

## Head 173 — WORKING FAMILY AND STUDENT FINANCIAL ASSISTANCE AGENCY

**Controlling officer:** the Head, Working Family and Student Financial Assistance Agency will account for expenditure under this Head.

**Estimate 2022–23** ..... **\$8,390.1m**

**Establishment ceiling 2022–23** (notional annual mid-point salary value) representing an estimated 1 368 non-directorate posts as at 31 March 2022 and as at 31 March 2023..... **\$565.3m**

In addition, there will be an estimated four directorate posts as at 31 March 2022 and as at 31 March 2023.

**Commitment balance**..... **\$10,869.4m**

### Controlling Officer's Report

#### Programmes

- Programme (1) Student Assistance Scheme** This programme contributes to Policy Area 16: Education (Secretary for Education) and Policy Area 34: Manpower Development (Secretary for Labour and Welfare).
- Programme (2) Working Family Allowance** This programme contributes to Policy Area 14: Social Welfare (Secretary for Labour and Welfare).

#### Detail

##### Programme (1): Student Assistance Scheme

	2020–21 (Actual)	2021–22 (Original)	2021–22 (Revised)	2022–23 (Estimate)
Financial provision (\$m)	4,436.0	4,881.5	4,612.5 (–5.5%)	5,299.2 (+14.9%)
				(or +8.6% on 2021–22 Original)

#### Aim

**2** The aim is to administer efficiently and cost-effectively various student financial assistance schemes, scholarships and merit award schemes.

#### Brief Description

**3** The Agency provides publicly-funded financial assistance in the form of grants and loans to students of different levels and administers a number of privately-donated and publicly-funded scholarships and merit award schemes, such as the Sir Edward Youde Memorial Fund Scholarships, scholarships under the Education Scholarships Fund and Scholarship for Prospective English Teachers. Financial assistance disbursed by the Agency takes the form of:

- means-tested grants and loans# under the Tertiary Student Finance Scheme - Publicly-funded Programmes (TSFS) for eligible full-time students of publicly-funded institutions, i.e. University Grants Committee-funded universities, the Hong Kong Institute of Vocational Education, Hong Kong Design Institute, Chinese Culinary Institute and International Culinary Institute, and Maritime Services Training Institute of the Vocational Training Council, the Hong Kong Academy for Performing Arts, and the Dental Technology Course of the Prince Philip Dental Hospital;
- means-tested grants and loans# under the Financial Assistance Scheme for Post-secondary Students (FASP) for eligible full-time students aged 30 or below pursuing locally-accredited, self-financing post-secondary education programmes;
- non-means-tested loans# for eligible full-time students pursuing publicly-funded programmes or locally-accredited self-financing post-secondary programmes, and eligible students pursuing specific post-secondary and continuing and professional education courses provided in Hong Kong;
- means-tested allowances under the Student Travel Subsidy Scheme (STSS) for needy students who receive formal primary or secondary education or attend a full-time day course up to the degree level, provided that these students live beyond ten minutes' walking distance from their schools;
- means-tested fee remission under the Examination Fee Remission Scheme (EFRS) for needy school candidates taking public examinations conducted or administered by the Hong Kong Examinations and Assessment Authority;

## Head 173 — WORKING FAMILY AND STUDENT FINANCIAL ASSISTANCE AGENCY

- means-tested grants under the School Textbook Assistance Scheme (STAS) for needy students in public sector schools and local schools under the Direct Subsidy Scheme;
- means-tested grants under the Subsidy Scheme for Internet Access Charges (SIA)§ for low-income families with children who are full-time students receiving education at primary or secondary level;
- means-tested fee remission under the Kindergarten and Child Care Centre Fee Remission Scheme (KCFRS) for needy children attending kindergartens and child care centres;
- tuition fee reimbursement under the Continuing Education Fund (CEF) for eligible persons pursuing continuing education and training;
- tuition fee reimbursement under the Diploma Yi Jin (DYJ)¶ for eligible students taking subjects under DYJ to gain a formal qualification for employment and continuing education; and
- tuition fee reimbursement under the Financial Assistance Scheme for Designated Evening Adult Education Courses (FAEAEC) for eligible students attending designated evening secondary courses.

