



社會福利署

Social Welfare Department

By Email Only

Our Ref. : SWD 10/69/159A/65
Tel. No. : 2832 4323
Fax No. : 2151 0573

3 January 2012

To all Chairpersons / Heads of Non-governmental Organisations providing subvented welfare services

Dear Sir / Madam,

Invitation to Applications for Lotteries Fund

Block Grant for Replenishment of Furniture and Equipment and Minor Works in Respect of Existing Premises Providing Subvented Welfare Services for 2012-13

I write to invite your applications for the Block Grant (BG) for the replenishment of furniture and equipment (F&E) and minor works in respect of existing premises providing subvented welfare services for 2012-13.

Background

The BG is one of the main features of the revamped Lotteries Fund (LF) procedures that have been in place since September 2001. It aims to meet the costs of routine replenishment of F&E, minor repairs and maintenance works in respect of **subvented** services operated by non-governmental organisations (NGOs) with a view to maintaining the physical environment of their welfare service units in decent conditions. The BG allocation is an annual exercise. In March 2009, the Lotteries Fund Advisory Committee (LFAC) supported the recommendation of the Lump Sum Grant Independent Review Committee that BG allocation for each NGO be set at a sum equal to 1.5% of its recurrent subventions. To streamline the application procedures, NGOs are no longer required to include an item-by-item breakdown in their applications.



Block Grant for 2012-13

Taking into account the overall funding position of the LF, it is recommended that the amount of BG for 2012-13 be maintained at 1.5% of your organisation's recurrent subventions or \$15,000, whichever is the higher, subject to final approval by the LFAC. If you wish to apply for BG for 2012-13, you are required to complete and submit to the Social Welfare Department the application form in **Annex 1** on or before **20 January 2012**.

The BG will be disbursed to NGOs in equal instalments on a quarterly basis within the year. NGOs should use the allocations within the BG ambit and the pre-set parameters as set out in Chapter 4 of the LF Manual. The use of BG will continue to be subject to payment and control procedures as well as monitoring measures set out in the LF Manual. For your easy reference, the main conditions pertaining to the use of BG are set out in **Annex 2**. NGOs are required to set up and implement their respective control and monitoring systems.

Submission of Applications

Completed applications for 2012-13 BG should be submitted by fax (Fax number : 2151 0573) or by hand / post on or before **20 January 2012** to -

Lotteries Fund Projects Section
Social Welfare Department
Rooms 3601- 02, 36/F
248 Queen's Road East
Wan Chai
Hong Kong

Please note that **late applications will not be entertained**.

For enquiries, you may liaise with the contact officers concerned of the Lotteries Fund Projects Section as shown in **Annex 3**.

Yours faithfully,

(Ms Florence Wai)
for Director of Social Welfare



Enclosures

- Annex 1 Application Form for BG for 2012-13
- Annex 2 Conditions Pertaining to the Use of BG for 2012-13
- Annex 3 Contact Officers of the Lotteries Fund Projects Section

To: Director of Social Welfare

(Fax No.: 2151 0573) (Application Deadline: 20 January 2012)

(If you wish to submit this application form by hand or by post, please send to Lotteries Fund Projects Section, Social Welfare Department, Rooms 3601-02, 36/F, 248 Queen's Road East, Wan Chai, Hong Kong.)

**Application for the Lotteries Fund (LF) -
Block Grant (BG) for 2012-13**

A) General Information:

1	Name of Non-Governmental Organisation (NGO):	
2	Contact Information	
	(a) Address of the Headquarters / Central Administration:	
	(b) Telephone Number:	
	(c) Fax Number:	
	(d) E-mail Address:	
3	Unspent Balance of BG Allocation (as at 31 March 2011):	
4	Contact Person	
	(a) Name:	
	(b) Post:	
	(c) Telephone Number:	
	(d) E-mail address:	

B) Application: (Please put "✓" in the box as appropriate)

I hereby apply for BG for 2012-13.

In making the above application, I confirm that

- I have read and understood the LF Manual and the provisions as stipulated in the Social Welfare Department (SWD)'s invitation letter dated 3 January 2012; and
- I will utilise the BG within the ambit of BG as stipulated in Sections 4.2 and 4.3 of the LF Manual and in accordance with the conditions pertaining to the use of BG as set out in Annex 2 of SWD's invitation letter dated 3 January 2012.

I do not apply for BG for 2012-13. Reason(s) is / are as follows -

Organisation Chop:

Signature:

Name of Chairperson /
Head of NGO:

Date:

**Conditions Pertaining to the Use of Block Grant for
Replenishment of Furniture and Equipment and Minor Works for
Existing Premises Providing Subvented Welfare Services for 2012-13**

In utilising the Block Grant (BG), all non-governmental organisations (NGOs) must follow the procedures and comply with all the relevant requirements as set out in Chapter 1 (on general issues), Chapter 4 (on ambit and eligibility, allocation, payment and control), Chapter 6 (on procurement and stores management) and Chapter 7 (on acknowledgement of Lotteries Fund (LF)) of the LF Manual. BG should **not** be used for items outside the ambit as set out in paragraphs 4.2.1 to 4.2.5 of the LF Manual.

