

WOMEN'S COMMISSION

Funding Scheme for Women's Development

Purpose

This paper seeks Members' views on the proposed enhancement of the Funding Scheme for Women's Development ("**Funding Scheme**") under Women's Commission ("**WoC**").

Background

2. To encourage the community in organising programmes and activities conducive to women's development, WoC has launched the Funding Scheme since 2012 and invites women's groups and non-governmental organisations ("**NGOs**") providing women's services to submit applications under the Funding Scheme. The Funding Scheme comprises an annual allocation of \$2 million, of which \$1 million will be allocated by WoC to women's groups and relevant NGOs in organising regional or territory-wide activities ("**WoC stream**"); and another \$1 million will be distributed through the 18 District Councils ("**DCs**") to women's groups and relevant NGOs in organising district level activities ("**DC stream**"). For the WoC stream, the funding cap is \$100,000 for a one-year project and \$200,000 for a two-year project. For the DC stream, each DC will be provided with \$53,000 per year for organising activities.

Proposal

Increase in annual provision for the WoC stream

3. The WoC stream of the Funding Scheme has regularly attracted a good number of applications and the funding sought has generally exceeded the annual provision of \$1 million. WoC members have also expressed views that the current provision is insufficient to fund projects that are of a relatively larger

scale and longer term. Hence, with a view to encouraging more women's groups and NGOs to participate in the Funding Scheme and submit project proposals, we plan to increase the annual allocation of the WoC stream of the Funding Scheme from \$1 million to **\$3 million** in 2018-19, and to allow for longer term projects of three years with a funding cap of \$600,000, whereas the funding caps for one-year and two-year projects will be increased to \$200,000 and \$400,000 respectively.

Review of Funding Guidelines

4. With the increase of funding cap and duration for projects in the WoC stream, it is expected that applicants will submit project proposals which are of larger scale and with greater variety. While we shall revise the existing funding guidelines with a view to streamlining application procedures, we are mindful that the funding is public money and is subject to scrutiny by the Audit Commission, and hence, we must also need to uphold audit requirements. In balancing these two aspects, the secretariat proposes to revise the existing funding guidelines, particularly basing on the following aspects –

- ✧ Funding criteria;
- ✧ Assessment criteria (proposed revision only applies to three-year projects);
- ✧ Payment arrangement; and
- ✧ Monitoring mechanism.

5. Under the existing mechanism, applicants should refer to the list of permissible items of expenditure and the expenditure limits set by WoC when submitting applications and implementing the approved projects, and to list out the detailed budget of expenditure of the project / activity in the application form, so as to facilitate Members of the Working Group on Collaboration to examine the proposed budget in accordance with the list of permissible items of expenditure and their respective expenditure limits. To streamline the application procedures, we have made reference to the funding guidelines and expenditure limits of permissible items of the 18 DCs, as well as the approved funding amount of the WoC stream in the past, in our proposal to revise or streamline the list of permissible items with a view to facilitating applicants in

submitting their applications. That said, as the funding is public money, it has to meet audit and monitoring requirements. Therefore, with the implementation of the revised funding guidelines, funded organisations are still required to submit detailed budget according to the list of permissible items, so as to facilitate Members of the relevant Working Group (“WG”) after re-organisation to approve the applications prudently by making reference to the list of permissible items. In addition, for two-year and three-year projects, funded organisations are required to submit a progress report every six months apart from a final report so as to ensure that the approved funding is used in accordance with the approved budget and purposes.

6. The proposed major changes are set out in **Annex I**. We expect to apply the new guidelines and arrangement in the second round of application of the WoC stream in the fourth quarter of 2018.

Selection of Themes

7. The present theme of “Women Employment” has been set as the theme of Funding Scheme projects for four years since 2014-15. In order to attract a greater variety of applications and create more synergy with women’s groups and NGOs providing services for women, we propose that WoC may consider introducing other themes, for instance, women’s leadership, women’s health (including mental health), women’s safety, etc..

