

(October 1994
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Subvention for Central Administration

Subvention for central administration covers both staff costs and other charges, the makeup of each is described in more detail in the paragraphs below :-

A. STAFF COSTS

Provision of staff costs is calculated at the mid point salaries of the recognized posts as set out below :-

1. Co-ordination and Planning of Services

Staff for the coordination and planning of services will be provided according to the following scale :-

<u>Service Unit(s)</u>	<u>Co-ordinator</u>
1.0 - 4.9	0
5.0 - 9.0	1
9.1 - 19.0	2
19.1 - 29.0	3
29.1 - 39.0	4
39.1 - 49.0	5
49.1 - 59.0	6
59.1 - 69.0 etc.	7 etc.

A 'service unit' is a functional unit for the delivery of service. In respect of services for which field supervisors are provided for a group of service centres or teams, each group is treated as one service unit (e.g. 8 home help teams under one supervisor are treated as one service unit).

For a NGO with 3 or more field supervisors, one coordinator will be provided even though it has a total number of service units below 5.

The first co-ordinator will be ranked at the same level as a field supervisor/officer-in-charge, subject to the SWO rank being the highest level. Where an agency is provided with more than one co-ordinator, the first appointed is deemed to be the agency head. Depending on the merit of individual case, the agency head may be ranked at one or more levels higher than the other co-ordinators.

2. General Administration

2.1 Agencies will be provided with general administration staff according to the following scale :-

<u>Total staff establishment of subvented service units (excluding head office)</u>	<u>Staffing Support</u>			
	<u>EO I</u>	<u>EO II</u>	<u>CO II</u>	<u>CA/Typist</u>
1 - 50	-	-	1	1
51 - 100	-	1	-	1
101 - 250	-	1	1	1
251 - 400	-	2	2	2
401 - 550	1	1	2	2
551 - 700	1	1	3	2
701 - 900	1	2	2	3
901 - 1100	1	3	3	3

2.2 In addition, other supporting staff will be provided as follows :-

- (a) For agencies with agency head being ranked at the CSWO level, a deputy agency head will be provided by upgrading an existing co-ordinator to the SSWO level.
- (b) 1 Stenographer will be provided for each agency head ranked at CSWO or above.
- (c) 1 CO II will be provided for an agency with 2 or more co-ordinators at SWO level or above.
- (d) 1 OA will be provided for an agency with 10 or more staff for central administration.
- (e) 1 CO II will be provided for a small agency which operates 2 service units but is not eligible for subvention for central administration.
- (f) 1 CO II and 1 CA will be provided for a small agency which operates 3 or more service units but is not eligible for subvention for central administration.
- (g) Other staff such as artisan, telephone operator, driver, watchman, workman etc. will be considered on an individual basis.

3. Financial Control and Accounting

The level of staff support for accounting work will be at a level equivalent to about 1:8% of an agency's recognized expenditure (excluding head office). The subvention will be allocated in the form of a lump sum grant to agencies concerned

to employ accounting staff. Agencies will have flexibility in the employment of qualified accounting staff in terms of number and rank within the limit of the lump sum grant. Nonetheless, there will be no clawing back of surplus or topping up of deficit except for salary adjustment. Only supplementary subvention due to salary adjustment will be released to agencies concerned at the same time with other subvented services upon demonstration of needs. Where the sums involved are insufficient for a full-time accounting staff to be employed, fraction of a post or "contract-out" arrangement will be allowed to enable agency to engage the service of an accounting officer on part-time or piece-meal basis. Suggested ranking of accounting staff to be employed by agencies and the relevant post descriptions are available from the Department for reference.

4. Agency Heads (Note 8)

For the assessment of ranking of agency heads of subvented non-governmental organizations, the following ranking criteria (excluding head office) will apply :-

Rank of agency head (Note a)	No. of subvented staff	No. of independent service units (Note b)	No. of types of service provided (Note c)	Amount of Social welfare subvention (as at 1.3.98) (Note d)
CSWO	400 or more	50 or more	6 or more	\$83 million or more
SSWO	250-399	15-49	4 or more	\$53-82 million
SWO	60-249	8-14	4 or more	\$15-52 million
ASWO	less than 60	5-7	less than 4	less than \$15 million

Note : (a) All the above four criteria have to be considered together. Nevertheless, if there are agencies not satisfying all the criteria (e.g. only three out of the four) but are worthy of support, special consideration may be given in the light of their merits.

(b) In the context of the criteria for assessing agency head, 'independent service unit' refers to a functional social welfare unit which can stand on its own for the delivery of service. Hence, a Community Centre, a Small Group Home, a Sheltered Workshop can all be counted as 'independent service units'. The word 'independent' is added to clarify that it is not just a service component existing within a unit. On this basis, a C&A Home is regarded as an 'independent service unit' because it is capable of functioning by itself. However, this is not so when the service is incorporated as a component within a Combined Home (i.e. Home-cum-C&A Unit). In this case the combined Home is an 'independent service unit' but not the C&A Unit integrated with it.

(c) This refers to service types such as Family Life Education, Youth Centre, Care and Attention Home, Small Group Home, Sheltered

Workshop, etc. It does not refer to broad category of services like Family, Children, Youth, Elderly and Rehabilitation, etc.

- (d) With regard to the amount of social welfare subvention which is one of the ranking criteria, it will be adjusted annually by the Department, taking account of the PE (Personal Emolument) and OC (Other Charges) inflation factors.

B. OTHER CHARGES

After deduction of insurance premium for 'Employee's Compensation' which has been covered by the Department's Block Insurance Scheme since 1991/92, Other Charges for central administration will be provided at a flat rate of 4.6% of the subvention for staff cost. However, the provision will be increased by 2% (i.e. 6.6% of the recognized PE) for agencies with purpose built headquarters buildings to take account of the additional costs involved in their management and maintenance.

Social Welfare Department
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