

Funding and Service Agreement¹

Short-term Food Assistance Service Team (STFAST)

I. Service Definition

Introduction

The Social Welfare Department (SWD) has since February 2009 commissioned non-governmental organisations (NGOs) to operate short-term food assistance service projects as part and parcel of the poverty alleviation measures. As the service is an effective poverty relief measure hitting the right target beneficiaries, SWD has secured resources in 2020-21 to regularise the service with the provision of lump sum grant (LSG) subventions.

Purpose and Objectives

2. The Short-term Food Assistance Service is to act as a stop-gap measure to help underprivileged individuals or families tide over temporary and/or sudden financial problems with daily food expenditure triggered by various social problems such as unemployment, illness and loss of family breadwinner, etc. The STFAST (or the Team) will also refer the needy service users to mainstream welfare services to meet their long-term financial and/or welfare needs.

Nature of Service

3. The Service Operator is required to provide short-term food assistance for service users residing within the service boundary of the Team with particular reference to the Meal-day Quota² per each financial year. Each service user will receive food assistance through the provision of food coupons and food in-kind (i.e. dry rations) at a ratio of 7:3 for a maximum of eight weeks. Subject to approval of the social work supervisor, extension of food assistance for no more than eight weeks may be granted on individual case merits. No service user is allowed to apply for food assistance before the end of the frozen period³ of six months.

¹ This Funding and Service Agreement is a sample document for reference only.

² The Meal-day Quota is the notionally capped volume for each STFAST. The meal-day quota per year is worked out by reference to the actual meal-day consumption served by the existing short-term food assistance projects in different localities as at December 2020. The Meal-day Quota may be revised regularly and the Service Operators will be informed by SWD about any revised Meal-day Quota at any time as appropriate.

³ Refers to six months counted from the first day of service user's latest round of food assistance.

4. The Service Operator should provide effective measures to publicise the services among the target service users and encourage community groups/district networks to proactively identify as well as refer the target service users to the STFAST for assistance. In particular, the Service Operator should, in collaboration with the Government and other district organisations, proactively get in touch with needy individuals who have not benefited from the relief measures announced by the Government over the past years and publicise the food assistance initiative among this group, especially tenants of bed-space apartments, cubicle apartments and rooftop structures.

5. The Service Operator should ensure that all staff would comply with the service requirements set out in paragraphs 23 to 39 of the Service Specifications⁴ in relation to standard assessment, food delivery, follow-up on service users' long-term welfare needs, measures to ensure proper use of public money and promotion of networking and partnership in the community.

Target Users

6. The service users of STFASTs are (a) individuals or families who have proven difficulties in coping with daily food expenditure, or (b) individuals or families encountering sudden changes and facing immediate financial hardship [examples of these service targets are the unemployed, illness-stricken patients, new arrivals, single parents with dependent children, street sleepers or those from low-income groups (particularly infants, children, pregnant women, chronically ill, elderly persons and ethnic minorities) who are not receiving CSSA].

7. STFASTs serve primarily Hong Kong residents. That said, in case of emergency or exceptional circumstances, the Service Operator may provide food assistance for non-Hong Kong residents on individual case merits. Individuals and families may direct approach the Service Operator or be referred by any government departments, NGOs, local organisations, Legislative/District Councilors, etc. for short-term food assistance.

II. Performance Standards

Outputs and Outcomes

8. Output and outcome indicators will be adopted in performance assessment. The Service Operator should meet the performance standards listed below and provide the statistics as required by SWD.

Outputs

⁴ Refers to the documents issued by SWD upon the invitation for proposals for operating STFASTs regarding all paragraphs and Annexes.

<u>Output Standard</u>	<u>Output Indicator</u>	<u>Agreed Level</u>
1.	Percentage of cases with at least 2 times of interviews ⁵ in a year	80%
2.	Percentage of cases with the first face-to-face interview ⁶ conducted within 5 working days upon receipt of referrals/applications from service users in a year	80%
3.	Percentage of cases provided with food assistance ⁷ within 3 working days upon receipt of all required documents from eligible service users and those failing to provide all required documents but with justification(s) as endorsed by the social work supervisor in a year	90%
4.	Total number of programmes ⁸ conducted for service users in a year	4

Outcomes

<u>Outcome Standard</u>	<u>Outcome Indicator</u>	<u>Agreed Level</u>
1.	Percentage of service users ⁹ indicating that the food assistance can relieve their financial burden in a year ¹⁰	80%
2.	Percentage of service users indicating satisfaction towards the services after receiving the assistance in a year ¹⁰	80%

⁵ Telephone contact is allowed for conducting the interview prior to termination or extension of services for those service users collecting food at service points run by the service partner.

⁶ It should be conducted by a registered social worker for the service user(s) with an interview record in the assessment form for each time on one specific date.

⁷ Refers to the provision of food for service users where the package of food consists the following items:
 (a) food items or in-kind food [i.e. dry rations (e.g. staple food, milk, biscuits, canned food, etc.)]; (the term shaded in blue is identical with para. 29 of the Specifications)and
 (b) food coupons (including supermarket coupons or fresh food coupons of wet market stalls or hot meal coupons).

⁸ Each programme should be welfare-related and have at least one session with at least 8 participants. Each session should last at least for one hour.

