

[Go to CS Voice Index](#)

Issue 020

### Views

#### Reform Subvention System Revive Welfare Sector

The Lump Sum Grant (LSG) Subvention System was introduced in 2001. Despite some fine-tuning in 2008, there remains a lot of disputes and constant internal depletion. All stakeholders are losers. The sector is divided. Much time and effort were wasted on criticizing one another or self defense.

We observed that those critics are not making much ado about nothing and those who are not happy with the system do have their points. All the weaknesses of the LSG system should not be the responsibility of one single party nor that the system is good for nothing.

The more the disputes and arguments, the more conflicts and discontentment. Under such conditions, how can the service quality be continuously improved? This is neither the initial intention of practitioners nor organisations. What is worse is that service users have to bear the undesirable consequence of degrading service quality.

Due to limitation of space, this article will not elaborate on the pros and cons of the new and old subvention systems. In fact, we are suggesting to combine the merits of both systems in order to maximise the efficiency and effectiveness. We are not aiming at discarding the LSG model nor reverting to the old system.

Synergizing the two systems begins with three areas, at least: formulating man-power establishment, retaining flexibility and increasing resources.

##### 1. Formulating man-power establishment

We propose the Hong Kong Council of Social Service (HKCSS) and the Social Welfare Department (SWD) work together to promote the sector to formulate a basic man-power establishment and remuneration package for all subvented services and urge all relevant parties to abide by them once a consensus is reached.

##### 2. Retaining flexibility

Flexibility is the major feature and strength of the new system which is highly valued and appreciated by the sector. It therefore should be retained. However, the scope of autonomy should be clearly defined lest each organisation goes on its own way and ends up getting out of control.

##### 3. Increasing resources

We propose to raise the "subvention benchmark" to put management's mind at ease over a possible drying up of resources. However, transparency and financial control must be strengthened. Unreasonable disbursement of cash allowances should be restricted and the level of reasonable reserve maintained by an organization should be reviewed.

The implementation of this 3-pronged approach can prevent recurrence of "poor financial management" and "fattening the top at the expense of the bottom" thus gradually contribute to a fairer workplace where a stable and high quality professional teams can be maintained. These are definitely conducive to the continuous quality enhancement and service innovation.<sup>1</sup>

Mrs. Carrie Lam, the Chief Executive of the Hong Kong Special Administrative Region, has demonstrated a fresh governance style that is more passionate and rational at the initial stage of leadership. We hope that the government can focus on the key issues and commit to resolve problems and take a pragmatic approach to improve the LSG system<sup>2</sup> so as to rejuvenate the social welfare sector. We also hope that all stakeholders could fully appreciate the reasonable aspirations of others and seek a common ground while accommodating the differences in order to devote their wisdom and energy for the betterment of our social welfare.

<sup>1</sup> Improving the LSG system is just one of the ways to improve social welfare ecology. Other reforms such as long term welfare plan, service users' empowerment and participation, and a more comprehensive social security system, etc, are equally important, we shall discuss later.

<sup>2</sup> The Hong Kong Council of Social Service, Hong Kong Social Workers Association, Hong Kong Social Workers' General Union and Office of Hon Shiu Ka-chun Legislative Council (Social Welfare) have agreed to jointly organise a total of nine consultation sessions across the territory to gather the sector's views starting this September.

[Back to Top](#)