Community Care Fund

Increasing the Academic Expenses Grant under the Financial Assistance Scheme for Post-secondary Students Evaluation Report

(2019/20 and 2020/21 Academic Years)

Background

The Community Care Fund (CCF) Task Force endorsed in March 2014 the proposal to launch an assistance programme for three years from the 2014/15 academic year (AY) to increase the academic expenses (AE) grant under the Financial Assistance Scheme for Post-secondary Students (FASP) in order to strengthen the support for financially needy students concerned. In June 2014, the Commission on Poverty (CoP) approved funding under the CCF for the implementation of the Programme. The CoP approved the extension of the Programme twice in April 2017 and April 2019, resulting in its implementation for a total of seven years up to the 2020/21 AY. Two evaluation reports of the Programme, covering the respective periods from the 2014/15 AY to the 2016/17 AY and from the 2017/18 AY to the 2018/19 AY, were submitted to the CoP in April 2017 and April 2019.

Implementation of the Programme

- 2. Students who pursue locally-accredited self-financing full-time sub-degree or degree programmes and passed the means test under FASP administered by the Student Finance Office (SFO) of the Working Family and Student Financial Assistance Agency are eligible for the additional AE grant under the Programme. Eligible students are not required to apply for the grant separately, and are disbursed with the additional AE grant through autopay service. The actual amount of grant receivable by an eligible student is determined with respect to his/her level of assistance as assessed under FASP.
- 3. In the 2014/15 AY, eligible students were each provided with an additional AE grant up to \$2,000. Such maximum amount was adjusted annually in accordance with the movement of the Consumer Price Index (A)

(CPI(A))¹. In the 2019/20 AY and the 2020/21 AY, the maximum amount was increased to \$2,340 and \$2,420 respectively.

4. The approved funding provision for the Programme is \$236.87 million², including \$230 million for disbursement and \$6.87 million for administrative fee. The accumulated number of student beneficiaries since the implementation of the Programme up to end March 2021 is 127 494 persontimes. The total disbursement is around \$224.48 million and the administrative fee is around \$6.1 million. In the 2019/20 AY and the 2020/21 AY (as at end March 2021), the Programme has benefitted 14 887 and 13 641 students with the disbursements of about \$28.95 million and \$28.82 million respectively.

Evaluation of Programme Effectiveness

5. The effectiveness of the Programme is summarised as follows –

(a) Support for Students

With the launch of this Programme, the AE grant payable to FASP students has been essentially increased by about 40%. In the 2020/21 AY, with the additional AE grant up to \$2,420 on top of the AE grant provided under FASP, an eligible FASP student might receive an AE grant up to \$8,420, an amount comparable to the maximum AE grant receivable by students pursuing science discipline under publicly-funded programmes. The Programme rendered solid support for beneficiaries to meet their AE.

(b) Adjustment Mechanism for the Maximum Amount of the Grant

The maximum amount of the additional AE grant was adjusted annually in accordance with the movement of CPI(A). In the 2019/20 AY and the 2020/21 AY, the adjustment rates were +2.7% and +3.3% respectively. The adjustment mechanism was considered administratively manageable and consistent with that of the AE grant under FASP.

¹ From the 2014/15 AY to the 2018/19 AY, the maximum amount of the additional AE grant was \$2,000, \$2,110, \$2,190, \$2,250 and \$2,280 respectively.

² The CoP approved in April 2021 an additional funding of \$3 million for disbursement. The total funding provision for the Programme was revised from \$233.87 million to \$236.87 million.

(c) Convenient Arrangement for Beneficiaries

The Programme has made use of the existing means test to determine the amount of grants to be disbursed to eligible students. No separate application for the additional AE grant was required. Such arrangement was considered convenient to beneficiaries and could minimise administrative cost and work.

Conclusion

6. The Programme has provided substantial support to needy students pursuing self-financing post-secondary programmes to meet their AE expenses. The overall administration of the Programme has been smooth. To ensure that eligible students can continue to receive such financial assistance, the Programme will be incorporated into the Government's regular assistance programmes starting from the 2021/22 AY.

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