

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 2026–27	\$7,517.8m
Establishment ceiling 2026–27 (notional annual mid-point salary value) representing an estimated 1 349 non-directorate posts as at 31 March 2026 reducing by 27 posts to 1 322 posts as at 31 March 2027.....	\$610.6m
In addition, there will be an estimated four directorate posts as at 31 March 2026 and 31 March 2027.	
Commitment balance	\$8,846.0m

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

	2024–25 (Actual)	2025–26 (Original)	2025–26 (Revised)	2026–27 (Estimate)
Financial provision (\$m)	4,249.7	4,772.7	4,329.3 (–9.3%)	4,797.4 (+10.8%)
				(or +0.5% on 2025–26 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, the Hong Kong Institute of Information Technology, 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;

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- 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) Programme and Diploma of Applied Education (DAE) Programme for eligible students taking subjects under DYJ/DAE 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.

4 The key performance measures are:

Targets

	Target Processing Time for Applications ^Ψ	Academic Year		
		2024/25 (Actual)	2025/26 (Revised Estimate)	2026/27 (Estimate)
TSFS				
application for financial assistance (%).....	60 days	99.9	99.0	99.0
application for review of financial assistance (%).....	70 days	100	100	100
FASP				
application for financial assistance (%).....	60 days	99.8	99.0	99.0
application for review of financial assistance (%).....	70 days	100	100	100
Non-means-tested Loan Schemes (NLS) (%).....				
	21 days	100	99	99
KCFRS (%).....				
	2 months	100	100	100
CEF(%)[◇].....				
	6-8 weeks [◇]	100	100	100
financial assistance for primary and secondary school students (eligibility assessment) (%)[^].....				
	3 months	100	100	100

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

[◇] The target processing time of application for reimbursement claim for existing account holders and account opening together with first reimbursement claim for new applicants 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/DAE tuition fee reimbursement and FAEAEC.

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Indicators

	<i>Academic Year</i>		
	2024/25 (Actual)	2025/26 (Revised Estimate)	2026/27 (Estimate)
TSFS			
no. of applications	17 759	15 862	19 323
funds disbursed (\$m) (including grants and loans).....	795.8	745.3	950.4
no. of applications/post	92	86	101
FASP			
no. of applications	15 034	14 960	17 827
funds disbursed (\$m) (including grants and loans).....	769.3	775.4	977.8
no. of applications/post	89	90	100
NLS			
no. of applications	37 455	38 462	39 326
funds disbursed (\$m) (loans).....	1,779.9	1,950.4	2,098.5
no. of applications/post	135	134	152
KCFRS			
no. of applications	30 411	27 846	26 283
funds disbursed (\$m).....	263.9	254.3	249.9
no. of applications/post	390	352	365
Grant for School-related Expenses for Kindergarten Students			
no. of applications	28 894	26 291	24 654
funds disbursed (\$m).....	84.5	72.6	74.6
no. of applications/post	1 204	1 195	1 174
scholarships, merit awards and related schemes			
no. of applications	6 581	5 906	6 029
no. of scholarships, grants and awards granted.....	5 076	4 859	4 933
amount of scholarships, grants and awards disbursed (\$m).....	29.5	30.1	29.6
no. of applications/post	411	369	377
CEFA			
no. of applications	57 876	68 571	70 628
no. of claims.....	60 141	70 861	72 987
funds disbursed (\$m).....	448.1	595.5	666.4
no. of claims/post	661	762	785
financial assistance for primary and secondary school students			
no. of family-based applications	135 269	135 094	133 168
no. of applications/post	561	563	614
EFRS			
no. of applications	11 896	12 023	12 143
funds disbursed (\$m).....	33.7	35.5	37.6
SIA			
no. of family-based applications	127 068	121 272	125 220
funds disbursed (\$m).....	163.2	155.8	141.9
STAS			
no. of applications	182 073	175 362	172 760
funds disbursed (\$m).....	800.2	792.1	802.9
STSS			
no. of applications ϕ	183 885	179 683	183 502
funds disbursed (\$m).....	463.1	470.5	495.6
DYJ/DAE@			
no. of applications	6 133	6 803	6 459
funds disbursed (\$m).....	69.7	95.9	91.1
no. of applications/post	1 227	1 134	1 292
FAEAECϕ			
no. of applications	509	478	478
funds disbursed (\$m).....	2.9	2.9	3.0
no. of applications/post	255	239	239

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

ϕ Number of applications includes applications of primary and secondary school students as well as post-secondary students.

