

**THE HONG KONG COUNCIL OF SOCIAL SERVICE**  
**Standing Committee on Sector Development & Finance**  
**(2023-24)**

Date & Time: 25 April 2024 at 3:00p.m.

Venue: Rm202 DWSSB

|          |  |   |
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| Present: | Ms. YEUNG Kin<br>Ha, Yvonne<br>(Chairperson) | Hong Kong Young<br>Women's Christian<br>Association   |
|          | Ms. WONG Sau<br>Wa<br>(Vice-chairperson)     | Church of United<br>Brethren in Christ,<br>Hong Kong Limited,<br>The Social Service<br>Division |
|          | Ms. CHAN Lai<br>Kwan, Queenie                | Evangelical Lutheran<br>Church Social Service-<br>Hong Kong                                     |
|          | Ms. LEE Shuk<br>Wai, Anthea                  | The Society of<br>Rehabilitation and<br>Crime<br>Prevention, Hong Kong                          |
|          | Mr. CHAN Pik Fai                             | Boys' & Girls' Clubs<br>Association of<br>Hong Kong, The  |
|          | Mr. KUO Chun<br>Chuen                        | Heep Hong Society   |
|          | Ms. TSE Ho Yi,<br>Apple                      | Hong Kong Christian<br>Service  |

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|                    | Ms. NG Man Yin,<br>Connie   | St. James' Settlement   |
|                    | Ms. LEE Shuk Ha,<br>Carmen  | Caritas- Hong Kong  |
|                    | Ms. NG Yin Hing,<br>Helen   | Christian & Missionary<br>Alliance<br>Church Union Hong<br>Kong Limited |
|                    | Mr. NG Yan Ho,<br>Henry     | Chinese Evangelical<br>Zion Church<br>Social Service Division           |
|                    | Ms. LEUNG Siu<br>Ling, Ivy  | Christian Family<br>Service Centre                                      |
|                    | Ms. Chau, Kitty             | Hong Kong Family<br>Welfare Society                                     |
|                    | Ms. LUI Wai Lin,<br>Alice   | The Hong Kong<br>Federation of Youth<br>Groups                          |
| Apology:           | Mr. SIOK Yu<br>Yeung        | Salvation Army, The   |
|                    | Ms. LEE Mee<br>Ling, Louisa | Hong Kong Sheng<br>Kung Hui Welfare<br>Council Limited                  |
| In-<br>attendance: | Ms. Angie CHAN              | HKCSS   |
|                    | Ms. Joyce HO                | HKCSS   |
|                    | Ms. CHUNG, Lai<br>Wah       | HKCSS   |
|                    | Ms. Vicky LI                | HKCSS   |
|                    | Ms. Erica OR                | HKCSS   |

Mr. Alex YEUNG  
(recorder)

HKCSS

**1. To adopt the agenda of the meeting**

- Members confirmed the minutes without any amendment.

**2. Confirmation of Minutes of the 2<sup>nd</sup> meeting (Appendix 1)**

- Members confirmed the minutes without any amendment.
- Members confirmed the minutes of the meeting with DD, SWD, and Mr. Alex Wong regarding cost apportionment without any amendment.

**3. Report back on Working Group on Sector Finance**

- In response to Cost Apportionment Guideline, members from the Working Group on Sector Finance stated that their organizations are well-prepared for the implementation of the cost apportionment guideline, with relevant policies and procedures already formulated.
- The members expressed concerns about the accounting inspection that the Social Welfare Department will conduct in the 2025/26 financial year. They advised the Council to organize an exchange session for the sector to share their observations and enhance mutual learning.

**4. Progress update**

**i. MLS**

- Our team has actively engaged with 15 self-financed Agency Members and 2 subvented agencies, inviting them to serve as speakers at the S+ Summit cum Expo. The sessions are:
  - Session 1: Practical Application of Diverse Gender Concepts in Social Contexts. This session showcases the flexible and innovative characteristics of emerging and self-financed social

service organizations, utilizing artistic expressions and speaker presentations to facilitate discussions on advancing gender equality issues.

- Session 2: Youth Employment - this workshop aims to facilitate employers, human resources professionals and management to better understand the characteristics, career aspirations and interests of Generation Z, as well as acquire essential techniques to build and promote a diverse and inclusive workplace.
- Session 3: Storytelling by NGOs - Among the 515 Agency Members of HKCSS, 70% are small NGOs that do not receive regular government funding. This session will showcase the innovative and unique ways adopted by these small NGOs to reach out and care for those with overlooked and unique needs in society, achieving significant impact.
- Additionally, 12 self-financed Agency Members enthusiastically participated in Star Avenue by hosting their own booths, showcasing their services and initiatives to the attendees. This provided them with an opportunity to engage with a diverse audience. Moreover, 4 agencies were attached to our Council's booth as "快閃分享" agencies. This arrangement allowed them to experience the nature of the activities and interact with guests from various stakeholders, fostering collaboration and networking opportunities.

## ii. ICA

- **Joint World Conference on Social Work, Education and Social Development**
  - The biennial global conference was successfully held in Panama from 4-7 April, 2024. During the event, a regional symposium was organized by members from the ICSW North East Asia region. The symposium's primary focus was to share and discuss current trends and practices concerning mental health in the region. A presentation was made by New Life Psychiatric Rehabilitation Association in the symposium.
  - In addition to mainstream mental health services, the global conference featured numerous presentations on the connections between disaster, climate change, and mental health.