Creating partnership in the DC stream

8. To collaborate with the efforts of local women groups at the district level and to maintain liaison with them, we propose that the \$1 million funding to be distributed through the 18 DCs to women’s groups and relevant NGOs in organising district level activities should continue. Given the DCs’ strong community network and funding resources available, we could consider creating a diversified local partnership and collaboration with women’s groups and NGOs. In view of the lead time required for revising the funding guidelines, in 2018-19, in order not to affect the application for funding by women’s groups and NGOs, we shall continue to apply the existing guidelines and arrangement for providing each district with \$53,000 through the 18 DCs to

women's groups and NGOs in organising more district level activities conducive to women's development. The new guidelines and arrangement are expected to be implemented in the DC stream in 2019-20.

Declaration of Interests

9. In view of the importance of the role of Members of the relevant WG of WoC in evaluating and recommending applications for the Funding Scheme, we would like to put in place a two-tier reporting system, i.e. the first tier is to require Members of the relevant WG to register his/her interests upon joining the WG, and the second tier is when a WG Member (including the Chairperson) has an actual or potential conflict of interest in any matter under consideration by the WG, whether prior to or at the meeting of the WG, he/she should, as soon as practicable after he/she has become aware of it, make a declaration to the Chairperson (or the WG). Details of the declaration mechanism are set out in **Annex II**.

Way Forward

10. Subject to WoC's endorsement of the proposals set out in paragraphs 4 to 9, we shall take forward the necessary work with the relevant WG after the re-organisation. We expect to apply the new guidelines and arrangement (including the declaration of interest mechanism) in the second round of application of WoC stream in the fourth quarter of 2018. For the DC stream, the new guidelines and arrangement will be implemented in 2019-20.

Advice Sought

11. Members are invited to discuss and give views on paragraphs 4 to 9.

Women's Commission Secretariat
May 2018

Women's Commission
Funding Scheme for Women's Development

Proposed Major Changes

WoC stream

✧ **Funding criteria**

Item	Existing practice	Proposed changes
<i>Permissible item</i>		
Publicity (such as posters, banners, leaflets, etc.)	\$7,000 (one-year projects) \$14,000 (two-year projects) (Not exceeding \$3 per poster; not exceeding \$150 per banner; not exceeding \$1 per leaflet; including design and printing cost)	To allow greater flexibility, proposes to delete specific limits of expenditure on posters, banners, leaflets, and revise the limit of expenditure as “Total expenditure on publicity shall in general not exceed 10% of the total approved funding ¹ ”, i.e. \$20,000 (one-year projects), \$40,000 (two-year projects), \$60,000 (three-year projects).
Printed items (such as questionnaires, reports, pamphlets, portfolio, application forms, admission coupons, invitation cards, notes, certificates)	\$13,000 (one-year projects) \$26,000 (two-year projects)	No change for one-year and two-year projects. Having regard to the longer duration of three-year projects and the expected increase of printed items, it is proposed that the limit of expenditure is by proportion set at \$39,000.

¹ Making reference to the permissible items of 18 District Councils' (DCs) funding guidelines, more than 50% of the DCs would set a specific limit of expenditure on posters, leaflets and banners. Some DCs such as Wong Tai Sin and Wan Chai adopt a more flexible practice, i.e. expenditure on publicity shall not exceed 10% and 15% of the total expenditure respectively.

Item	Existing practice	Proposed changes
Hire of stage, backdrop and decoration of venue (including the stage)	\$7,500 (one-year projects) \$15,000 (two-year projects)	To allow greater flexibility, proposes to combine these two inter-related expenditures and revise the limit of expenditure as “\$20,000 per project ² ” for one-year and two-year projects; and \$30,000 for three-year projects.
Hire of equipment (including audio system, public address facilities, lighting, slides, videos and furniture)	Depends on individual situation, in general around \$3,000 to \$5,000	
Exhibition board (including hire and production of exhibition board)	Maximum number of board is 10 and each board should not exceeding \$300 (applicable to one-year and two-year projects)	To allow greater flexibility, proposes to delete the restriction on the maximum number of board and cap of each board to be used, and revise the limit of expenditure as “\$5,000 per project ³ ”.
Booth (including hire of booth bracket and decoration)	Maximum number of booth is 8 and each booth should not exceeding \$500 (applicable to one-year and two-year projects)	To allow greater flexibility, proposes to delete the restriction on the maximum number of booth and cap of each booth to be used, and revise the limit of expenditure as “\$6,000 per project ⁴ ”.
Presenting gifts or small tokens of appreciation to participants	The funding allocated to the project shall not be used for presenting gifts to participants (except certificates).	To encourage participation, proposes to allow organisation to present gifts or small tokens of appreciation to participants by adding this new permissible item, and set