# Loans disbursed under these schemes are provided under the Loan Fund. Details are provided in Volume II.

§ Families with children who are full-time students receiving education at primary or secondary level and who are in receipt of the flat-rate grant for School-related Expenses under the Comprehensive Social Security Assistance Scheme are also eligible for subsidy under SIA, which is disbursed by the Social Welfare Department. The expenditure is funded under Head 173 — Working Family and Student Financial Assistance Agency.

¶ The expenditure on fee reimbursement is funded under Head 156 — Government Secretariat: Education Bureau *Subhead 700 General non-recurrent Item 839 Yi Jin Diploma*. In compliance with the Award Titles Scheme under the Qualifications Framework, the English award title of the programme has been changed from “Yi Jin Diploma” to “DYJ” with effect from 1 January 2016, while the Chinese award title remains unchanged.

4 The key performance measures are:

### Targets

	Target Processing Time for Applications <sup>Ψ</sup>	Academic Year		
		2020/21 (Actual)	2021/22 (Revised Estimate)	2022/23 (Estimate)
TSFS				
application for financial assistance (%).....	60 days	98.5	99.0	<b>99.0</b>
application for review of financial assistance (%).....	70 days	100	100	<b>100</b>
FASP				
application for financial assistance (%).....	60 days	99.3	99.0	<b>99.0</b>
application for review of financial assistance (%).....	70 days	100	100	<b>100</b>
Non-means-tested Loan Schemes (NLS) (%).....	21 days	100	99	<b>99</b>
KCFRS (%).....	2 months	100	100	<b>100</b>
CEF(%)◇.....	6-8 weeks◇	99.9	100	<b>100</b>
financial assistance for primary and secondary school students (eligibility assessment) (%)^.....	3 months	100	100	<b>100</b>

Ψ Target processing time is subject to submission of complete supporting documents by the applicants.

◇ Processing time refers to application for reimbursement claim for existing account holders and account opening together with first reimbursement claim for new applicants, the target processing time of which is six weeks and eight weeks respectively.

^ Financial assistance for primary and secondary school students comprises STSS (also for full-time post-secondary students), EFRS, STAS, SIA, DYJ and FAEAEC.