### iii. ITRC

- **“Singapore Tour on Digital Transformation of Social Services”**
  - Funded by Social Welfare Department and coordinated with Nation Council of Social Service of Singapore, a study visit to Singapore with the theme of “Digital Transformation of Social Services” will be led by the Chief Executive of HKCSS from 20 to 22th March, 2024.
  - Through this study visit, the delegation members will get insights from the transformation experience of Singapore in the areas of the infrastructure for digitalization of social services of Singapore, data governance to address the key areas of data privacy and protection and sector connectivity and leverage ecosystem partners’ platform for greater digital outreach and services delivery. The Council will follow this thread to identify priorities and concerns for aligning the sectoral direction.
  - After the trip, team was currently working out a series of pre-scope system solutions and cybersecurity courses to address the needs of NGOs starting from May 2024.

### iv. Talent Development

- **JC InnoPower Social Welfare Fellowship**
  - Launched in January 2024, the JC InnoPower Social Welfare Fellowship aims to enhance senior management’s leadership and competence in developing service, organisational and sectoral resilience through action learning, talent development and collective leadership. Sector engagement was held from January to February 2024 and applications from a total of 16 organisations were received. After paper vetting and final panel interview, 7 organisations were awarded for joining the 1st and 2nd cohorts of the fellowship programme.
- **NGO Governance**
  - The Council and the Corruption Prevention Department of the Independent Commission Against Corruption (ICAC) jointly organized a few sessions earlier to collect the views of NGOs for the development of the “Corruption Prevention Guide on Governance and Internal Control for NGOs”. The completed Guide was uploaded to Project webpage, aiming to provide a

comprehensive set of governance and internal control measures which could help NGOs prevent corruption and fraudulent practices in major operations.

## **5. Discussion Items**

### **i. 500M Designated Fund**

- The Council suggested to allocate the “500M Designated Fund” to provide funding and create the conditions for the industry to collaborate with the government. The Council also clarified that the SWD should provide a clearer development framework and strategic direction to guide the sector in pursuing innovation and sustainable development. More detail can be found in the “Proposal replying on the 500M Designated Fund”.
- Furthermore, Members stated out the importance of utilizing “500M Designated Fund” with flexibility. It is primarily used to meet the immediate system upgrade and talent training needs of organizations. However, its greater potential lies in providing a foundation for the digital transformation of the entire sector. Based on that, the Council suggested that LWB is required to proactively establish a long-term strategic development blueprint for the digital transformation of the social service sector.

### **ii. Follow up on LSG subvention cut**

- Members concerned about the impact of funding cuts on service volume and quality. The majority of subsidized expenditure for organizations is on manpower. Organizations are now coping with funding cuts through turnover saving, freezing staffing establishment, and utilizing lump sum grant reserves. However, the vacancies and frozen establishment have already led to service manpower shortage, and relying solely on savings is insufficient to address the long-term impact of accumulated funding cuts.
- SWD currently lacks a mechanism to increase manpower for existing services, known as "creating new positions". Members have

expressed concerns over the shortage of manpower, particularly for labor-intensive direct services and roles, such as residential care and reception counter staff, which cannot be replaced by technology and electronic systems. To address this issue, SWD should not only allocate new resources for launching new programs, but also review the service needs of existing services. SWD should then provide sufficient resources to maintain these essential services and ensure they are adequately staffed to meet the growing demands.

**iii. Follow up on Lump Sum Grant Manual Review & Cost Apportionment**

- The Social Welfare Department (SWD) replied to the Council 2 letters on 28 March 2024 and summarized the Council's comments for the discussion of the Lump Sum Grant Steering Committee on 15 April 2024. The Council advised members of the LSGSC to convey that while the social welfare sector accepts the subvention cut, they do so with the expectation that the baseline funding level will be restored once the government's financial situation improves. Recognizing that the subvention cut will inevitably impact service provision and manpower deployment, the Council emphasized the importance of conducting comprehensive service reviews to enable effective planning and deployment. The goal is to ensure the continued quality of services for clients, even in the face of budgetary constraints. Additionally, the Council suggested that equal notice periods for termination between NGOs and the SWD should be established, or that a clearer mechanism for termination should be put in place, to provide more stability and clarity for the sector during these challenging times.
- The SWD's implementation of the Cost Apportionment guideline clarifies the department's perspectives, including areas such as self-financing services, important others of service users, social enterprises, etc. The FAQ will be updated later.
- Besides, Case Book mentioned by members before will be developed after the implementation of the Cost Apportionment guideline, with the aim of collecting actual cases and compiling them into a publication."

- The Council clarified that the FAQ published by SWD can be viewed as a part of the guideline, which is a document recognized by SWD.

**6. A.O.B.**

- Several members have raised concerns regarding the reduction of Wi-Fi services since December of last year. The Membership team will follow up on this matter and engage with the Social Welfare Department to address the issue.

**7. Date of next meeting**

- 13<sup>th</sup> June, 2024 3:00 p.m.