

**Community Care Fund Programme
Enhancing the Financial Assistance for Needy Students
Pursuing Programmes Below Sub-degree Level
Evaluation Report**

Background

The Community Care Fund Task Force agreed at its meeting on 4 July 2013 to allocate funds for the implementation of a new assistance programme entitled “Enhancement of the financial assistance for needy students pursuing programmes below sub-degree level” (the programme). Subsequently, the Commission on Poverty endorsed at its meeting on 22 July 2013 the one-year implementation of the programme in the 2013/14 academic year, with a view to enhancing the support for needy students pursuing programmes below sub-degree level in two aspects, namely:

- (a) establishing a tuition fee reimbursement mechanism for students (“Tuition fee reimbursement scheme”); and
 - (b) providing a “Flat rate grant for academic expenses” for students.
2. Proposed target beneficiaries must meet all of the following criteria:
- (a) students who are pursuing full-time programmes below sub-degree level;
 - (b) students who are pursuing subvented programmes; for self-financing programmes, the following conditions must be met:
 - (i) the programmes are accredited by the Hong Kong Council for Accreditation of Academic and Vocational Qualifications;
 - (ii) the tuition fee levels are approved by the Education Bureau (EDB); and
 - (iii) the programmes are accepted by the Civil Service Bureau as meeting the entry qualification of civil service grades requiring Level 2 in five subjects (including Chinese Language and English Language), in the Hong Kong Diploma of Secondary Education Examination;

- (c) students who are assessed to be eligible for full or half grant under the means-test mechanism of the Student Financial Assistance Agency (SFAA); and
 - (d) students whose families are not recipients of the Comprehensive Social Security Assistance (CSSA) since “school fees and school-related expenses” of the students concerned are already covered by the “special grants” under the CSSA Scheme.
3. Students meeting the above criteria will be eligible for tuition fee reimbursement, regardless of the programme duration, and will receive reimbursement of 100% or 50% of the tuition fees payable depending on the result of their means tests. Eligible students pursuing programmes lasting one year or more may also receive the “Flat rate grant for academic expenses” (\$2,094 for full grant and \$1,047 for half grant).
4. The estimated funding for the programme is \$64.89 million, and the administrative expenses will be borne by the respective implementing agencies.

Implementation in the 2013/14 academic year

5. In the 2013/14 academic year, students meeting the criteria for this programme are those pursuing Yi Jin Diploma programme and subvented Vocational Training Council (VTC) programmes below sub-degree level. These include students pursuing the Diploma in Vocational Education programme, the subvented Foundation Diploma (Level 3) programme, as well as programmes offered by the Hospitality Industry Training and Development Centre and the Chinese Cuisine Training Institute, etc. Students pursuing the self-financed Foundation Diploma (Level 3) programme offered by the VTC are also eligible. Since students pursuing Yi Jin Diploma programme are already eligible for the tuition fee reimbursement under the SFAA, they cannot receive further benefit from the Tuition Fee Reimbursement Scheme of this programme.
6. Upon the implementation of this programme, the SFAA provides a “Flat rate grant for academic expenses” for eligible students pursuing Yi Jin Diploma programme on top of tuition fee reimbursement. As regards students pursuing VTC programmes, the VTC directly

processes their applications and disburses tuition fees as well as the “Flat rate grant for academic expenses” by drawing reference from the SFAA’s means-test mechanism¹.

7. Most of the programmes eligible for the “Tuition fee reimbursement scheme” and the “Flat rate grant for academic expenses” commence in September. As at 31 March 2014, the amount of subsidy disbursed and the number of beneficiaries are as follows:

2013/14 academic year (as at 31 March 2014)	Tuition fee reimbursement scheme	Flat rate grant for academic expenses
Amount of provision	\$52.59 million	\$12.3 million
Amount of subsidy	around \$39.84 million	around \$6.92 million
No. of beneficiaries	2 510	4 109
- <i>VTC programmes</i>	<i>2 510</i>	<i>2 561</i>
- <i>Yi Jin Diploma programme</i>	--	<i>1 548</i>

Note: Some of the programmes below sub-degree level invite application several times within an academic year. The number of beneficiaries is therefore expected to increase further.

8. On the principle of proper use of public funds, the SFAA/VTC matches applicants’ information against the records of the Social Welfare Department to ensure that “Flat rate grant for academic expenses” will not be provided for students already receiving special grants under the CSSA Scheme. Since some of the VTC students are admitted in the middle of an academic year, the VTC has to match their information separately against the SFAA’s records to avoid double subvention.