# Head 173 — WORKING FAMILY AND STUDENT FINANCIAL ASSISTANCE AGENCY

## Indicators

	Academic Year		
	2020/21 (Actual)	2021/22 (Revised Estimate)	2022/23 (Estimate)
<b>TSFS</b>			
no. of applications .....	21 945	20 510	<b>21 871</b>
funds disbursed (\$m) (including grants and loans).....	899.3	850.8	<b>948.6</b>
no. of applications/post .....	118	110	<b>118</b>
<b>FASP</b>			
no. of applications .....	18 897	17 534	<b>17 772</b>
funds disbursed (\$m) (including grants and loans).....	899.3	879.4	<b>906.9</b>
no. of applications/post .....	112	105	<b>106</b>
<b>NLS</b>			
no. of applications .....	38 565	33 622	<b>37 224</b>
funds disbursed (\$m) (loans).....	1,636.0	1,500.2	<b>1,705.5</b>
no. of applications/post .....	149	130	<b>144</b>
<b>KCFRSφ</b>			
no. of applications .....	48 128	46 634	<b>48 258</b>
funds disbursed (\$m).....	303.0	301.4	<b>337.4</b>
no. of applications/post .....	642	622	<b>643</b>
<b>Grant for School-related Expenses for Kindergarten</b>			
<b>Students</b>			
no. of applications .....	49 422	44 485	<b>45 902</b>
funds disbursed (\$m).....	131.9	127.1	<b>132.5</b>
no. of applications/post .....	1 594	1 435	<b>1 480</b>
<b>scholarships, merit awards and related schemes</b>			
no. of applications .....	5 865	5 904	<b>5 940</b>
no. of scholarships, grants and awards granted.....	4 465	4 545	<b>4 624</b>
amount of scholarships, grants and awards disbursed (\$m) .....	26.2	33.8	<b>34.4</b>
no. of applications/post .....	345	348	<b>350</b>
<b>CEFAΔ</b>			
no. of applications .....	22 181	47 716Ω	<b>66 802Ω</b>
no. of claims .....	35 920	53 387Ω	<b>74 741Ω</b>
funds disbursed (\$m).....	242.1	463.0Ω	<b>784.8Ω</b>
no. of claims/post .....	399	499	<b>519</b>
<b>financial assistance for primary and secondary school students</b>			
no. of family-based applications .....	173 302	170 324	<b>175 773</b>
no. of applications/post .....	713	701	<b>724</b>
<b>EFRS</b>			
no. of applications .....	—γ	—γ	<b>12 855</b>
funds disbursed (\$m).....	—γ	—γ	<b>31.894</b>
<b>SIA</b>			
no. of family-based applications .....	148 636	149 714	<b>156 862</b>
funds disbursed (\$m).....	186.5	187.9	<b>209.1</b>
<b>STAS</b>			
no. of applications .....	211 997	208 444	<b>215 279</b>
funds disbursed (\$m).....	892.4	900.3	<b>953.9</b>
<b>STSS</b>			
no. of applicationsθ .....	204 422	201 303	<b>212 931</b>
funds disbursed (\$m).....	505.5	513.5	<b>564.1</b>
<b>DYJ@</b>			
no. of applications .....	4 173	5 823	<b>5 932</b>
funds disbursed (\$m).....	30.5	63.7	<b>65.6</b>
no. of applications/post .....	1 043	1 456	<b>1 483</b>
<b>FAEAECφ</b>			
no. of applications .....	615	657	<b>657</b>
funds disbursed (\$m).....	3.4	3.7	<b>3.8</b>
no. of applications/post .....	308	329	<b>329</b>

φ The fee remission ceiling will be uplifted from the 75th percentile to the 100th percentile of the school fees of kindergartens under the kindergarten education scheme starting from the 2022/23 academic year.

Δ The CEF is open to applications throughout the year. The figures shown here relate to financial rather than academic years.

Ω The significant increase was due to increased course enrolment upon offer of more CEF courses. The rising trend is expected to continue in 2022–23.

- γ As announced in the 2020–21 and 2021–22 Budgets, the Government has paid/will pay the examination fees for school candidates sitting for the 2021 and 2022 Hong Kong Diploma of Secondary Education Examination, as well as eligible non-Chinese speaking students sitting for the General Certificate of Secondary Education (Chinese) Examination, the International General Certificate of Secondary Education (Chinese) Examination, the General Certificate of Education (GCE) Advanced Subsidiary-Level (Chinese) Examination and GCE Advanced-Level (Chinese) Examination in the 2020/21 and 2021/22 academic years. Hence, there is no need for needy students to apply for EFRS in the 2020/21 and 2021/22 academic years.
- θ Number of applications includes applications of primary and secondary school students as well as post-secondary students.
- @ Financial assistance under DYJ is provided on a reimbursement basis. The number of applications received and funds disbursed for students in the 2020/21 academic year are provisional figures only as reimbursement applications are still being processed.
- φ Financial assistance under FAEAEC is provided on a reimbursement basis. The number of applications received and funds disbursed for students in the 2020/21 academic year are provisional figures only as reimbursement applications are still being processed.

5 In the 2020/21 academic year, around 789 000 applications were received for processing under the various student financial assistance schemes. The Agency was generally able to process all applications with complete information within the time frame as pledged.

6 In the 2021/22 academic year, the Agency implemented improvements measures to encourage online submission of applications and supporting documents and also streamlined the arrangements for student loan applicants to submit their applications.