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- @ Financial assistance under the DYJ Programme and DAE Programme is provided on a reimbursement basis. The number of applications received and funds disbursed for students in the 2024/25 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 2024/25 academic year are provisional figures only as reimbursement applications are still being processed.

5 In the 2024/25 academic year, around 708 000 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 The Agency implemented improvement measures to facilitate online applications, streamlined the arrangements for student loan applicants to submit their applications, launched a chatbot to enhance enquiry services on student financial assistance schemes, and made use of mobile devices to facilitate the conduct of home visits and interviews.

Matters Requiring Special Attention in 2026–27

7 During 2026–27, 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; and
- continue to adopt information technology to improve service delivery and enhance efficiency for processing applications.

Programme (2): Working Family Allowance

	2024–25 (Actual)	2025–26 (Original)	2025–26 (Revised)	2026–27 (Estimate)
Financial provision (\$m)	2,320.9	2,630.5	2,349.6 (–10.7%)	2,720.4 (+15.8%)
				(or +3.4% on 2025–26 Original)

Aim

8 The aim is to administer efficiently and cost-effectively the Working Family Allowance (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.

10 The key performance measures are:

Targets

	Target	Calendar Year		
		2024 (Actual)	2025 (Actual)	2026 (Estimate)
WFAΩ				
application for allowance from the date of receipt of complete supporting documents to issue of notification of result (%)	40 working days	—	—	90.0
effecting payment of allowance for successful WFA applications after approval of applications (%).....	7 working days	—	—	95.0

Ω New targets for 2026 onwards.

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Indicators

	<i>Calendar Year</i>		
	2024 (Actual)	2025 (Actual)	2026 (Estimate)
WFA§			
no. of applications received.....	—	—	115 000
no. of beneficiaries (household).....	—	—	58 000
no. of beneficiaries (person).....	—	—	195 000
approved allowance (\$m).....	—	—	2,010

§ New indicators for 2026 onwards.

11 The Agency has implemented several improvement measures to facilitate online applications, and launched a chatbot to enhance enquiry services on the WFA Scheme.

Matters Requiring Special Attention in 2026–27

12 During 2026–27, 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;
- implement the time-limited cash incentive for households leaving the Comprehensive Social Security Assistance Scheme and joining the WFA Scheme to promote self-reliance; and
- provide a one-off extra payment for eligible recipients.

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ANALYSIS OF FINANCIAL PROVISION

	2024–25 (Actual) (\$m)	2025–26 (Original) (\$m)	2025–26 (Revised) (\$m)	2026–27 (Estimate) (\$m)
Programme				
(1) Student Assistance Scheme.....	4,249.7	4,772.7	4,329.3	4,797.4
(2) Working Family Allowance.....	2,320.9	2,630.5	2,349.6	2,720.4
	6,570.6	7,403.2	6,678.9 (-9.8%)	7,517.8 (+12.6%)
				(or +1.5% on 2025–26 Original)

Analysis of Financial and Staffing Provision

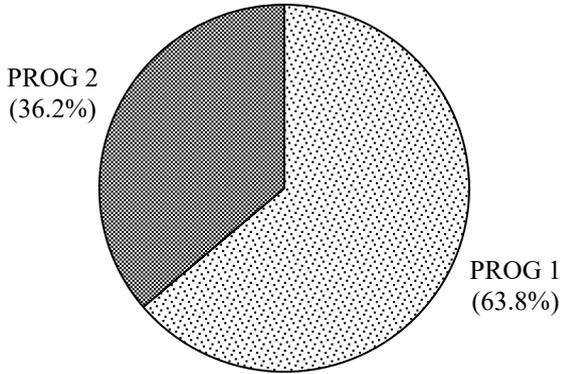
Programme (1)

Provision for 2026–27 is \$468.1 million (10.8%) higher than the revised estimate for 2025–26. This is mainly due to the additional cash flow requirement for operating expenses, student financial assistance and CEF. There will be a decrease of 12 posts in 2026–27.

