

**Minutes of the
Social Welfare Advisory Committee (SWAC) Meeting**

**15 June 2020 (Monday) at 10:30 a.m.
Conference Room 4, G/F, Central Government Offices**

Present

Mr Lester Garson HUANG (Chairman)
Dr BAI Xue
Ms Sylvia CHAN May-kuen
Dr Gary CHENG Faat-ting
Miss CHEUNG Sze-wing
Mr CHUGH, Manohar Thakurdas
Mr Andy HO Wing-cheong
Mr Anthony KWAN Wai-ming
Mr Frederick LAI Wing-hoi
Dr LAM James Joseph
Mr Armstrong LEE Hon-Cheung
Ms Anthea LO Wing-sze
Dr Gary NG Ka-wing
Prof Petrus NG Yat-nam
Dr PAN Pey-chyou
Ms Cindy PUN Siu-fung
Dr Ricky SZETO Wing-fu
Dr Janice TSANG Wing-hang
Ms Eva WONG Ching-hung
Prof Frances WONG Kam-yuet
Mr Anthony WONG Kin-wai

In Attendance

Labour and Welfare Bureau (LWB)

Ms CHANG King-yiu	Permanent Secretary for Labour and Welfare
Mr David LEUNG	Deputy Secretary for Labour and Welfare (Welfare) 1
Mr Andrew TSANG	Principal Assistant Secretary for Labour and Welfare (Welfare) 1

Mr Michael LI Assistant Secretary for Labour and Welfare
(Welfare)1C
(Secretary to SWAC)

Mr Adams WONG Executive Officer (Welfare) 1A

Social Welfare Department (SWD)

Mr Gordon LEUNG Director of Social Welfare

Mr Alex WONG Assistant Director (Subventions)
(For discussion item 1
only)

Mr Manfred WONG Chief Executive Officer (Lotteries Fund)
(For discussion item 1
only)

Mr LAM Ka-tai Deputy Director of Social Welfare (Services)
(For discussion item 2
only)

Ms Barbara CHU Senior Principal Executive Officer (Special
(For discussion item 2 Duties)
only)

Absent with apologies

Ms Amarantha YIP Yun-wan

**Discussion Item 1: Ambit and Allocation Parameters of the
Lotteries Fund**

Members were invited to give comments on the paper on the Ambit and Allocation Parameters of the Lotteries Fund (LF). The Chairman and Members raised the following comments/questions regarding the priority of using LF –

- (a) While a Member pointed out that priority should be accorded to meeting the regular renovation and maintenance expenses of non-governmental organisations (NGOs) and purchase of furniture and equipment, some other Members considered that applications

for new welfare services/additional welfare places, for example, those projects funded under the Special Scheme on Privately Owned Sites for Welfare Uses (Special Sites Scheme), should be accorded higher priority and that consideration should be given to tightening the threshold of approving LF grants for renovation or maintenance of premises not less than, say, fifteen years (instead of not less than 5 years under the current requirement).

- (b) On thematic funds, priority could be accorded to the replenishment of the Community Investment and Inclusion Fund (CIIF) and the Social Welfare Development Fund in future, if necessary, to sustain their operation.
- (c) Some Members asked if the list of 47 social welfare services/projects (the List) accepted by SWAC in 1994 as falling within the ambit of “social welfare services” under section 6(4) of the Government Lotteries Ordinance (Cap. 334) should be reviewed and updated. A Member suggested that higher priority should be given to projects providing rehabilitation services for young offenders in light of the social incidents in the past few months.

2. The Government gave the following response –

- (a) There was an established division of work between SWAC and the Lotteries Fund Advisory Committee (LFAC): the former was responsible for rendering advice on the ambit of LF (i.e. the social welfare services/projects that could be covered by LF), while the latter was responsible for advising on the actual allocation of funding for eligible applications, including the priorities of services/projects and the amount of funding to be allocated for each application.
- (b) LF allocations could be made in the form of non-recurrent capital expenditure with respect to premises providing social welfare services, block grant for NGOs running welfare services subvented by SWD, as well as expenditure on time-limited experimental projects, surveys or studies for enhancing the support to social welfare services. Applications for LF allocations could be made by NGOs or the Government. Recurrent expenditures arising from LF-funded capital projects would not be covered.

- (c) LWB resorted to the General Revenue for subsequent replenishment after the initial LF injection for establishment of CIIF.
- (d) While LF grants might be used for renovation of premises which had undergone major renovation in not less than 5 years, most of the applications from NGOs were for premises which had undergone renovation much longer than the prescribed minimum period. SWD would consider Members' suggestion of tightening the eligibility requirement.
- (e) Careful consideration should be given to whether the List should be expanded having regard to the financial position of LF. On the other hand, removal of existing welfare services/projects from the List might give rise to concerns from the relevant welfare service providers. Moreover, while social welfare services had evolved over the past decades, services/projects with similar nature to those in the List could be supported by LF. Services and support had been in place for prisoners, ex-offenders and discharged prisoners. SWD would keep in view the number and situation of young offenders, and would provide them with further support if necessary.

3. The meeting agreed that there was no imminent need to review the List. SWD, which served as the secretariat of LFAC, would refer SWAC's views on priority use of LF in its consideration of individual applications.

