Appendix 2

The Hong Kong Council of Social Service

Questionnaire on LSG Reserve and Central Administration Cost

Supplementary Information on Central Administration Allocation

The items of the Central Administration Allocation in the SWD paper included 2 parts: -

1. Central Administration: The sum includes salary and PF based on the a recognized staffing establishment and OC (Amount was stated clearly when agency joining LSG)
2. Accounting Support: It is a lump sum including salary and PF. According to SWD, the amount is calculated at 1.8% of the total expenditure of SWD services. However, the actual allocation is lower than 1.8%, starting in certain year (a few cases happened in 1994). However, according to the formula provided by SWD, Agencies might have a shortfall.

# For point 1-2, please also refer Appendix 2A.

1. The Administration has approved the request of NGOs operating under LSG to increase their subventions baseline through allocating additional recurrent funding by $200 million to strengthen their central administrative capacity for great accountability and effective delivery of welfare services.

# For Point 3 , please also refer Appendix 2B.