Community Care Fund Providing Hostel Subsidy for Needy Undergraduate 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 provide hostel subsidy for needy undergraduate students (the Programme), who were offered hostel places by their institutions, to meet their hostel expenses so that they would not be denied hostel accommodation due to a lack of means. The Programme was to be implemented for three years starting from the 2014/15 academic year (AY). In June 2014, the Commission on Poverty (CoP) approved the implementation of the Programme under the CCF. The CoP subsequently approved twice in April 2017 and April 2019 the extension of the Programme, resulting in the 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. Undergraduate students who applied for the financial assistance under the Tertiary Student Finance Scheme — Publicly-funded Programmes or the Financial Assistance Scheme for Post-secondary Students, passed the means test administered by the Student Finance Office (SFO) of the Working Family and Student Financial Assistance Agency and confirmed by their institutions as hostel residents¹ in the semester² are eligible for the hostel subsidy under the Programme. Eligible students are not required to apply for the hostel subsidy separately, and are provided with the hostel subsidy through autopay service of

¹ The subsidy does not cover students staying in premises other than student hostels provided by the institutions, such as those solely occupying or sharing a private flat as tenants.

To ensure effective use of the subsidy, coupled with the fact that certain students may not be able to stay in the hostel throughout the entire semester because of adjustment difficulties and/or other academic needs during the initial period of hostel accommodation, needy students may still be eligible to receive the subsidy as long as they are confirmed by their institutions as the registered occupants of the hostel places concerned for at least 75% of the time during a semester. Also, institutions may recommend the offer of the subsidy to needy students with genuine difficulties in meeting the above accommodation time requirement (for example due to unexpected family or health reasons or participation in overseas exchange programmes arranged by their institutions).

their banks at the end of each semester. The actual amount of subsidy receivable is determined with respect to the student's level of assistance as assessed under the assistance scheme concerned and the actual hostel fee payable.

- 3. In the 2014/15 AY, the maximum amount of hostel subsidy for each eligible student was \$8,000. The subsidy was adjusted annually in accordance with the movement of the Consumer Price Index (A) (CPI(A))³. The maximum amount of the subsidy was adjusted to \$9,430 and \$9,740 for the 2019/20 AY and the 2020/21 AY respectively.
- 4. The approved funding provision for the Programme is \$263.1 million, including \$256.3 million for disbursement and \$6.8 million for administrative fee. The accumulated number of student beneficiaries since the implementation of the Programme up to end March 2021 is 34 297 persontimes. The total disbursement is around \$203.13 million and the administrative fee is around \$6.03 million. In the 2019/20 AY, the Programme has benefitted 4 533 students with a disbursement of about \$24.59 million. For the first semester of the 2020/21 AY⁴ (as at end March 2021), there are 1 828 student beneficiaries with a disbursement of about \$7.25 million.

Evaluation of Programme Effectiveness

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

(a) Support for Students

According to the information obtained from the tertiary institutions, the maximum amount of the subsidy could, generally speaking, provide substantial support to students to meet their hostel expenses, based on the rates of a hostel double room excluding meals and summer residence.

(b) "Live-in" Requirement

Considering that certain students might not be able to reside in hostels throughout the entire semester, students were eligible for the subsidy as

³ From the 2014/15 AY to the 2018/19 AY, the maximum amount of subsidy was \$8,000, \$8,450, \$8,790, \$9,040 and \$9,180 respectively.

⁴ Figures for the second semester are not yet available.

long as they were registered occupants of the hostel places concerned for at least 75% of the time during a semester. Institutions considered this "live-in" requirement appropriate. This requirement could also ensure the proper use of public funds.

(c) Adjustment Mechanism for the Maximum Amount of the Subsidy

The maximum amount of the subsidy was adjusted annually according to the movement of the CPI(A). In the 2019/20 AY and the 2020/21 AY, the adjustment rates were +2.7% and +3.3% respectively. Based on the information provided by institutions, the hostel fees of the majority of the institutions were adjusted at a similar rate or had not been adjusted in the past two AYs. The adjustments of the maximum amount of the subsidy were on the whole in line with the revision of hostel fees.

(d) Workflow of the Programme

The Programme was operated along the existing mechanism of disbursing subsidy to eligible students who passed the means test of SFO and no separate application was required. The arrangement was considered convenient to target beneficiaries and could minimise administrative cost and work.

Conclusion

6. The Programme has rendered appropriate assistance to needy undergraduate students to meet their hostel 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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