² Making reference to the permissible items of 18 DCs’ funding guidelines, a majority of DCs would set a specific limit of expenditure on hire of stage, backdrop, and decoration of venue, hire of audio system, public address facilities and lighting. The proposed limit of expenditure is generally similar to the highest limit of expenditure adopted by DCs.

³ Making reference to the permissible items of 18 DCs’ funding guidelines, around half of the DCs would set a specific limit of expenditure on exhibition board. As there is quite a great difference in the limit set by relevant DCs (from \$800 to \$7,200), the proposed limit of expenditure is generally the average of the expenditure limit set by relevant DCs.

⁴ Making reference to the permissible items of 18 DCs’ funding guidelines, around 60% of the DCs would set a specific limit of expenditure on booth. As there is quite a great difference in the limit set by relevant DCs (from \$4,200 to \$15,000), the proposed limit of expenditure is generally the average of the expenditure limit set by relevant DCs.

Item	Existing practice	Proposed changes
		the limit of expenditure at “Each gift to participants shall in general not exceed \$20 and the limit of expenditure at \$5,000 per project. ⁵ ”
Payment of fees to instructors / speakers / guests	<p>\$250 per hour</p> <p>Payment of fees to hire experienced and professional coaches in various cultural, recreational and sport activities.</p> <p>Duration of various training courses should not be less than 8 hours.</p> <p>The payment of fees to instructors / speakers / guests for each workshop and talk will be based on number of hours to be held.</p>	As expressed by funded organisations, there is difficulty in hiring professional instructors for conducting training courses at the current rate of \$250 per hour. Proposes to revise the current rate to \$300 per hour ⁶ .
Hiring project staff	The funding allocated to the project shall not be used for hiring staff.	As organisations repeatedly revealed that additional manpower would be required to follow through the project, hence, proposes to allow the organisation to use an amount for not more than 20% of the total approved funding to cover staff costs ⁷ directly and

⁵ Making reference to the permissible items of 18 DCs’ funding guidelines. In general, the DCs will allow giving gifts or small tokens of appreciation to participants. The proposed limit generally aligns with the limit set by DCs.

⁶ Making reference to the permissible items of 18 DCs’ funding guidelines. A majority of DCs would set a specific limit of expenditure on hire of instructors. The proposed expenditure limit generally aligns with the limit set by DCs.

⁷ Making reference to funding guidelines of 18 DCs and the Equal Opportunities (Sexual Orientation) Funding Scheme. Staff costs refer to the costs incurred in employing project staff to follow through the whole project and/or for subsidising

Item	Existing practice	Proposed changes
		specifically incurred on the project.

✧ Assessment Criteria

Item	Existing practice	Proposed changes
Three-year projects	Not applicable	In assessing three-year projects, in addition to taking into account the existing assessment criteria, such as, whether the objectives of the project are in line with the objectives and theme of the Funding Scheme, the target audience of the project, the content of the project, its continuity, etc., WoC will also consider and assess whether the project can achieve long-term development of women and its scalability.

✧ Payment Arrangements

Item	Existing practice	Proposed changes
Payment Arrangements on Advance payment	Reimbursement of funding is normally made to the funded organisation, on completion of a project. To facilitate the implementation of project, however, payment can be made in the form of advance payment and partial reimbursement.	As the funding caps for one-year and two-year projects will be increased to \$200,000 and \$400,000 respectively and the funding cap for three-year projects is \$600,000, to be prudent in using the public money, proposes to reduce the percentage of advance payment made to the

the overtime allowance for existing staff employed by NGOs for running a project. Cost of hiring tutors and coaches, etc. are not regarded as staff costs but are permissible items of expenditure that can be met from the Funding Scheme.

