Good Practice Guide
for the Partnership Fund for the Disadvantaged

Social Welfare Department
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Content

Chapter 1   Introduction and Objectives

This Guide serves as a resource of good practice for grantees and applicants under the Partnership Fund for the Disadvantaged (PFD) of the Social Welfare Department (SWD) in planning and implementation of projects.   It aims at inspiring readers with professionalism and continual improvement in project design, proposal formulation and delivery of quality welfare services while meeting the needs of the disadvantaged as well as public expectation on integrity, sustainability and accountability.

Chapter 2   Service Planning

2.1   Formation of Proposals

Applicants may consider adopting a systematic and strategic approach when designing service proposal(s) of PFD with the following key elements -

Need-driven: Make accurate assessment on service needs as it is the cornerstone of a quality proposal.   It enables appropriate estimation on number of potential users at a reasonable project scale and effectiveness.

User-focused: Design services according to needs and situations of individual service users and achieve added-value, personal growth, as well as asset and network building for them.

Expertise: Leverage of expertise of applicants including their extensive service experience, the wide range of expertise and manpower (both professional and volunteers) and community network to reach the service beneficiaries and solicit support of stakeholders.

Outcome-oriented: Quality proposal always comes with a set of outcome indicators with feasible measurement, as outcome achievement is essential to ascertain project effectiveness.

Innovative: Build up an innovative project by applying new service approaches, technologies, targeting new user groups or service demand or bringing added-value to existing services.

Network-building: Aim at establishing network with other sectors and parties in both the planning and service process.   The network can help extending services to potential service users, facilitate recruitment of suitable target beneficiaries and ensure service continuity for those still having service needs after project completion.

Applicants should avoid designing proposals that –

- *do not address the service needs or the specific characteristics of target beneficiaries (e.g. venue of activity too far away for service users);*
- *have target beneficiaries that the applicant has no network to reach or recruit;*
- *have too many participants or activities which may compromise service quality; or*
- *have ineffective measurement tools for evaluation of outcome effectiveness.*

2.2 Inclusion of Social Welfare Elements

Applicants should demonstrate their initiatives in rendering **appropriate services** to meet the **welfare needs** of target beneficiaries, along with **effective measurement tools** for evaluating outcome achievements and project effectiveness **from the social welfare perspective**.

<u>What is social welfare?</u>
Social welfare does not refer only to the actual benefits received by service users. In broader context, social welfare means **happiness and betterment to individuals and groups of people** with a wide coverage including but not limited to self-actualisation, dignity and respect, relationship and networking, emotional stability, personal growth and upward mobility, empowerment and community participation, family bondage, etc. It also refers to equal opportunities within a society, and projects serving minorities such as ethnic minorities, persons with disabilities, children with special educational needs, etc. are important in promoting a caring community.

<u>What are the outcomes of social welfare services?</u>
Happiness and betterment of individuals inevitably comes with **intangible target outcomes**, such as improved social skills, life-planning skills or parenting skills, expanded social network, successful early intervention of social exclusion, greater sense of empowerment or belonging to the community, relieved stress in parenting, etc. Thus, a set of **effective measurement tools** is very important to evaluate to what extent these intangible target outcomes have been achieved and to indicate the effectiveness of service.

Applicants should take note that service provisions in the process of project implementation are always only the means for achieving a greater end, that is, in the context of the PFD, **a positive impact and change on a beneficiary**.

A case study –
- *In a project with a goal to bring singleton elderly out of sorrow from losing spouse or prevent them from social exclusion, would programmes such as health check*

services be able to assess their mental health condition and meet their emotional needs?

- *What elements could be included in the activities to meet the beneficiaries' other welfare needs?*
- *Would discussion group on social network building be a more appropriate means to achieve the project goal?*
- *Is attendance rate an effective evaluation tool?*

2.3 Staffing

As the proposed project expenditure should bring direct benefit to the target beneficiaries as far as possible, any project staff hired is expected to involve in delivering **direct services** to service beneficiaries.   Staff cost for back-end staff that provides administrative support to the project should be absorbed under Administration Overheads.