***Matters Requiring Special Attention in 2022–23***

7 During 2022–23, the Agency will:

- continue to provide efficient and quality services to students under various student financial assistance schemes;
- continue the concerted efforts to recover student loans in arrears;
- continue to adopt information technology to improve service delivery and enhance efficiency for processing applications, including launching a chatbot to enhance enquiry services on student financial assistance schemes and facilitating the conduct of home visits and interviews through mobile devices; and
- continue to process applications under the KCFRS with an uplifting of fee remission ceiling from the 75th percentile to the 100th percentile of the school fees of kindergartens under the kindergarten education scheme starting from the 2022/23 academic year.

**Programme (2): Working Family Allowance<sup>β</sup>**

	2020–21 (Actual)	2021–22 (Original)	2021–22 (Revised)	2022–23 (Estimate)
Financial provision (\$m)	2,242.6	2,632.5	2,943.6 (+11.8%)	3,090.9 (+5.0%)
				(or +17.4% on 2021–22 Original)

β This Programme has been renamed from “Working Family Allowance and Individual-based Work Incentive Transport Subsidy” to “Working Family Allowance” (WFA) following the abolition of the Individual-based Work Incentive Transport Subsidy Scheme from June 2021.

***Aim***

8 The aim is to administer efficiently and cost-effectively the WFA Scheme, which seeks to encourage self-reliance and ease inter-generational poverty.

***Brief Description***

9 The Agency has implemented the WFA Scheme (formerly known as the Low-income Working Family Allowance Scheme) since 1 April 2018 to provide means-tested allowance to eligible low-income working households, in particular those with children and youth. Having regard to the COVID-19 pandemic, the Agency has implemented a one-year time-limited reduction of the WFA working hour requirements for non-single-parent households from the claim months of June 2021 to May 2022.

10 The Agency implemented several improvements measures to encourage online submission of applications and supporting documents.

## **Head 173 — WORKING FAMILY AND STUDENT FINANCIAL ASSISTANCE AGENCY**

---

### ***Matters Requiring Special Attention in 2022–23***

**11** During 2022–23, the Agency will:

- continue to promote and administer the WFA Scheme and assist eligible households in applying for the allowance;
- continue to adopt information technology to improve service delivery and enhance efficiency for processing applications, including launching a chatbot to enhance enquiry services on WFA scheme and facilitating the conduct of home visits and interviews through mobile devices; and
- provide a one-off extra payment for eligible recipients.

## Head 173 — WORKING FAMILY AND STUDENT FINANCIAL ASSISTANCE AGENCY

### ANALYSIS OF FINANCIAL PROVISION

	2020–21 (Actual) (\$m)	2021–22 (Original) (\$m)	2021–22 (Revised) (\$m)	2022–23 (Estimate) (\$m)
<b>Programme</b>				
(1) Student Assistance Scheme .....	4,436.0	4,881.5	4,612.5	5,299.2
(2) Working Family Allowance .....	2,242.6	2,632.5	2,943.6	3,090.9
	<u>6,678.6<sup>λ</sup></u>	<u>7,514.0</u>	<u>7,556.1<sup>λ</sup></u> (+0.6%)	<u>8,390.1</u> (+11.0%)
				(or +11.7% on 2021–22 Original)

<sup>λ</sup> The provision excludes the cash flow requirements for implementing the Caring and Sharing Scheme, which does not fall under any of the above programmes.

### Analysis of Financial and Staffing Provision

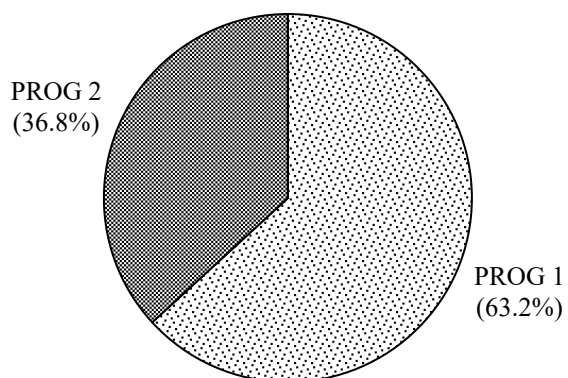
#### Programme (1)

Provision for 2022–23 is \$686.7 million (14.9%) higher than the revised estimate for 2021–22. This is mainly due to the additional cash flow requirement for student financial assistance and the CEF.

