

EDUCATION BUREAU CIRCULAR NO. 3/2008
Child Care Centre Subsidy Scheme

- [Note : This circular should be read by -
- (a) Supervisors of Kindergarten-cum-Child Care Centres staying in the Child Care Centre Subsidy Scheme– for necessary action; and
 - (b) Heads of Sections – for information.]

Summary

With effect from the 2008/09 school year, the former “Kindergarten and Child Care Centre Subsidy Scheme” will be renamed as “Child Care Centre Subsidy Scheme” (CCCSS) to reflect its scope subsequent to the introduction of the Pre-primary Education Voucher Scheme in 2007. This circular

- (a) provides details of the CCCSS; and
- (b) invites application from eligible pre-primary institutions for subsidy under the Scheme for the 2008/09 school year by **29 February 2008**.

Background

2. The Kindergarten Subsidy Scheme (KSS) was first introduced in September 1995 to provide financial assistance to non-profit-making (NPM) kindergartens (KGs) to meet the minimum proportion of Qualified Kindergarten Teachers required by the Government without having to increase their fees substantially.

3. Upon the harmonisation of pre-primary services from 1 September 2005, the KSS was renamed as Kindergarten and Child Care Centre Subsidy Scheme (KCSS) to cover all eligible providers of pre-primary services for children aged below six, including those previously covered by the 5% Subsidy Scheme administered by the Social Welfare Department (SWD).

4. With effect from the 2007/08 school year, the Pre-primary Education Voucher Scheme (PEVS) has replaced the KCSS to provide direct fee subsidy to eligible children attending KG classes. Pursuant to PEVS, the KCSS now applies only to children under the age of three in eligible day crèches, day nurseries and the child care centre portion of kindergarten-cum-child care centres (KG-cum-CCCs). To better reflect its scope of services, the KCSS will be renamed as Child Care Centre Subsidy Scheme (CCCSS) from the 2008/09 school year. The conditions of subsidy and the group grant arrangement will remain unchanged.

5. Government subsidy under CCCSS for the eligible child care centre portion of KG-cum-CCCs will continue to be administered and disbursed by Education Bureau (EDB)

whereas those provided for standalone child care centres (CCCs) will continue to be administered by SWD.

Eligibility for Subsidy

6. The eligibility of subsidy under CCCSS will be confined to existing full-day services previously covered by the 5% Subsidy Scheme, except those with proven new full-day service demand with SWD's prior approval on a case to case basis.

7. To be eligible to stay in the CCCSS in the 2008/09 school year, the child care centre portion of KG-cum-CCCs must charge service fees not exceeding \$38,760 per child per annum for full-day service in the 2007/08 school year. For subsequent years, pre-primary institutions wishing to stay in the CCCSS must be charging fees not exceeding a prescribed cut-off point to be announced annually.

Conditions for Subsidy

8. All child care centre portion of KG-cum-CCCs joining the CCCSS are required to comply with the following conditions for subsidy:

- (i) To employ a minimum of 100% registered child care workers (CCWs) for the full-day services based on the respective worker to child ratio as required by the Government for respective service group(s) (as specified in **Part I of Annex 1**) and to comply with the qualification requirement of the Certificate in Early Childhood Education or its equivalent by its approved child care supervisor (CCS)/ KG principal;
- (ii) To pay salaries to CCWs including registered CCS according to the Recommended Normative Salary Scale for Child Care Staff in Kindergarten-cum-Child Care Centre stated in the annual Circular Memorandum on application for first/second payment under the Scheme. CCWs/CCS should, in normal circumstances, be awarded increments along the recommended salary scale provided that they remain in the same institution;
- (iii) To accept any adjustment made by EDB to the approved service fees corresponding to the amount of Government subsidy received under the CCCSS;
- (iv) To submit an audited account covering the whole school year, with the Government subsidy duly reflected, to EDB at a time to be announced;
- (v) To keep properly the salary returns of their CCWs/CCS and submit to EDB for inspection as required;
- (vi) To spend the Government subsidy solely on CCWs/CCS's salaries; and

- (vii) To comply with the Child Care Services Ordinance in force, and to maintain an acceptable operating standard in both management and professional aspects.

9. All KG-cum-CCCs joining the CCCSS cannot transfer their surplus, in whatever form, to their sponsoring body or other organisations. They should use their surplus that contributes directly and positively towards the enhancement of the quality of services delivered.

