

**THE HONG KONG COUNCIL OF SOCIAL SERVICE**  
**Minutes of 2<sup>nd</sup> Meeting of**  
**Standing Committee on Sector and Capacity Development (2017-18)**

Date : 8 February 2018 (Thursday)  
Time : 2:30pm-5:00pm  
Venue : Room 1410, 14/F, Duke of Windsor Social Service Building,  
15 Hennessy Road, Wanchai, Hong Kong

**Present:**

Mr. KWOK Lit Tung	Christian Family Service Centre
Ms. Susan CHAN	Evangelical Lutheran Church Social Service – Hong Kong
Ms. CHAN Pui Yi	Hong Kong Christian Service
Ms. Rebecca WONG	Hong Kong Sheng Kung Hui Welfare Council Limited
Ms. Yvonne YEUNG	Hong Kong Young Women’s Christian Association
Mr. Peter AU YEUNG	Heep Hong Society
Mr. Eddie SUEN	SAHK
Mr. TSANG Kin Ping	Hong Kong Alliance for Rare Diseases

**Apology:**

Mr. CHUN Shing Chi	Life Workshop
Ms. Noel YEUNG	Kwun Tong Methodist Social Service
Ms. Perina LI Siu Fan	The Salvation Army
Ms. Jenny CHOI	St. James Settlement

**In attendance:**

Mr. Cliff CHOI	HKCSS (Secretary)
Ms. CHEUNG Lai Wah	HKCSS
Ms. Stella HO	HKCSS
Ms. Lois LAM	HKCSS
Mr. Tony LEE	HKCSS
Ms. Hindy KAI	HKCSS
Ms. Valerie LAU	HKCSS (Recorder)

**1. Welcome to co-opted member**

Chairperson welcomed Mr. TSANG Kin Ping to serve in the Committee.

**2. Adoption Agenda**

The agenda was confirmed.

**3. Confirmation of Minutes of Last Meeting (App 1)**

The minutes of the Meeting were confirmed with no amendment.

**4. Matters Arising**

The Committee intended to appoint an expert who has finance background. However, no preferred expert was identified at his stage.

**5. Highlights of work units (App 2)**

Updates of some key work areas would be reported and discussed at the Discussion Item.

**6. Business Plan for 2018-2019: Major initiatives and Key Projects (App 3 – to follow)**

Mr. Cliff CHOI highlighted some key works of HKCSS business plan 2018-2019. The major items were engage NGO leaders and the sector in the review of LSG, promote sector capacity building through Council's different platforms/Projects, exploration on benchmark setting for NGOs Governance. He also shared some common issues such as high expectations of charity accountability, demand greater transparency from staff and public and diversified membership and stakeholders creating demands for a wide range of tasks, sometimes without impact or focus.

Mr. Cliff CHOI also appealed for members' support on a Study on Financial Reserve of Social Service Agencies, which the Council has solicited support from Deloitte Advisory (HK) Limited to conduct. The aims of this study were to inform the public about the sources, types, usage, planning and policies of NGOs' reserves and to explain openly the rationale and the need of maintaining a certain level of reserves

Member enquired the reasons behind choosing the accounting firm. Mr. Cliff CHOI explained that staffs from the accounting firm had showed better understanding towards NGOs values.

Chairperson emphasized that information released in the study must be clear enough to differentiate Lump Sum Grant reserve and non-designated reserve. Otherwise the findings would induce attack and further queries. Mr. Cliff CHOI agreed and pointed that the study does not touch upon the amount of reserves, participating NGOs are not required to provide the actual reserve figures.

#### **7. Review on Lump Sum Grant Subventions System – Sector Engagement (MLS)**

Ms. CHEUNG Lai Wah reported the work progress of the SWD's Task Force on LSG Review and introduced scopes of review. Some important information of review schedule and initial concern on SWD's draft questionnaire of FSA issues was summarized. Regarding the Council's mobilization work, 6 focus group sessions would be held in late February and March. The topic of this round of discussion was "definition of FSA and review mechanism" and all subvented agency members are invited to participate in.

She also pointed that two user representatives participated in Task Force of LSG Review sought help from the HKCSS. In this connection, 2 exchange sessions would be organized by users, with the assistance of the Council. Staff would help preparing background information of LSG Subventions System and facilitate the users to take up the roles of moderator and sub-group leader. And the Council would help preparing the promotional memo to Agencies and letters to users and follow up on logistics arrangements. The Chairperson agreed that the Council should make ever possible efforts to facilitate the users participation and facilitate the exchanges.

#### **8. Four outstanding items of Best Practice Manual (MLS)**

Ms. CHEUNG Lai Wah updated members that in respond to suggestions made by Audit Commission Report no 69, SWD had reactivated the consultation with the sector. She briefed members SWD's updated draft of Best Practice Manual. Members deliberated in details and make some amendments on the four items. To facilitate constructive discussions, the Council would further consult views through Agency Heads Meeting.

##### **Post meeting note:**

With regard to the controversy in the categorization of the "4 outstanding items" in the Best Practice Manual to be updated, an agency heads meeting was organized and a memo was issued to all member agencies for soliciting comments in mid-March. SWD would meet Council and sector representatives in May for further deliberation.

#### **9. Survey Result of the IT Governance for NGOs (ITBMC)**

Mr. Tony LEE briefed the survey result in which most NGOs, except for the very large ones, are unable to afford the resources for major IT investments, e.g. on innovative application of ICT. He also suggested that ITRC would work with the NGOs Governance Platform Project (GPP) to arrange free IT governance training quota to small NGOs.

#### **10. Development and extension of broadband internet service after Internet Learning Support Program (ITBMC)**

Due to time limitation, members agreed to postpone the discussion.

#### **11. Salary Survey 2017 results and follow up (HKCSSI)**

Ms. Lois LAM reported that Survey Report was released. Mr. Cliff CHOI added that the Survey had been implementing for more than 10 years and the staff team suggested reviewing the objectives, the design of questionnaire and survey content, etc to see if the survey still meets the current needs of the sector. After discussion, a work meeting, to be convened by Ms Yvonne Yeung, will be conducted to review the needs for further deliberation in the next Standing Committee meeting. Members agreed.

#### **12. NGO Governance Health Survey (GPP)**

Mr. Cliff CHOI briefed a NGO Governance Health Survey would be launched in May, with the aims to provide a self-assessment tools for NGOs to measure their governance health, to examine the strengthens and areas for improvements in governance practices. Questionnaire would be distributed and collected by HKU only and data collected would be treated in strict confidence.

Chairperson declared interest of his role of Governance and Management Excellence (GAME) for Public Benefit, which was the one of partnering Organizations of the Survey. Ms. Yvonne YEUNG concerned about the release of results. Mr. Cliff CHOI explained that a comprehensive data analysis of the sector would be released without disclosing the data of individual agency. The overall survey results would be published as a survey report and every participating agency would receive a confidential individual health report.

#### **13. Registration of Hong Kong NGOs under Overseas NGO Law in China (ICA)**

Due to time limitation, members agreed to postpone the item discussion.

#### **14. Any Other Business**

There being no other business, the meeting ended at 11:45 am.

#### **15. Date of Third Meeting**

7 June, 2018, 2:30pm at Room 1410.