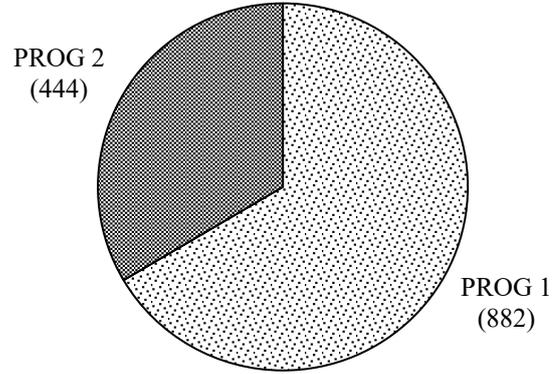
Programme (2)

Provision for 2026–27 is \$370.8 million (15.8%) higher than the revised estimate for 2025–26. This is mainly due to the increased provision for disbursement of allowances under the WFA Scheme in anticipation of possible increase in the number of applications. There will be a decrease of 15 posts in 2026–27.

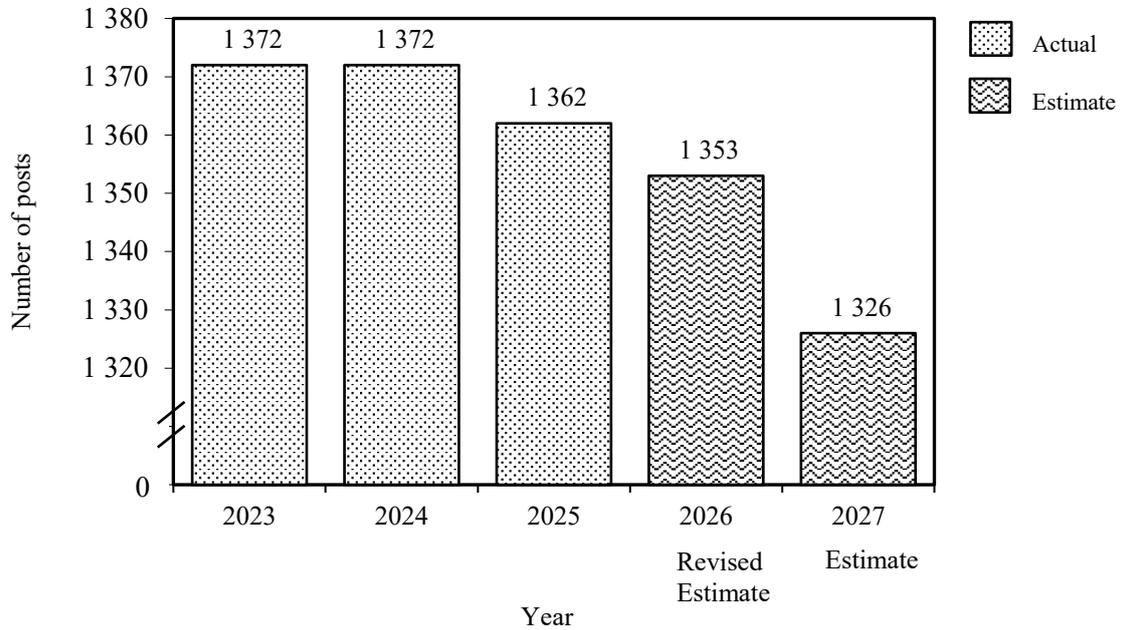
*Allocation of provision
to programmes
(2026-27)*