10. Should there be any non-fulfilment of the aforesaid conditions, the institution should repay the subsidy in full as required to the Government of the Hong Kong Special Administrative Region.

Disbursement of Subsidy

Mode of Subsidy

11. The level of subsidy disbursed to each eligible institution will be calculated on a group/per capita grant basis. Subsidy for children aged two to three will be calculated on groups of 15 children or part thereof. As for children aged below two, the subsidy will be calculated on groups of 8 children or part thereof. The calculation of number of eligible groups/per capita is provided at **Annex 2**.

12. The group/per capita grant rate will be adjusted annually according to the changes in the Consumer Price Index (A) to be announced in the annual circular memorandum calling for applications to stay in the CCCSS. For the 2008/09 school year, the subsidy rates are as follows:

| Services | Group Grant Rate (per annum) | Per Capita Group Rate (per annum) |
|--------------------------------|---------------------------------|--------------------------------------|
| (i) for children aged 2 to 3 | \$30,925 | \$3,093 |
| (ii) for children aged below 2 | \$30,925 | \$6,185 |

Payment of Subsidy

13. Subsidy will be paid by 2 instalments in October and April of each school year. In September and February, a circular memorandum will be issued to invite the participating KG-cum-CCCs to report on the number of children enrolled and the 100% CCWs attainment as at a specified date in September and February of that school year for calculating the number of groups/per capita eligible for subsidy. The formula for calculating the 100% CCWs attainment is provided at **Part II of Annex 1**.

Participation in and Withdrawal from CCCSS

14. A circular memorandum will be issued annually inviting eligible KG-cum-CCCs to apply for staying in the CCCSS. Invitation to new KG-cum-CCCs to join CCCSS would be extended by SWD on an individual basis for proven new full-day service demand.

15. If KG-cum-CCCs withdraw from the CCCSS later than two weeks from the date of issue of the new Fees Certificate for the following school year, their newly approved fees will not be re-adjusted.

CCCSS for the 2008/09 School Year

16. Eligible KG-cum-CCCs wishing to stay in the CCCSS in the 2008/09 school year should complete and return the attached “**Child Care Centre Subsidy Scheme (2008/09 School Year) Proforma on Enrolment and Registered Child Care Workers Attainment**” at Annex 3, together with their fee revision application for the 2008/09 school year to the Joint Office for Pre-primary Services on or before **29 February 2008**.

Enquiries

17. All enquiries should be directed to the Joint Office for Pre-primary Services on 3107 2197. Standalone CCCs may contact SWD on 2892 5187.

Tony TANG
for Secretary for Education

**Child Care Centre Subsidy Scheme
Required Worker to Child Ratio and
Calculation of 100% Registered Child Care Workers (CCWs)**

Part I: Worker to child ratio of respective groups of service for calculating the required staff establishment

- (i) Aged 0-2 service group: worker to child ratio is 1:8
- (ii) Aged 2-3 service group : worker to child ratio is 1:14

Part II: Method of calculating 100% CCWs attainment for full-day services provided to children aged below 3

$$N = \left[\frac{\text{No. of children aged 0 to 2}}{8} + \frac{\text{No. of children aged 2 to 3}}{14} \right] \times 100\%$$

N= Number of CCWs required. If N includes a fraction, it should be rounded up to the next whole number.

Note:

For children aged below 3, only full-day services previously receiving subsidy under the 5% Subsidy Scheme of the Social Welfare Department will be eligible for subsidy under the Scheme.

Child Care Centre Subsidy Scheme
Calculation of Number of Eligible Groups/Per Capita for Subsidy

For children aged two to three

| No. of Children Per Service Group | Basis of Calculating CCCSS Subsidy | |
|--------------------------------------|------------------------------------|-------------------|
| | No. of Group | No. of Per Capita |
| 1-9 | 0 | 1-9 |
| 10-15 | 1 | 0 |
| 16-19 | 1 | 1-4 |
| 20-30 | 2 | 0 |
| 31-45 | 3 | 0 |
| 46-60 | 4 | 0 |
| 61-75 | 5 | 0 |
| 76-90 | 6 | 0 |
| 91-105 | 7 | 0 |
| 106-120 | 8 | 0 |
| 121-135 | 9 | 0 |
| 136-150 | 10 | 0 |
| 151-165 | 11 | 0 |
| 166-180 | 12 | 0 |
| 181-195 | 13 | 0 |