Applicants should justify the proposed staff cost with **job duties, qualification and work experience requirement, and working hours** of the staff together with any other relevant information that the Secretariat of PFD (the Secretariat) should consider.   Normally, staff cost should not exceed 50% of the total budget of the project except when there are strong justifications on the otherwise.   Qualification requirement and salary level should be reasonable, justified and feasible for applicants to recruit suitable staff for implementing the project as pledged.

> What are fraction posts?
> Sometimes, a full-time project staff may not be supported as the job duties indicated and the workload proposed do not justify the hiring of a full-time post.   In such cases, applicants may consider to propose a portion of the post (i.e. fraction post).
>
> *Example –*
> *Applicants may propose a 0.5 social work officer based on justifiable job duties and workload.*

2.4 Sustainability of Service Impact

Applicants are encouraged to design proposals with sustainable service impact even after the project has ended.   It is good to include **post-project follow-up service** in the proposal, such as referring those beneficiaries in need to other existing services in the community, as well as on the **future use of project inventories and donations in-kind** received from business

partners which are durable in nature.

Example –
Applicant may illustrate plans in re-using the paint brushes and tripod wooden easels purchased for the project's painting classes in future programmes after project completion. Consumables like oil paints and canvases can be exempted.

Applicants are also encouraged to develop strategic partnership with business partners which take up corporate social responsibilities.   Priority considerations will be given to proposals that demonstrate sustainable project initiatives in creating a cohesive, inclusive and caring society.

Chapter 3   Service Implementation

3.1 Selection of Participants

The PFD has the mission to support social welfare projects serving the disadvantaged.   To ensure resources are benefiting the intended target beneficiaries, grantees need to have an effective mechanism to **assess, confirm and record the eligibility of beneficiaries** according to the selection criteria specified in the project proposal as approved by the PFD.   Depending on the circumstances of individual projects, screening may include check of supporting document or preliminary assessment for disadvantaged groups such as students with special educational needs.

Also, fairness should be maintained in distributing resources to potential beneficiaries. Generally speaking, grantees are preferred to serve new beneficiaries as far as practicable, instead of allowing repeated participations in similar project activities.   **Activities serving repeated participants should be kept at minimal.**

3.2 Financial Management

As PFD projects are funded by public resources and business donations, grantees are required to adhere to the principles of **fairness, competitiveness and transparency** in procurement of products, services and hiring of project staff.   Grantees should conduct extensive market research before procurement and **accept the lowest offer that meets the specifications**, so as to ensure all resources are utilised fairly and effectively, and adherence to the quotation and tender procedures stipulated in the Lotteries Fund Manual.

Grantees should **use up all donations** from the partnering business corporations and other income generated from the approved PFD projects (including but not limited to service fees charged, funds raised, etc.), if any, before using the disbursed PFD grants effectively in a targeted manner.

In addition, all financial records, recruitment records and information relating to approved PFD projects (including but not limited to attendance records, preliminary assessments conducted during selection of participants, post-service user feedbacks, etc.) must be **tidily and properly documented**. All records shall be made available to the SWD for inspection upon request, such as during monitoring visits to grantees or post-project inspection.

3.3 On-going Evaluation on Service Delivery

Ongoing evaluation on service delivery is a critical component of successful project implementation. Grantees should continuously track service outputs, evaluate outcome effectiveness and examine if there is any change in service needs of the target beneficiaries. In situations where output and outcome achievement are lagging behind schedule, grantees should formulate a plan as soon as possible for catching up in order to fully utilise the approved grant and avoid unsatisfactory project completion.

As a general rule, grantees are required to follow the approved project content, duration and budget. However, in case grantees anticipate or encounter any major difficulties in project implementation that may adversely affect the outcome effectiveness, grantees are encouraged to **consult the Secretariat** and make adjustment to the project after obtaining approval from the SWD. SWD reserves the right not to approve the project modification request.

Grantees should **closely observe and follow the approved budget** of each expense item. Re-allocation of funds from programme expenses to staff cost and administration overheads is not allowed. Virement of funding within programme expenses should observe the guidelines stipulated in the notification letter of application result. Grantees may consult the Secretariat for re-allocation of funds within programme expenses.