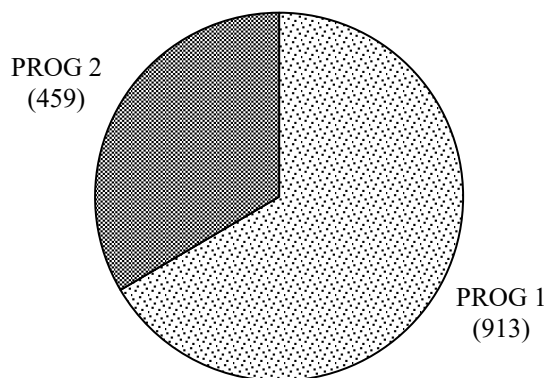
#### Programme (2)

Provision for 2022–23 is \$147.3 million (5.0%) higher than the revised estimate for 2021–22. This is mainly due to the increased provision for disbursement of allowances under the WFA Scheme.

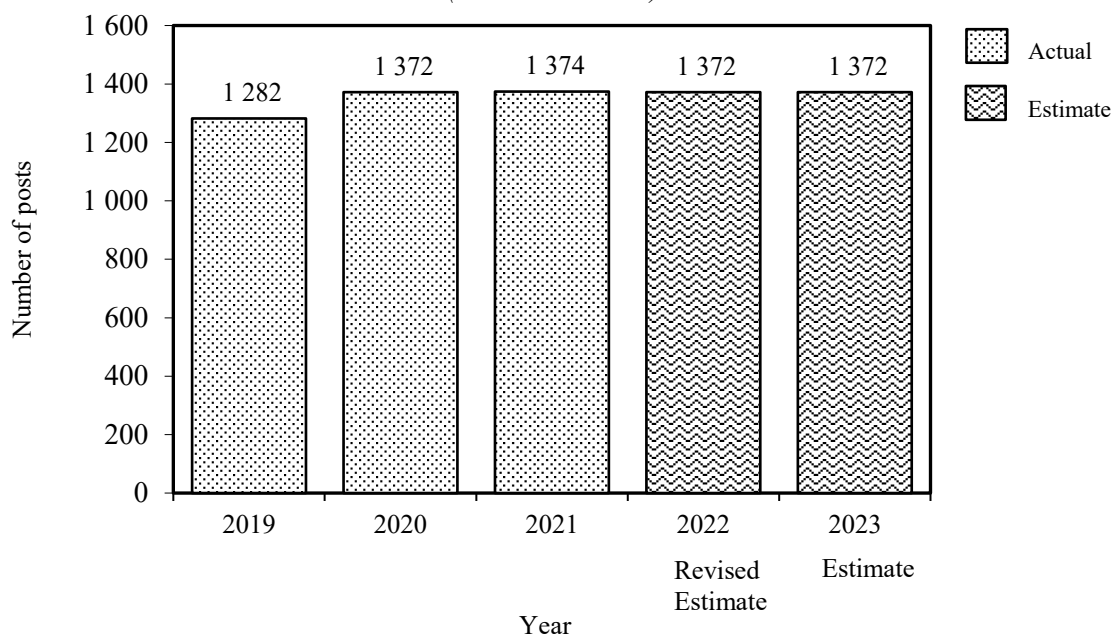
*Allocation of provision  
to programmes  
(2022-23)*