For children aged below two

| No. of Children Per Service Group | Basis of Calculating CCCSS Subsidy | |
|--------------------------------------|------------------------------------|-------------------|
| | No. of Group | No. of Per Capita |
| 1-4 | 0 | 1-4 |
| 5-8 | 1 | 0 |
| 9-16 | 2 | 0 |
| 17-24 | 3 | 0 |
| 25-32 | 4 | 0 |
| 33-40 | 5 | 0 |
| 41-48 | 6 | 0 |
| 49-56 | 7 | 0 |
| 57-64 | 8 | 0 |
| 65-72 | 9 | 0 |
| 73-80 | 10 | 0 |

Child Care Centre Subsidy Scheme (2008/09 School Year)
Proforma on Enrolment and Registered Child Care Workers Attainment

Name of KG-cum-CCC : _____

1. Projected Enrolment Form

| Session | As at September 2008 | | | |
|----------|-----------------------------|--|--|--|
| | Service Group [Note (i)] | Estimated no. of eligible children [Note (i) & (ii)] | Estimated no. of eligible groups for subsidy [Note (iii)] | Estimated no. of eligible per capita for subsidy [Note (iii)] |
| Full Day | Aged 0-1 | | | |
| | Aged 1-2 | | | |
| | Aged 2-3 | | | |
| | Total: | | | |

Note:

- (i) Only full day services for children aged below three receiving subsidy under the 5% Subsidy Scheme of the Social Welfare Department prior to harmonisation of pre-primary services are eligible for subsidy under the CCCSS.
- (ii) The numbers should be the same as the numbers marked in column (i) of Table 1: “For services for aged 0-3/2-3” of Schedule 1B in [Education Bureau Circular Memorandum No. 7/2008](#) to be submitted for the 2008/09 school year fee revision application.
- (iii) Please refer to **Annex 2** for the calculation of number of eligible groups/per capita.

2. Proforma on CCWs Attainment ^{Note}

| Session | Estimated number required as at September 2008 | |
|----------|--|--|
| | No. of CCWs employed (including CCS) | No. of CCWs Required [Aged 0-2 service group: using worker to child ratio 1:8 to calculate the no. of CCWs required Aged 2-3 service group: using worker to child ratio 1:14 to calculate the no. of CCWs required] [Please fill in the brackets with the number of children attending full day services and calculate the no. of CCWs required for the respective service group(s).] |
| Full Day | N1 () | <p style="text-align: center;">Aged 0-2: $N2a = \left[\frac{\quad}{8} \right] = (\quad)$ [if applicable]</p> <p style="text-align: center;">Aged 2-3: $N2b = \left[\frac{\quad}{14} \right] = (\quad)$</p> <p style="text-align: center;">N2 = (N2a + N2b) = ()</p> |

Note:

- (i) N2 is the number of CCWs required throughout the day for the full day services. If N2 includes any fraction, it should be rounded up to the next whole number (e.g. 2.05 → 3).
- (ii) For attainment of 100% CCWs, N1 should be greater than or equal to N2.
- (iii) The actual number of the required CCWs for 100% attainment is based on the actual enrolment of each service group as at the cut-off date in September and February of the 2008/09 school year.

| | | | |
|---|------|--|------------|
| 3. Estimated total amount of subsidy | = | [Estimated no. of groups (aged 0-3) for subsidy] | x \$30,925 |
| | + | [Estimated no. of per capita (aged 2-3) for subsidy] | x \$3,093 |
| | + | [Estimated no. of per capita (aged 0-2) for subsidy] | x \$6,185 |
| | = \$ | _____ | |

(The above is for estimation only. The actual amount of subsidy to be disbursed is based on the actual number of children enrolled as at the cut-off date in September and February of the 2008/09 school year.)

I understand that my KG-cum-CCC is required to fulfil the conditions for subsidy, including employing 100% registered CCWs in the required staff establishment, calculated on a worker to child ratio as specified in Part I of Annex 1 for the respective service group(s), and the possession of Certificate in Early Childhood Education or its equivalent by its approved CCS/kindergarten principal. Otherwise, my KG-cum-CCC will not be eligible for the CCCSS subsidy.

Signature of
School Chop: _____ School Supervisor: _____

Name of
Date: _____ School Supervisor: _____

| For office use only | |
|---------------------------------|------------|
| Endorsed by (amendments in red) | |
| Signature : | |
| Name: | |
| Post: | SPSO(JOPS) |
| Date | |