3.4 Timely Submission of Reports

Grantees are required to submit audited financial statement, final evaluation report and progress report at intervals **as scheduled** in the prescribed report forms and templates. In addition, Grantees shall provide at least ten photos of the activities, including at least two photos with the Government logo, PFD logo or full name of PFD and project name, and/or a video with at

least 30 seconds for the promotion of the PFD and record purpose.   Timely submissions will facilitate the Secretariat to have an accurate understanding on the project implementation. Delay in report submission renders difficulties to the Secretariat in monitoring and giving timely advice and assistance to the grantees when necessary.

For projects involving more than one instalment of PFD grants, the above reports also serve as important references for the Secretariat to decide whether to release the next instalment of grants, assess whether projects have been satisfactorily completed and whether the grants have been used properly, and assess on overall performance of the grantees.

Chapter 4   Handling of Conflict of Interests

In the context of the PFD, a conflict of interest (CoI) situation arises when the **actual, potential or perceived CoI** (including financial and other interests, please refer to Chapter 4.3 for examples) of the applicant/grantee, its board members or key personnel involved in the project receive or may receive from the proposed partnership with business corporation(s) could lead to suspected risk of abuse of PFD grants.   Applicants/grantees should, at all times, adhere to a high standard of integrity, ensure proper handling of CoI where a conflict is unavoidable, and declare all **actual, potential or perceived** CoI as and when it arises.

4.1 During Application

Applicants should examine whether there is a CoI situation arising from the proposed partnership with the business corporation(s).   If so, applicants must **declare the CoI**, **submit a completed standard form** for declaration of conflict of interest, disclose all details, and advise actions taken or propose actions to be taken to properly manage the CoI **at the stage of application,** such as restricting the involvement of the member, staff and the business partner concerned in the procurement activities of the project.   The Secretariat will examine the declaration in details and may invite applicants to provide supplementary information, such as level of participation of the members, staff and the business partner concerned in project formulation or in the upcoming procurement.

4.2 After Approval

Grantees should consistently uphold high standard of integrity and declare CoI to the PFD **as and when it arises** from the partnership with the approved business partner(s).

To ensure PFD grants are being properly used for the purposes as specified in approved project

proposals, grantees having a sound governance structure and effective internal control mechanism are more likely to avoid malpractice in areas prone to corrupt practices, particularly in **financial management and procurement**.   Some recommended measures for the grantees include –

- *laying down policies and guidelines for proper book-keeping and procurement;*
- *conducting regular internal check and audit to ensure compliance with policies, guidelines and code of conduct within the organisation;*
- *adhering to the procurement requirements of the PFD and keep all procurement and staff recruitment records for inspection; and*
- *establishing connections with more diverse business partners so that procurement of products and services would not rely on a single business partner or its associated companies.*

4.3   Examples of Conflict of Interest

- The board chairperson of the applicant/grantee and owner of its business partner **is the same person**.
- The applicant is having **business dealings** with its business partner.
- A board member or key personnel of the applicant/grantee **is a relative** to the owner of its business partner or staff concerned of its business partner who has been involved in handling the donation for the application.
- The applicant, a board member or key personnel of the applicant has or is publicly perceived to **have close relationship** with its business partner, the owner of its business partner or staff concerned of its business partner who has been involved in handling the donation for the application.
- The service or product of business partner is **similar to service activities** of the proposed project.
- The business partner is a **potential service provider** of the service component of proposed project.

4.4   Reference Materials

To know more about handling of CoI and corruption prevention, please refer to the following references of the Independent Commission Against Corruption –

[Strengthening Integrity and Accountability – Government Funding Schemes Grantee's Guidebook](#)

[Tips for NGOs – Management of Conflict of Interest](#)

[Governance and Internal Control in Non-Governmental Organisations](#)

[Training Package on Corruption Prevention in Procurement](#)

[Sample Code of Conduct for Board Members & Staff of Non-governmental organisations in Social Welfare Sector (Full version)](#)