*Staff by programme  
(as at 31 March 2023)*



*Changes in the size of the establishment  
(as at 31 March)*



## Head 173 — WORKING FAMILY AND STUDENT FINANCIAL ASSISTANCE AGENCY

Sub-head (Code)		Actual expenditure 2020–21	Approved estimate 2021–22	Revised estimate 2021–22	Estimate 2022–23
		\$'000	\$'000	\$'000	\$'000
<b>Operating Account</b>					
Recurrent					
000	Operational expenses .....	838,276	969,125	906,770	<b>1,007,146</b>
199	Working family allowance.....	1,768,747	1,984,690	2,414,579	<b>2,570,066</b>
228	Student financial assistance .....	3,636,002	3,797,453	3,582,563	<b>3,876,231</b>
	Total, Recurrent.....	6,243,025	6,751,268	6,903,912	<b>7,453,443</b>
Non-Recurrent					
700	General non-recurrent .....	462,869	762,726	653,832	<b>936,636</b>
	Total, Non-Recurrent.....	462,869	762,726	653,832	<b>936,636</b>
	Total, Operating Account .....	6,705,894	7,513,994	7,557,744	<b>8,390,079</b>
<hr/>					
	Total Expenditure .....	6,705,894	7,513,994	7,557,744	<b>8,390,079</b>



## Head 173 — WORKING FAMILY AND STUDENT FINANCIAL ASSISTANCE AGENCY

### Details of Expenditure by Subhead

The estimate of the amount required in 2022–23 for the operating expenses of the Working Family and Student Financial Assistance Agency is \$8,390,079,000. This represents an increase of \$832,335,000 over the revised estimate for 2021–22 and \$1,684,185,000 over the actual expenditure in 2020–21.

#### Operating Account

##### Recurrent

2 Provision of \$1,007,146,000 under *Subhead 000 Operational expenses* is for the salaries, allowances and other operating expenses of the Working Family and Student Financial Assistance Agency. The increase of \$100,376,000 (11.1%) over the revised estimate for 2021–22 is mainly due to the salary provision for filling of vacancies and the increasing departmental expenses due to continued increase in caseload under the Working Family Allowance (WFA) Scheme.

3 The establishment as at 31 March 2022 will be 1 372 permanent posts. No change in establishment is expected in 2022–23. Subject to certain conditions, the controlling officer may under delegated power create or delete non-directorate posts during 2022–23, but the notional annual mid-point salary value of all such posts must not exceed \$565,252,000.

4 An analysis of the financial provision under *Subhead 000 Operational expenses* is as follows:

	2020–21 (Actual) (\$'000)	2021–22 (Original) (\$'000)	2021–22 (Revised) (\$'000)	2022–23 (Estimate) (\$'000)
Personal Emoluments				
- Salaries .....	497,806	568,643	515,894	568,700
- Allowances .....	5,745	8,052	8,080	10,121
- Job-related allowances.....	—	—	288	—
Personnel Related Expenses				
- Mandatory Provident Fund contribution .....	2,422	2,312	2,543	2,242
- Civil Service Provident Fund contribution .....	30,384	40,180	35,535	45,799
Departmental Expenses				
- General departmental expenses .....	301,919	349,938	344,430	380,284
	838,276	969,125	906,770	1,007,146

5 Provision of \$2,570,066,000 under *Subhead 199 Working family allowance* is for the disbursement of allowances under the WFA Scheme, which provides a means-tested allowance to eligible low-income working households.

6 Provision of \$3,876,231,000 under *Subhead 228 Student financial assistance* is for the payment of student financial assistance under various schemes to students at all levels of study in meeting their education expenses, such as tuition and examination fees, textbooks, Internet access charges and other academic and travel expenses.

## Head 173 — WORKING FAMILY AND STUDENT FINANCIAL ASSISTANCE AGENCY

### Commitments

Sub-head (Code)	Item (Code)	Ambit	Approved commitment	Accumulated expenditure to 31.3.2021	Revised estimated expenditure for 2021–22	Balance
			\$'000	\$'000	\$'000	\$'000
<b>Operating Account</b>						
700		<i>General non-recurrent</i>				
	508	Continuing Education Fund .....	16,200,000	4,972,401	494,121	10,733,478
	812	Additional provision for Working Family Allowance recipients 2021 .....	114,000	—	95,084	18,916
	814	Additional provision for Working Family Allowance recipients 2022 <sup>⊠</sup> ....	117,000 <sup>⊠</sup>	—	—	117,000
		Total .....	16,431,000	4,972,401	589,205	10,869,394

⊠ This is a new item, funding for which is sought in the context of the Appropriation Bill 2022.