9. The “Tuition fee reimbursement scheme” and the “Flat rate grant for academic expenses” are effective in relieving the financial burden of needy students pursuing programmes below sub-degree level

¹ Before the implementation of this programme, the VTC was already providing partial fee remission for needy students with its limited resources, in a way modelled on the SFAA’s means-test mechanism.

in meeting their academic expenses. Students and parents are of the view that the programme provides them with genuine assistance and the administrative arrangements have generally worked well.

Regularisation of the programme

10. The various existing student financial assistance provided by the Government target mainly primary and secondary students as well as students pursuing programmes at sub-degree, degree or post-graduate levels. In recent years, the number of students pursuing programmes below sub-degree level has been on the increase. The Government is therefore actively reviewing the financial assistance provided for needy students pursuing such programmes². The “Tuition fee reimbursement scheme” and the “Flat rate grant for academic expenses” under this programme are well-received by the stakeholders. The EDB is aware of students’ strong demand that the assistance in this area should be provided on a continuous basis. In this connection, the Government announced in the 2014 Policy Address that starting from the 2014/15 academic year, this programme would be incorporated into its regular assistance programme to benefit needy students pursuing programmes below sub-degree level and provision for regularisation has already been earmarked in the 2014-15 estimates.

11. Upon regularisation of the programme in the 2014/15 academic year, it is estimated that the “Tuition fee reimbursement scheme” will benefit over 3 500 students, while the “Flat rate grant for academic expenses” will benefit more than 7 000 students. The total annual provision required is estimated to be \$68 million. The administrative expenses will be borne by the respective implementing agencies.

12. In deliberation about how to regularise the programme, the EDB has taken into account the following major factors:

Mode of subvention and target beneficiaries

13. Since programmes below sub-degree level are generally pitched at levels from Secondary 3 to Secondary 6, we consider it more appropriate to adhere to the present mode of subvention by putting in

² Students pursuing Yi Jin Diploma programme are eligible for the SFSA’s tuition fee reimbursement. At present, they can only apply to the SFSA for Student Travel Subsidy and Subsidy for Internet Access Charges as well as Non-means-tested Loan.

place a tuition fee reimbursement mechanism for needy students pursuing programmes below sub-degree level, instead of grant/loan schemes applicable to post-secondary students. Moreover, the level of “Flat rate grant for academic expenses” should remain comparable to the annually-adjusted flat rate grant for primary and secondary students, in order to relieve the financial burden of needy students pursuing programmes below sub-degree level in meeting their academic expenses.

14. As for the target beneficiaries, both the “Tuition fee reimbursement scheme” and the “Flat rate grant for academic expenses” draw reference from the SFAA’s means-test mechanism and make full-level or half-level reimbursement and/or disbursement according to the results of the means test of eligible students. We will continue to adopt the existing eligibility criteria for beneficiaries under this programme (details in paragraph 2 above). The reason is that such criteria can be used as a means to ensure that the programmes below sub-degree level pursued by student beneficiaries are up to standard and widely-recognised and prevent a hike of the tuition fees charged by the programmes because of the tuition fee reimbursement provided by the Government.

Implementation details

15. In general, curriculum at primary and secondary levels as well as programmes at post-secondary level have been well established. The SFAA has accumulated a wealth of experience in implementing student financial assistance schemes for primary, secondary and post-secondary students. Relatively speaking, programmes below sub-degree level are more diversified in terms of delivery mode. Take the VTC programmes below sub-degree level as an example. The duration of study ranges from eight weeks to three years and the programme structure and mode of study also vary greatly. In view of this, we consider it more desirable for individual institutions which have the best knowledge of their delivery mode to process students’ applications in accordance with the SFAA’s means-test mechanism. As regards students pursuing Yi Jin Diploma programme, since the SFAA is currently responsible for processing their applications for tuition fee reimbursement, it should be more cost-effective for the SFAA to disburse “Flat rate grant for academic expenses” to eligible students pursuing Yi Jin Diploma programme as well. The same approach has been adopted for this programme. After the evaluation, we think that the administrative arrangements have generally worked well.

16. In light of the above considerations, we will continue with the existing mode of implementation by having the SFAA and VTC directly process applications submitted by students pursuing Yi Jin Diploma programme and VTC programmes respectively after regularisation of the programme. If programmes below the sub-degree level offered by other institutions also meet the relevant criteria, we are prepared to allow the institutions themselves to process the applications submitted by their students and make reimbursement and/or disbursement for their students. The EDB will work out implementation details and arrangements for the reference of institutions, and carry out appropriate monitoring of the matter.

Education Bureau
May 2014