three courses	No

- 4.3 Participating organisations which cannot meet the above timeframe **must conduct 40% of its approved courses by 30 April 2024** (i.e. four months to end of academic year) in order to obtain the second instalment of subvention in **June 2024**. The first half-year summary [Proforma (a)] as stated in Clause 3.1.1 should be re-submitted by **15 May 2024**. Participating organisations should clearly list the courses conducted between 1 September 2023 and 30 April 2024 in the summary for LWB's examination. **Participating organisations which fail to comply with the above requirement will NOT receive the second instalment and are not permitted to conduct the corresponding courses.**

5. Accounting Matters

- 5.1 Participating organisations must **keep proper books of account for the subvention from LWB**. A separate ledger account for the employer's MPF contributions for every staff employed for AESS should also be maintained.
- 5.2 Any participating organisations which have been granted subvention for the purchase of teaching equipment in the academic year should keep inventory records for inspection at any time.
- 5.3 Upon completion of all the approved courses on or before **31 August 2024**, **an Auditor's Report should reach LWB within three months i.e. on or before 30 November 2024. Centre administrators should ensure that information contained in the Auditor's Report is accurate and genuine.** Should there be any discrepancies detected by LWB (e.g. personal particulars of teaching staff and centre administrators, teaching equipment purchased, information of approved programme(s), etc. not tallying with that contained in the Letter of Approval or with the records kept by LWB as well as the Chairmen / Directors / Supervisors of the participating organisations), or if any participating organisations fail to submit the Auditor's Report on time, the subvention concerned may be clawed back at the discretion of LWB.
- 5.4 LWB would examine the Auditor's Reports submitted by participating organisations. **Participating organisations with unspent subvention at the end of the academic year will receive LWB's notification of the claw-back arrangements by letter in due course. Participating organisations should return all unspent subvention to LWB by cheque within the deadline as stated in the letter.**
- 5.5 Participating organisations joining AESS for the first time should submit its bank account information to LWB in writing as soon as possible. Otherwise, the process to channel funds to the participating organisations may be delayed. If the participating organisations intend to change their name, status or bank account number, they should inform LWB of the changes accordingly without delay.

6. Staff Matters

6.1 *Appointment of Staff*

- 6.1.1 Participating organisations **must enter into an employment contract** conceding the employer-employee relationship **with all staff employed for AESS** (i.e. centre administrators, teaching staff and clerical staff). **Engaging staff under self-employment terms is strictly prohibited.**
- 6.1.2 The age of all staff employed for AESS i.e. centre administrators, teaching staff and clerical staff should **not exceed 70 as at 1 September 2023.**
- 6.1.3 Participating organisations must ensure that the **teaching staff employed possess appropriate qualifications.** For instance –

- teaching staff should be holders of teacher's certificate or teacher registration recognised by the Hong Kong SAR government; or
- teaching staff for participants of education level at Primary 1 to 6 should possess qualifications at sub-degree level or above, obtained from recognised local institutions; or
- teaching staff for participants of education level at Secondary level should hold a recognised university degree from a local university.

6.1.4 If teaching staff with **non-local qualifications** are to be employed for the subvented courses under AESS, the participating organisations should ensure that the qualifications they possess are equivalent to the above-mentioned local qualifications, and the relevant documents should be properly kept for inspection purpose. **Participating organisations may approach the Hong Kong Council for Accreditation of Academic and Vocational Qualifications for assessment of non-local academic qualifications** (Address: 10 Siu Sai Wan Road, Chai Wan, Hong Kong; Tel.: 3658-0000; website: <http://www.hkcaavq.edu.hk>).

6.1.5 Participating organisations are required to keep relevant / supporting documents of qualifications of their teaching staff and employment contracts for record purpose or checking by officer(s) of LWB. **If a participating organisation is found to have employed a teaching staff without the appropriate qualifications, the subvention for the teaching staff of the relevant class(es) may be clawed back at the discretion of LWB.**

6.2 Compulsory Insurance on Employees

6.2.1 Participating organisations are required to take out an insurance policy to cover their liability for compensation for work injury arising out of and in the course of employment for all staff employed for AESS.

6.3 *Participation in the Mandatory Provident Fund (MPF) Scheme*

6.3.1 To comply with the MPFSO (Cap. 485), participating organisations are required to **enrol all eligible employees who are employed for AESS in a registered MPF Scheme and arrange for making contributions as required**. An MPF subsidy calculated at 5% of the total staff cost is granted on the basis of the criteria set out below –

- MPF subsidy is provided to meet the participating organisation's mandatory contributions for the staff employed for the approved courses including any employee who is employed for 60 days or more, aged between 18 and 64 and is not exempted from the application of the provisions of the MPFSO;
- MPF subsidy is provided only in respect of the portion of the employee's salary pertaining to subvented course(s) under AESS; and
- The amount of MPF subsidy for individual employee is fixed at the rate of the employee's mandatory contribution level, i.e. 5% of the staff's salary subject to the maximum level of income of \$30,000 per month or \$1,500 at the maximum.

