

The Second Meeting of the Steering Committee on the Community Care Fund

20 April 2011

Summary of Discussion

The Steering Committee on the Community Care Fund (CCF) held its second meeting on 20 April 2011. A summary of the discussion is as follows:

1. Members endorsed the administrative and operational arrangements of the CCF, including:
 - (1) Expenses on additional dedicated staffing and direct administrative costs incurred by the Secretariat of the CCF and policy bureaux or departments arising from the implementation of the CCF initiatives would be borne by the CCF;
 - (2) An independent consultant would be commissioned by the CCF to advise government departments or other organisations entrusted to implement the assistance programmes on how to evaluate the programmes; and
 - (3) The adoption of a uniform definition for “people facing economic difficulties” would not be necessary. Specific criteria and mechanisms for the means tests should be formulated for different assistance programmes. When establishing such criteria and mechanisms for the means tests in identifying “people facing economic difficulties”, the results of the existing means tests and their mechanisms should be adopted as far as practicable. This would help streamline administrative procedures and facilitate application by the applicants. When necessary, other appropriate criteria for the means tests might be formulated having regard to the targets and specific objectives of individual assistance programmes with a view to benefiting as many people “outside the safety net” as possible.
2. Members endorsed the launching of the following 10 assistance programmes in 2011-12, with the full-year estimated expenditure of around \$730 million:

- (1) Setting up a new school-based fund to subsidise primary and secondary school students from low-income families to participate in cross-boundary learning activities which were organised or recognised by schools. Members noted that in calculating the ceiling of allocation of funds for each participating school and the estimated number of beneficiaries of the programme, the Education Bureau had based on the number of primary and secondary students receiving Comprehensive Social Security Assistance (CSSA) and full or half grant from the assistance schemes under the Student Financial Assistance Agency in the current school year. The proposed method of allocation to schools would enable their flexible use of the funds to assist the students most in need financially. The CCF would not disburse specific amount of subsidy to individual eligible students;
- (2) Providing financial assistance for low-income new arrivals (NAs) from the Mainland and ethnic minorities (EMs) for taking language-related international public examinations;
- (3) Providing subsidy for specified self-financed cancer drugs which had not yet been brought into the Samaritan Fund safety net but had been rapidly accumulating medical/scientific evidence and with relatively higher efficacy;
- (4) Providing subsidy to needy patients who marginally fell outside the Samaritan Fund safety net for the use of Samaritan Fund subsidised drugs;
- (5) Providing a monthly subsidy to elders aged 65 or above from low-income families who were on the waiting list for “Integrated Home Care Services (Ordinary Cases)” to hire household cleaning and escorting services for medical consultations;
- (6) Providing a monthly subsidy for persons with severe disabilities aged below 60 from low-income families who were non-CSSA recipients, required constant attendance and lived in the community;

- (7) Providing a monthly subsidy for children with special needs from low-income families who were on the waiting list for subvented pre-school rehabilitation services;
 - (8) Providing a one-off subsidy for CSSA recipients who were owners of Tenant Purchase Scheme flats for five years or above and not eligible for rent allowance under CSSA;
 - (9) Providing a one-off subsidy for CSSA recipients living in private housing paying rents that exceeded the maximum rent allowance under CSSA; and
 - (10) Providing subsidy to meet lunch expenses at school for primary school students from low-income families.
3. The Steering Committee also reserved \$170 million for implementing the following programmes, subject to the consideration of concrete proposals recommended by the Executive Committee and the relevant Sub-committees:
 - (1) Enhancing after-school childcare service to support needy families, in particular the low-income families where both parents were employed;
 - (2) Providing language courses for NAs from the Mainland and EMs; and
 - (3) Providing financial assistance on dental services (including dentures) for the elders.
4. Members agreed that the CCF should adopt the strategy of implementing programmes which were easy to administer and thus leading to early results with a view to launching the programmes as soon as possible to help the most needy. While the programmes to be launched in the first phase by the CCF did not specify the “N-nothing” as one of the target groups, many different groups would be covered and some “N-nothing” families would be benefited. The Committee would take into account the views from the community and the experience gained, and continue

to examine the launching of appropriate programmes to support other people with pressing needs as soon as practicable.

5. Members endorsed that \$5 billion be placed with the Hong Kong Monetary Authority for a period of six years for an investment return linked to the performance of the Hong Kong Exchange Fund (HKEF). The rate of return on the investments was calculated on the basis of the average annual investment return of the HKEF's investment portfolio for the past six years.
6. Members noted that the Administration would submit for the approval of the Finance Committee of the Legislative Council for an injection of \$5 billion into the CCF on 6 May 2011 as planned, irrespective of the amount of donations from the community. It would also report the total amount of donations so far raised by the CCF. As regards the proposal announced by the Administration to inject additional funds into the CCF to provide assistance to those with financial needs, including NAs, preliminary discussion and focus group meetings had been held by the Home Affairs Sub-committee. The Secretariat was collating the views received, gathering further information and conducting studies for further deliberations of the Steering Committee.