Item	Existing practice	Proposed changes
	WoC may, prior to the implementation of the project, consider that a single advance payment of not exceeding 50% of the approved project fund be made to the funded organisation.	funded organisation from 50% to 30% ⁸ of the approved project fund.
Proportion of funding allocation for the first round and second round of application	Members agreed at the 43 rd Meeting of the Working Group on Collaboration (WGC) that at least 40% of the funding available each year should be reserved for the second round of application.	Proposes that the current practice shall remain unchanged ⁹ .

✧ Monitoring mechanism

Item	Existing practice	Proposed changes
Declaration of interest	<p>Before vetting of the applications in the WGC meeting, the Secretariat will invite Members to make declaration on any actual, potential or perceived conflict of interests.</p> <p>After declaration was made, Members who had made declaration would generally either remain in the meeting</p>	<p>To uphold a high standard of integrity and meet the audit requirements, proposes to adopt the two-tier reporting system¹⁰. By adopting this two-tier reporting system, Members can be protected from criticism or embarrassment arising from the existence of any undeclared general financial interest which may</p>

⁸ Making reference to the Equal Opportunities (Sexual Orientation) Funding Scheme, advance payment to be disbursed will not be more than 35% of the approved funding amount (excluding funding for administration support). To avoid any unspent amount of advance payment, proposes to slightly reduce the percentage to 30%.

⁹ Two rounds of application commenced in 2015-16. On average, the proportion of amount sought for the first round and second round of applications in the past three years were 57.7% and 42.3% respectively.

¹⁰ The two-tier reporting system consists of (i) Register of Members' Interests and (ii) Declaration of Interest at Meetings. In considering the proposed change, we have made reference to the guidelines issued by the Corruption Prevention Department of ICAC, the current reporting mechanism of DCs, some larger scale Funding Schemes such as the Community Investment and Inclusion Fund, Quality Education Fund, etc. Details of the declaration mechanism are set out in **Annex II**.

Item	Existing practice	Proposed changes
	as an observer or withdraw from the meeting when vetting of that specific application.	have potential conflict with the work of the Working Group.
Financial monitoring	To ensure that the funding is used in accordance with the approved budget and purposes, the funded organisation should submit a project final report, financial report together with all receipts after completion of project. For two-year projects, the funded organisation is required to submit a progress report every six months.	<p>For three-year projects, the funded organisation is also required to submit a progress report every six months after approved of funding.</p> <p>Apart from existing practice, it is proposed that for projects with approved funding exceeding \$100,000 ¹¹, the funded organisation shall submit, in conjunction with the project final report, a financial report with the accounts audited by an independent Certified Public Accountant (CPA) so as to ensure that the funding is used in accordance with the approved budget and purposes.</p> <p>If the funded organisation employs an auditor, the cost of preparing the auditor's report shall in general</p>

¹¹ Making reference to the operational experience from Eastern DC, which strongly recommends the funded organisation to submit a financial report with the accounts audited by an independent CPA if approved budget exceeds \$100,000. Besides, for Wanchai DC, where projects with approved project fund of \$600,000 or less, the funded organisation may choose to engage a CPA or a corporate practice to submit an audited financial report and accounts. That said, we understand that Wanchai DC will require organisations approved of dedicated funded projects of \$200,00 to submit a financial report with the accounts audited by an independent CPA. In addition, for the Equal Opportunities (Sexual Orientation) Funding Scheme, for projects with approved budget exceeding \$150,000, the funded organisation shall submit, in conjunction with the project final report, a financial report with the accounts audited by an independent CPA.

Item	Existing practice	Proposed changes
		circumstances not exceed 2% of the approved funding amount. The cost of preparing the auditor's report should include in the proposed budget for WoC's consideration.
Evaluation process	<p>The effectiveness of the project was generally evaluated through the project final report. Content of the project final report includes details of the project, overall comments from participants and self-evaluation by the funded organisation.</p> <p>Besides, the WoC Chairperson or Members would also attend ceremony invited by the funded organisations.</p>	On top of the existing practice, it is proposed that the WoC Secretariat shall conduct visits or attend the activities on a random basis to better monitor the effectiveness and performance of the projects.