*Staff by programme
(as at 31 March 2027)*



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



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Sub-head (Code)	Actual expenditure 2024–25	Approved estimate 2025–26	Revised estimate 2025–26	Estimate 2026–27	
	\$'000	\$'000	\$'000	\$'000	
Operating Account					
Recurrent					
000	Operational expenses	988,597	1,103,825	1,022,263	1,110,274
199	Working family allowance.....	1,834,354	2,098,527	1,846,142	2,068,000
228	Student financial assistance	3,192,932	3,542,280	3,096,044	3,440,436
	Total, Recurrent.....	<u>6,015,883</u>	<u>6,744,632</u>	<u>5,964,449</u>	<u>6,618,710</u>
Non-Recurrent					
700	General non-recurrent	554,740	658,522	714,458	899,043
	Total, Non-Recurrent.....	<u>554,740</u>	<u>658,522</u>	<u>714,458</u>	<u>899,043</u>
	Total, Operating Account	<u>6,570,623</u>	<u>7,403,154</u>	<u>6,678,907</u>	<u>7,517,753</u>
	Total Expenditure	<u><u>6,570,623</u></u>	<u><u>7,403,154</u></u>	<u><u>6,678,907</u></u>	<u><u>7,517,753</u></u>

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Details of Expenditure by Subhead

The estimate of the amount required in 2026–27 for the operating expenses of the Working Family and Student Financial Assistance Agency is \$7,517,753,000. This represents an increase of \$838,846,000 over the revised estimate for 2025–26 and \$947,130,000 over the actual expenditure in 2024–25.

Operating Account

Recurrent

2 Provision of \$1,110,274,000 under *Subhead 000 Operational expenses* is for the salaries, allowances and other operating expenses of the Working Family and Student Financial Assistance Agency.

3 The establishment as at 31 March 2026 will be 1 353 posts. It is expected that there will be a decrease of 27 posts in 2026–27. Subject to certain conditions, the controlling officer may under delegated power create or delete non-directorate posts during 2026–27, but the notional annual mid-point salary value of all such posts must not exceed \$610,624,000.

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

	2024–25 (Actual) (\$'000)	2025–26 (Original) (\$'000)	2025–26 (Revised) (\$'000)	2026–27 (Estimate) (\$'000)
Personal Emoluments				
- Salaries.....	556,304	628,972	566,290	618,146
- Allowances.....	7,449	8,603	7,636	8,086
Personnel Related Expenses				
- Mandatory Provident Fund contribution.....	1,866	2,211	1,661	1,687
- Civil Service Provident Fund contribution.....	53,335	70,823	59,722	75,091
Departmental Expenses				
- General departmental expenses	369,643	393,216	386,954	407,264
	988,597	1,103,825	1,022,263	1,110,274

5 Provision of \$2,068 million under *Subhead 199 Working family allowance* is for the disbursement of allowances under the Working Family Allowance Scheme, which provides a means-tested allowance to eligible low-income working households. There is an increase of \$221,858,000 (12.0%) over the revised estimate for 2025–26 in anticipation of possible increase in the number of applications, which varies from year to year as such applications are demand-driven.

6 Provision of \$3,440,436,000 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. There is an increase of \$344,392,000 (11.1%) over the revised estimate for 2025–26 in anticipation of possible increase in number of applications, which varies from year to year as such applications are demand-driven.

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Commitments

Sub-head (Code)	Item (Code)	Ambit	Approved commitment \$'000	Accumulated expenditure to 31.3.2025 \$'000	Revised estimated expenditure for 2025–26 \$'000	Balance \$'000
<i>Operating Account</i>						
700		<i>General non-recurrent</i>				
	508	Continuing Education Fund	16,200,000	6,931,557	627,973	8,640,470
	817	Additional provision for Working Family Allowance recipients 2025	96,000	—	86,463	9,537
	818	Additional provision for Working Family Allowance recipients 2026 [⊠]	196,000 [⊠]	—	—	196,000
		Total	<u>16,492,000</u>	<u>6,931,557</u>	<u>714,436</u>	<u>8,846,007</u>

⊠ This is a new item, funding for which is sought in the context of the Appropriation Bill 2026.