⁹ They include all service users of the short-term food assistance service team who have received food assistance with case closed in the period. For service users from the same household, completion of only one questionnaire is required.

¹⁰ A survey for all service users should be conducted excluding rejected/self-withdrawn cases before the case is closed.

Essential Service Requirements

9. The Service Operator shall comply with the essential service requirements as follows –

- (a) The STFAST should operate with opening hours no less than a total of 30 hours per week with each session lasting at least for 2 hours per service base [both main base and sub-base(s)]¹¹. At least one evening session (covering at least 2 hours between 6:00 p.m. and 9:00 p.m.) and one Saturday session should be operated in the main base;
- (b) The STFAST should have at least one main base/sub-base/service point¹² separately within the district(s)¹³ served; and
- (c) The STFAST should have at least two registered social workers.

Quality

10. The Service Operator shall meet the requirements of the 16 Service Quality Standards.

III Obligations of SWD to Service Operator

11. SWD will undertake the duties set out in the General Obligations of SWD to the Service Operator as specified in the Funding and Service Agreement (FSA) Generic Sections.

IV Basis of Subvention

12. The basis of subvention is set out in the offer and notification letters issued by SWD to the Service Operator.

Funding

13. Annual subventions will be allocated on a LSG mode to the Service Operator for a time-defined period. This lump sum has already taken into account the personal emoluments, including provident fund, for employing staff and other charges (OC) (covering all other relevant operating expenses including employees' compensation insurance and public liability insurance etc.) applicable to the

¹¹ The service bases of the Team may be closed on Sundays and public holidays.

¹² Refers to the venue managed by the service partner to provide food items and/or food coupons for service users.

¹³ Refers to the administrative districts under the auspices of Home Affairs Department (HAD).

operation of the Team. Besides, to ring fence the usage of food cost, SWD will provide food cost and the related food packaging and logistics expenditure under Central Item where a separate unit code will be created for such purpose. (For detail, please refer to the Service Brief of the Central Item.) Subject to SWD's approval, the rent, government rent and rates as well as management fee for both the main base and sub-base(s), will be reimbursed separately on an actual cost basis in the long run when the premises are secured by SWD. The support level in respect of the rent, government rent and rates as well as management fee of each Team for their interim premises is capped at the amount per year listed in paragraph 50 of the Service Specifications (or on pro-rata basis if the operation falls within part of the year).

14. In receiving the LSG, the Service Operator is accorded flexibility in the use of the grant and is required to observe the guidelines set out in the latest LSG Manual, LSG Circular, management letters and the correspondence in force as issued by SWD on subvention policies and procedures. The LSG will be subject to adjustments including salary adjustment in line with civil service pay adjustments and OC in line with the price adjustment factor, currently the Composite Consumer Price Index. The actual subvention allocation will also be adjusted in accordance with the date of commencement of the services, if applicable. The Government will not accept any liabilities or financial implication arising from the service beyond the approved funding.

Payment Arrangement, Internal Control and Financial Reporting Requirements

15. Upon the Service Operator's acceptance of the FSA and confirmation of commencement of service, payment of the LSG subventions will be made on a monthly basis.

16. The Service Operator is responsible for operating an effective and sound financial management system including budget planning, projection, accounting, internal control and auditing. It should maintain all books and records and supporting documents including income and expenditure relating to the Team and make them available for inspection by the Government representative.

17. The Service Operator shall submit the Audited Financial Report (AFR) as reviewed and the annual financial statements of the NGO as a whole as audited by a certified public accountant holding a practising certificate as defined in the Professional Accountants Ordinance (Chapter 50) and signed by two authorised representatives of the NGO, i.e. Chairperson/NGO and Head/Head of Social Welfare Services in accordance with the requirements as stipulated in the latest LSG Manual. The AFR should be prepared on a cash basis and non-cash items such as depreciation, staff leave accrual etc. should not be included in the AFR. For the food cost allocation and the relevant expenditure, they should also be accounted for as income and expenditure separately under Central Item in the AFR. Besides, the Service Operator should follow the requirements as set out in Annex 7 to the

Specifications and submit annual and monthly returns on the use of food cost (including the related food packaging and logistics) allocation to Family and Child Welfare Branch.(For detail, please refer to the Service Brief of Central Item.)

V Validity Period

18. This FSA is valid for a time-defined period. Should the Service Operator be in breach of any terms of condition of this FSA and fail to remedy the same in such manner and within such time as shall be specified in a written notice from SWD, SWD may, after expiry of such notice, terminate this FSA by giving 30 days' notice in writing to the Service Operator.

19. Where there is any change to the performance standards within the agreement period, SWD will seek mutual agreement with the Service Operator and the Service Operator will be required to achieve new requirements in accordance with the specified implementation schedule.

20. Continuation of service for the next term will be subject to relevant considerations such as the prevailing policy directive, service needs and performance of the Service Operator. SWD reserves the right to reallocate the service.

VI Other References

21. Apart from this FSA, the Service Operator should also comply with the requirements/commitments set out in the Service Specifications, and the Service Operator's proposals and supplementary information, if any. Where these documents are in conflict, this FSA shall prevail. The Service Operator's compliance with all these documents will be closely monitored by SWD.