DC stream

✧ Funding criteria

Item	Existing practice	Proposed changes
<i>Permissible item</i>		
Publicity (such as posters, banners, leaflets, etc.)	<p>\$5,000</p> <p>(Not exceeding \$3 per poster; not exceeding \$150 per banner; not exceeding \$1 per leaflet; including design and printing cost)</p>	Proposes to be the same as WoC stream, i.e. total expenditure in general shall not exceed 10% of the total approved funding, i.e. \$5,300.

Item	Existing practice	Proposed changes
Hire of stage, backdrop and decoration of venue (including the stage)	\$7,500	Proposes to be the same as WoC stream, i.e. combine these two inter-related expenditures and revise the limit of expenditure as “\$20,000 per project”.
Hire of equipment (including audio system, public address facilities, lighting, slides, videos and furniture)	Depends on individual situation, in general around \$3,000 to \$5,000	
Exhibition board (including hire and production of exhibition board)	Maximum number of board is 10 and each board should not exceeding \$300	Proposes to be the same as WoC stream, i.e. revise the limit of expenditure as “\$5,000 per project”.
Booth (including hire of booth bracket and decoration)	Maximum number of booth is 8 and each booth should not exceeding \$500	Proposes to be the same as WoC stream, i.e. to revise the limit of expenditure as “\$6,000 per project”.
Presenting gifts or small tokens of appreciation to participants	The funding allocated to the project shall not be used for presenting gifts to participants (except certificates).	Proposes to be the same as WoC stream, i.e. to allow organisation to present gifts or small tokens of appreciation to participants by adding this new permissible item and set the limit of expenditure at “Each gift to participants shall in general not exceed \$20 and the limit of expenditure at \$5,000 per project”.
Payment of fees to instructors / speakers / guests	\$250 per hour Payment of fees to hire experienced and professional coaches in	Proposes to be the same as WoC stream, i.e. to revise the current rate to \$300 per hour.

Item	Existing practice	Proposed changes
	<p>various cultural, recreational and sport activities.</p> <p>Duration of various training courses should not be less than 8 hours.</p> <p>The payment of fees to instructors / speakers / guests for each workshop and talk will be based on number of hours to be held.</p>	

Women's Commission Secretariat
May 2018

**Women's Commission
Funding Scheme for Women's Development**

Declaration of Interests

Purpose

This note sets out a proposal to revise the existing declaration of interests mechanism for the Funding Scheme for Women's Development ("**Funding Scheme**") under Women's Commission ("**WoC**").

Recommendation

2. In view of the importance of the role of members of the relevant Working Group ("**WG**")¹ of WoC in evaluating and recommending applications for the Funding Scheme, we would like to recommend adopting a two-tier reporting system, i.e. the first tier is to require members of the relevant WG to register his/her interests upon joining the WG, and the second tier is when a WG member (including the Chairperson) has an actual or potential conflict of interest in any matter under consideration by the WG, whether prior to or at the meeting of the WG, he/she should, as soon as practicable after he/she has become aware of it, make a declaration to the Chairperson (or the WG).

Justifications

3. At present, the Working Group on Collaboration ("**WGC**") is tasked to assess applications of the Funding Scheme. Prior to discussion of the applications, members of the WGC are invited to make declarations on any actual, potential or perceived conflict of interests in relation to the applicants. Normally, members who have declared interests would refrain from discussion of the applications. All cases of declaration of interests would be recorded in the minutes of meeting.

¹ Currently, the Working Group on Collaboration is tasked with the vetting of funding applications under the Funding scheme. This responsibility will be entrusted to the relevant Working Group after re-organisation.

4. According to the “Best Practice Checklist on Strengthening Integrity and Accountability – Administration of Government Funding Scheme” published by the ICAC (“**the Checklist**”), given the important role of the members of Funding Committees in vetting and / or approving funding applications, a two-tier reporting system for declaring interests by committee members should be adopted which require them to –

- Disclose their general interests, direct or indirect, pecuniary or otherwise, on appointment / reappointment to the committee; and
- Declare any actual or perceived conflict of interests as and when they arise, e.g. before vetting funding applications, members should be required to declare whether they are acquainted with any of the applicants, the latter including individuals and organisations.

