



Our Ref. : (40) in SWD/S/207/1 Pt. 7
Tel. No. : 2832 4308
Fax No. : 2575 5632

Subventions Section
38/F, Dah Sing Financial Centre
248 Queen's Road East
Wan Chai, Hong Kong

28 March 2023

Name of NGO Head
Title of NGO Head
NGO Name
NGO Address

Dear XXX,

**Revised Statutory Minimum Wage Rate
Allocation of Additional Resources for Central Item –
Allowance for Specific Services arising from
Implementation of the Minimum Wage Ordinance (MWO)**

As approved by the Legislative Council, the statutory minimum wage (SMW) rate stipulated under the Minimum Wage Ordinance (MWO) will be adjusted from \$37.5 to \$40 per hour with effect from 1 May 2023. To facilitate your organisation's compliance with the statutory requirement under the MWO, additional resources will be provided by the Social Welfare Department (SWD) for overnight allowance for recognised posts in specific residential services in accordance with the parameters as set out below.

Calculation Parameters and Terms of Operation

With reference to our allocation letter of 28 April 2021 regarding the allowance for the overnight duties of recognised posts in specific residential services, the additional resources arising from the revised SMW rate of \$40 per hour will be allocated on the calculation parameters as follows –

- (a) \$2.5 (i.e. \$40 minus \$37.5) per hour x 9 hours a night x one post for Small Group Homes, Integrated Small Group Homes, and Small Group Homes for Mildly Mentally Handicapped Children;

- (b) \$2.5 per hour x 8 hours a night x number of posts (with a minimum of two posts, to be capped at a maximum of four posts for each Home/Hostel) recognised for overnight duty in Children's Homes, and Boys' and Girls' Homes/ Hostels; and
- (c) \$2.5 per hour x 8 hours a night x number of posts (with two posts for each Centre/Hostel) recognised for overnight duty in the following services -
- SWD-subsented Drug Treatment and Rehabilitation Centres with 16 or less subvented places;
 - Supported Hostels for Persons in Mental Recovery;
 - Supported Hostels for Mentally Handicapped Persons with 10 or less subvented places;
 - Short-term Hostels of Integrated Services Teams for Street Sleepers; and
 - Hostels for Ex-offenders and Discharged Prisoners.

Details of the calculations for the service units entitled are shown at **Annex I**. The allowance will be allocated as a Central Item. Any unauthorised use or unspent balance of the year will be subject to claw-back. In case of under-spending, the surplus should be deposited in an interest-bearing account and will be recovered upon submission of the annual audited accounts. NGOs shall use this allowance for its designated purpose and account for the income and expenditure separately under the Schedule of Central Items in the Annual Financial Reports; or in case of NGOs on conventional subvention mode, submission of the accompanying financial statements is required.

NGOs are required to report to SWD on an annual basis the use of the allowance vide **Annex II** not later than 31 October following the end of each financial year. Proper staffing and accounting records shall be maintained and be made available for inspection when required.

Provident Fund (PF)

A standard rate of 6.8% will be applied for calculating the additional PF for the above additional resources. If Snapshot Staff is involved, necessary adjustments to their PF will be addressed through the existing mechanism based on your organisation's annual submission of staff list to SWD in September each year.

Additional Subvention Allocation

The first payment of the additional subvention allocation, covering the period from May 2023 to June 2023, will be allocated to your organisation in the first quarter of 2023-24. Payments for the subsequent periods will be made according to the normal payment schedules.

Confirmation of Acceptance

The additional resources are allocated on the understanding that your organisation will observe the requirements as stated in our previous allocation letters on this subject and this allocation letter, the performance standards and conditions as set out in the relevant Funding and Service Agreements and/or Service Agreements, and the requirements as set out in the latest LSG Manual, LSG Circulars, management letters and correspondence in force as issued by SWD on subvention policies and procedures, whichever is applicable, as well as the relevant Guidance Notes for specific services.

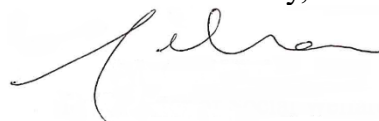
Please confirm your acceptance of the additional resources by completing and returning the reply form at **Annex III** by **17 April 2023**. Late returns will not be accepted.