6.3.2 Approval from LWB for appointment of a MPF service provider is not required. Participating organisations should contact their service providers registered with the MPF Schemes Authority so as to make the most appropriate choice that suits the participating organisations' needs.

6.3.3 In the event that some of the staff employed for AESS can be exempted from the application of the provisions of the MPFSO, participating organisations are not required to make MPF contribution for these staff and the relevant amount must be returned to LWB.

6.3.4 General enquiries about the MPF system may be directed to the MPF Schemes Authority (Tel: 2918-0102; fax: 2259-8806; email: mpfa@mpfa.org.hk; website: www.mpfa.org.hk).

6.4 ***Duties of Chairman/Director/Supervisor, Centre Administrator, Teaching Staff and Clerical Staff of the Participating Organisations***

6.4.1 All centre administrators, teaching staff and clerical staff should fully understand the content of this Administrative Guide. They should also follow strictly the administrative directives on the operation of the approved courses issued by LWB from time to time.

6.4.2 The duties of Chairmen / Directors / Supervisors, centre administrators, teaching staff and clerical staff are set out at **Annex** for reference. The proposed duty lists comprise the basic requirements only and are not exhaustive. Participating organisations should draw up more detailed and comprehensive duty lists for their post holders based on their operational needs and the terms and conditions of AESS.

7. **Compliance with statutory requirements**

7.1 This Administrative Guide does not exempt participating organisations from compliance with all applicable and relevant statutory requirements. Participating organisations should well acquaint themselves with and conform in all respects to the provisions of any legislation and regulation applicable to the operation of the approved course(s).

8. **Withdrawal from AESS and Cancellation of Subvented Courses**

8.1 In the event of withdrawal from AESS or cancellation of *all* approved courses, participating organisations are required to inform LWB in writing as soon as possible and **will receive LWB's notification of the claw-back arrangements by letter in due course**. Participating organisations should return all unspent subvention to LWB by cheque made payable to "The Government of the Hong Kong Special Administrative Region" **within two weeks** after receipt of the letter.

8.2 In case of cancellation of *particular* approved course(s), participating organisations should inform LWB to arrange for the return of the staff cost for teaching staff, clerical staff and centre administrator of the cancelled course(s) and other unused subvention to LWB.

8.3 All matters and disputes are subject to the final decision of LWB, including suspending or terminating operation of the approved courses, and clawing back the concerned subvention.

9. **Enquiries**

9.1 Enquiries regarding AESS may be directed to LWB (Tel: 2810-3875; Fax: 2801-6314; email: aess@lwb.gov.hk; website: <http://www.lwb.gov.hk>).

Duty Lists of Staff for the Adult Education Subvention Scheme

I. Chairman / Director / Supervisor

1. To serve as a link between the participating organisation and LWB.
2. To observe the terms and conditions stipulated in the AESS 2023/24 Administrative Guide for the smooth running of subvented courses.
3. To hold sole responsibility for supervising and monitoring the operation of the subvented course(s) / class(es).
4. To assess the learning needs of the community.
5. To provide visiting officer(s) of LWB with the internal records of visits during inspection.

II. Centre Administrator

1. To assist the Chairman / Director / Supervisor of the participating organisation in serving as a link between the participating organisation and LWB.
2. To identify the demand for the proposed courses, design and prepare course content, and to modify it annually, if appropriate, to meet the learning needs of the community.
3. To launch publicity campaigns.
4. To recruit teaching staff and participants for the approved course(s) / class(es).
5. To supervise closely the operation of the approved course(s) / class(es), the teaching staff and clerical staff, and to keep the Chairman / Director / Supervisor of the participating organisation well informed of any changes in the information sheet / tentative schedule, teaching staff particulars, timetables etc. and cancellation of any courses without delay.
6. To conduct evaluation upon the completion of the approved course(s) / class(es).
7. To observe strictly the terms and conditions stipulated in the AESS 2023/24 Administrative Guide in managing the centre administration for the operation of the subvented courses.

III. Teaching Staff

1. To teach according to the course objectives and content as approved by LWB.
2. To be directly responsible to the centre administrator of the participating organisation.

IV. Clerical Staff

1. To assist the centre administrator of the participating organisation wherever possible.
2. To answer enquiries of the participants concerning the subvented courses.
3. To handle registration and records, etc. of class participants.
4. To be directly responsible to the centre administrator of the participating organisation.