Other funding schemes

5. We have done some research on the existing declaration mechanism of other funding schemes, including the Community Investment and Inclusion Fund (“**CIIF**”) administered by Labour and Welfare Bureau, Quality Education Fund (“**QEF**”) administered by Education Bureau, Fund for Better Living (“**FBL**”) administered by Innovation and Technology Bureau. All these three funding schemes adopt the two-tier reporting system. It is noted that the CIIF used to adopt a one-tier reporting system for declaration of interests, however, a two-tier reporting system has been adopted after an Audit Review in 2010, when the Director of Audit considered that a two-tier reporting system was more appropriate given the CIIF Committee’s high degree of autonomy in disbursing the fund, and that its members often have affiliation with the applicant organisations. While we note that the funding provision earmarked for CIIF, QEF and FBL is higher than the Funding Scheme (e.g. around \$30 to \$40 million a year for CIIF), some of the approved projects may be of a comparable amount, say, below \$200,000 to that of the projects funded under the WoC Funding Scheme.

Funding allocated under the District Council (DC) stream

6. According to the existing funding guidelines for the DC stream, DC

members involved in assessing applications under the DC stream, should make a declaration on any conflict of interest which may be actual, potential or perceived. They should, as far as practicable, make a declaration of interest before the matter is discussed. If at any other time a DC member (including co-opted members) finds that he/she has an interest to declare, he/she should do so immediately and, where appropriate, complete a designated declaration form. As DC members are subject to the two-tier reporting system, they are required to register their interests (tier-one reporting) as well as declare interests at meetings (tier-two reporting). It would appear appropriate for the WoC stream to align with the practice of the DC stream.

Proposed two-tier reporting system

Tier-one declaration

7. Normally, for the tier-one declaration, members shall in general register in writing their personal interests, direct or indirect, pecuniary or otherwise to the Secretariat when they first join the WG, and annually thereafter, to the Secretariat. The registration shall be made on a standard form provided by the Secretariat. The types of interests required for registration shall include -

- (a) proprietorships, partnerships or directorships of companies;
- (b) remunerated employments, offices, trades, professions or vocations;
- (c) shareholdings in a publicly listed or private company (e.g. 1% or more of the company's issued share capital); and/or
- (d) other declarable interests, taking into consideration the nature of work of the WG.

A register of members' interests shall be kept by the Secretariat and should be made available for inspection on request by any member of the public.

Tier-two declaration

8. For tier-two declaration, the general guidelines governing declaration of interests at meetings are as follows -

- (a) When a known direct pecuniary interest exists for a member, the secretary may withhold circulation of relevant papers to the member concerned. Where a member is in receipt of a paper for discussion which he/she knows presents a direct conflict of interest, he/she should immediately inform the secretary and return the paper.
- (b) If a member (including the Chairperson) has any direct personal or pecuniary interest in any matter under consideration by the WG, he/she must, as soon as practicable after he/she has become aware of it, disclose to the chairperson (or the WG) prior to the discussion of the item.
- (c) The Chairperson (or the WG) shall decide whether a member disclosing an interest may speak or vote on the matter, may remain in the meeting as an observer, or should withdraw from the meeting.
- (d) If the Chairperson declares an interest in a matter under consideration, the chairmanship may be temporarily taken over by a member appointed by a majority of votes if the vice-chairperson is not present.
- (e) All cases of declaration of interests shall be recorded in the minutes of the meeting.

Way Forward

9. We are mindful that the proposed reporting mechanism would require extra reporting efforts of WoC members who wish to join the relevant WG. However, on balance, it might be prudent to adopt a two-tier reporting system given that government funds are public money, and Funding Committees play an important role in exercising due diligence in fund allocation and monitoring of funded projects. We shall work out a detailed guideline of the two-tier reporting mechanism with a view to finalising the new arrangement in the 3rd quarter of 2018.

Women's Commission Secretariat
May 2018