Enquiries

Enquiries about the MWO should be directed to the Labour Relations Division of the Labour Department. For enquiries on subvention matters, please contact the Social Work Officer designated for your organisation. For enquiries on service matters, please contact the following officers -

<i>Subject</i>	<i>Officer</i>	<i>Telephone Number</i>
Youth Service (including DTRCs)	Mrs CHEUNG LAI Man-wai, Fanny, SS(Y)2	2892 5128
Family and Child Welfare Service	Miss LEUNG Oi-lin, Winnie, SS(CW)1	2892 5173
Rehabilitation Service	Mr WONG Hoi-man, Joshua, SS(RM)4	2892 5143
Corrections Service	Ms POON Hau-yuk SS(C)2	2892 5302

Yours sincerely,



(Ms CHIU Pui-fung)
for Director of Social Welfare

**Allocation of Additional Resources
Arising from the Revised Statutory Minimum Wage Rate
(Increased from \$37.5 to \$40 per hour with effect from 1 May 2023)**

NGO Name (Code) : NGO (Code)

Calculation Breakdown:

Additional Allowance for Specific Services arising from the Implementation of the Minimum Wage Ordinance under Central Item

Service Project / Service Centre	No. of Post Recognised for the Allowance (d)	No. of Hours Recognised per night (Mark "Y" where applicable) (e)		Part-year Provision [#] (2 months) (1 May 2023 to 30 June 2023) <i>(for reference only)</i>	2023-24 Provision [#] (11 months) (1 May 2023 to 31 March 2024) <i>(for reference only)</i>
				Salary plus PF	Salary plus PF
		8 hr	9 hr	(\$)	(\$)
Unit Name	X	Y		xxx	xxx
Total				xxx	xxx

[#] (d) x (e) x \$2.5 x 1.068 x 365.5 days* x (no. of months / 12 months)

* 365.5 days = (365 days in 2023 + 366 days in 2024) / 2

To: A(S)1, Subventions Section / SWD (Fax.: 2575 5632 / 2575 6537)

Annual Report on the Allowance for Specific Services arising from the Implementation of the Minimum Wage Ordinance

(Please return this proforma to Subventions Section, Social Welfare Department on or before 31st October after the close of each financial year)

Name of NGO (Code) : _____ ()

Financial Year: (20 - 20)

Total Allowance Allocated for the Year: \$ _____

Service Types	No. of Homes / Service Units (a)	Total no. of Recognised Posts as Approved by SWD under (a)	Allocation for the Year for the Homes / Service Units (\$) (b)	Expenditure on the Allowance (\$) *					Balance as at Close of Financial Year (\$) (b - c)
				April to June (Q1)	July to September (Q2)	October to December (Q3)	January to March (Q4)	Year Total (Q1 + Q2 + Q3 + Q4) (c)	
Small Group Homes #									
Integrated Small Group Homes #									
Small Group Homes for MMHC #									
Children's Homes @									
Boys' and Girls' Homes / Hostels @									
SWD-subsented Drug Treatment and Rehabilitation Centres with 16 or less subsented places @									
Supported Hostels for Persons in Mental Recovery / Mentally Handicapped Persons with 10 or less subsented places @									
Short-term Hostels for Integrated Services Teams for Street Sleepers @									
Hostels for Ex-offenders and Discharged Prisoners @									
Total:									

* Designated for overnight duties in specific residential services. Any unauthorised use or unspent balance of the year will be subject to claw-back. In case of under-spending, the surplus should be deposited in an interest-bearing account and will be recovered upon submission of the annual audited accounts.

9 hours x \$40 per Home a night.

@ 8 hours x \$40 per recognised post a night.

Contact Person : _____

Post Title : _____

Telephone no. : _____

Date : _____

Fax to: Subventions Section
 Social Welfare Department
 38/F, Dah Sing Financial Centre
 248 Queen's Road East
 Wan Chai, Hong Kong

(Attn: A(S)1)

(Both by fax and by post)

Fax No.: 2575 6537 / 2575 5632

(This form must be completed and returned to SWD by 17 April 2023)

**Acceptance of Allocation of Additional Resources
 Arising from the Revised Statutory Minimum Wage Rate**

I acknowledge receipt of your letter of 28 March 2023 the content of which is noted. I confirm acceptance of the additional resources for my organisation to operate subvented welfare services, and in doing so, I undertake that my organisation shall comply with the terms and conditions as set out in the letter.

Signature: _____

Name of
 Chairperson/
 NGO Head/
 Head of
 Social Welfare
 Service

Designation: _____

(*Chairperson/ NGO Head/
 Head of Social Welfare Service)

Organisation: _____

Date: _____

Telephone no. _____

 (Organisation Stamp)

* delete as appropriate