4. The meeting noted that time-limited experimental projects funded by LF played an important role in the development of new welfare services. A Member suggested that priority might be given to applications relating to experimental/pilot projects with reference to the recommendations made in the Elderly Services Programme Plan and Hong Kong Rehabilitation Programme Plan.

5. A Member expressed concern about the suspension of Mark Six draws for several months in view of the COVID-19 pandemic. Another Member wondered if a mechanism should be put in place to seek regular injection from the Government. The Government responded that, in line with other funds established by the Government, Government's injection into LF would be made on a need basis, taking into account the overall situation of the public finance.

6. The Chairman concluded that –
- (a) In light of the original intent of LF to finance the support and development of social welfare services, LF should continue to be used primarily for non-recurrent expenditure for capital projects providing welfare services and time-limited experimental projects with a prominent welfare element.
 - (b) Other than the ambit consideration, the use of LF should take into account the fact that the project should be of a limited duration and would not commit LF to providing continuous recurrent funding.
 - (c) SWAC should be consulted on proposed LF injection for establishment of a new thematic fund outside LWB/SWD’s remit, to ensure that the objective of such fund had a prominent welfare element. Any request from such fund for replenishment in future should normally NOT be entertained. If such request was received in future, the applicant should be advised that SWAC would have serious reservation and that other funding source (e.g. General Revenue Account) should be pursued.

Discussion Item 2: Special Scheme on Privately Owned Sites for Welfare Uses

7. Members were invited to give comments on the paper. The Chairman and Members raised the following comments on the features and effectiveness of the Specials Sites Scheme –
- (a) There was an enquiry on the shortfall of area for providing social welfare services, and the extent to which such shortfall could be addressed by the Special Sites Scheme and other initiatives. It was also suggested that the Government might further collaborate with other organisations to maximise land use for welfare purposes with respect to “Government, Institution or Community” sites.
 - (b) As the estimated time required for completing the projects was quite long, there was a concern that the acute demand for welfare services in the community could not be met solely by the Special Sites Scheme. In that regard, measures should be in place to speed up the process.
 - (c) Consideration might be given to further enhancing and expanding

the “Shopping List” of welfare facilities. Given the long lead time in delivering the projects, the welfare services to be included in the projects should be more forward-looking and flexible, and interface for services across generations should be promoted as well. Consideration might also be given to further enhancing the welfare-related ancillary facilities for inclusion in project proposals.

- (d) The Government could consider means to integrate similar services provided by a number of NGOs within an area to create synergy.
- (e) There was an enquiry on whether the provision of a certain portion of self-financing places was allowed for projects under the Special Sites Scheme.

8. The Government gave the following response –

- (a) The Government had all along been adopting a multi-pronged approach to increase the provision of welfare facilities, with the Special Sites Scheme being one of the measures.
- (b) Taking into account the acute demand for different social welfare services, the Government had enhanced the “Shopping List” under Phase Two of the Special Sites Scheme by including elderly services, rehabilitation services and child care services, which were in great demand at present and in the foreseeable future. SWD might review the “Shopping List” from time to time.
- (c) Any organisation which could provide on its site a net increase in the provision of one or more services on the “Shopping List” could participate in the Special Sites Scheme. Under the Special Sites Scheme, the open bidding requirement for operating a new subvented welfare service was waived. The construction cost and the recurrent cost for subvented services under the Special Sites Scheme would also be supported by LF and SWD respectively.
- (d) The Government had included in Phase Two of the Special Sites Scheme additional types of welfare-related ancillary facilities for inclusion in project proposals. To promote interface for services across generations, some projects under Phase Two had proposed co-locating elderly and child care facilities on the same site.

- (e) SWD had obtained the approval of the Property Vetting Committee for revising the schedules of accommodation (SoAs) for residential care home for the elderly, nursing home, hostel for moderately mentally handicapped persons and special child care centre. The revised SoAs, which were also applicable to projects outside the Special Sites Scheme, enabled service users to enjoy more spacious areas and enhanced services.
- (f) NGOs might provide subvented and/or self-financing places under the Special Sites Scheme. If the self-financing services provided were much needed by the community, subject to SWD's support, the capital cost could be supported by LF.

9. Members raised the following comments on the support measures for the Special Sites Scheme –

- (a) The Government should provide more support and coordination for project proponents, especially those NGOs of a smaller size. Consideration might be given to providing more resources for SWD to further strengthen its coordination role.
- (b) The Government could consider providing resources to NGOs for the management of the expanded/redeveloped/newly developed buildings upon completion. The Government should also address the increasing manpower demand brought about by the increase in service places under the Special Sites Scheme.
- (c) Consideration might be given to providing more support for NGOs in applying for land exchange so as to optimise land use.
- (d) Consideration might be given by SWD to providing “transitional hostels” dedicated as decanting sites for NGOs.

10. The Government gave the following response –

- (a) Regarding land exchange, there had been successful cases of effecting in-situ land exchange under the Special Sites Scheme where a project proponent acquired an adjoining small site for enhanced provision of welfare services.
- (b) The suggestion for SWD to provide “transitional hostels” dedicated as decanting sites for NGOs was noted. Nonetheless,

such an arrangement could only provide limited services for NGOs at a time.

SWAC Secretariat
July 2020