2. NGOs are particularly reminded that the following items or scopes of expenses **should not** be charged to BG –

- a) service units not under the subventions of the Social Welfare Department (SWD) (including Child Care Centres converted to Kindergartens or Kindergarten-cum-Child Care Centres from 1 September 2005 onwards);
- b) minor works projects each exceeding \$500,000;
- c) fitting-out works for new service units;
- d) conversion works;
- e) engineer slope investigation / remedial works;
- f) procurement / replacement of vehicles;
- g) ad-hoc requirements for new / reprovisioned premises or in-situ expansion;
- h) recurrent expenses or their capitalisation such as cleansing contracts or maintenance for gas or fire services installations;
- i) minor works for premises fitted out or renovated within the recent five years (i.e. during 2007-08 to 2011-12);
- j) service units to be reprovisioned, closed down or no longer subvented within the next three years;
- k) non-standard works items such as changing the schedule of accommodation;
- l) furniture and equipment (F&E) items which have been replenished with allocations from the LF within the recent five years (i.e. during 2007-08 to 2011-12);
- m) works in respect of non-premises-tied service units such as Occasional Child Care Service, Integrated Programme for Mildly Disabled Children, Supported Team for the Elderly, Supported Employment Programme, etc.; and

- n) F&E items each costing more than \$50,000.

The onus of ensuring BG is spent on items within the ambit rests solely with NGOs. SWD may conduct surprise audit of NGOs' accounts to check their compliance.

3. NGOs will have to absorb any additional recurrent expenditure arising from the use of BG. If NGOs choose to go for above-standard items, neither SWD nor the LF would accept any liability, recurrent or capital, arising therefrom, including but not limited to any subsequent replacement of these items or the additional recurrent requirements arising from the use of such items.

4. Unspent balance of BG in any year may be carried forward to the next financial year for use for the same purpose. NGOs should keep any unspent balance of BG allocation in a separate interest-bearing Hong Kong Dollars account with a bank licensed in Hong Kong. The interest generated may be utilised as part of the grant. Any excess of expenditure will be borne by NGOs by using their own funds.

5. For accounting purpose, NGOs should create a special account "F&E Replenishment and Minor Works BG" to record the details of these transactions. In addition, these details and any unspent balance of the account should be shown in the NGOs' audited annual statements of accounts for the year ending 31 March 2013 which should be submitted to the Finance Branch of SWD **no later than 31 October 2013**.

6. NGOs should attach to the audited financial statements submitted to the Finance Branch a designated proforma entitled "Details of the Use of the F&E Replenishment and Minor Works BG", in both hard and soft copies, providing information on the way the BG has been spent within the year. The total amount of the expenditure should tally with the figure in the audited financial statements of accounts. The statement should be certified by the Head of NGO and the Chairperson of the Board of Directors of the NGO.

7. The format of the "F&E Replenishment and Minor Works BG" and the proforma entitled "Details of the Use of the F&E Replenishment and Minor Works BG" will be sent to you separately when we inform you about the BG allocation.

8. If an NGO continues delaying its submission to SWD of proper financial reports (as mentioned in paragraphs 5 and 6 above), SWD may withhold the disbursement of BG or reserve the right to retrieve the allocated BG from the NGO. Subsequent BG applications of the NGO may also be rejected.

Lotteries Fund Projects Section
Social Welfare Department
Ref: SWD 10/69/159A/65
January 2012

Contact Officers of the Lotteries Fund Projects Section

<u>Name</u>	<u>Post</u>	<u>Telephone Number</u>	<u>Email Address</u>
Mr Dickson Kwong	Executive Officer II (Lotteries Fund) 1	2832 4325	eoilf1@swd.gov.hk
Ms Doris Chau	Social Work Officer (Lotteries Fund) 1	2832 4328	slf1@swd.gov.hk

Annex 3

Contact Officers of the Lotteries Fund Projects Section

<u>Name</u>	<u>Post</u>	<u>Telephone Number</u>	<u>Email Address</u>
Miss Carmen Chan	Executive Officer II (Lotteries Fund) 2	2832 4327	eoilf2@swd.gov.hk
Ms Doris Chau	Social Work Officer (Lotteries Fund) 1	2832 4328	slf1@swd.gov.hk

Annex 3

Contact Officers of the Lotteries Fund Projects Section

<u>Name</u>	<u>Post</u>	<u>Telephone Number</u>	<u>Email Address</u>
Mr Chan Chi-fai	Executive Assistant (Lotteries Fund) 3	2832 4338	ealf3@swd.gov.hk
Ms Margaret Lo	Social Work Officer (Lotteries Fund) 2	2832 4340	slf2@swd.gov.hk

Annex 3

Contact Officers of the Lotteries Fund Projects Section

<u>Name</u>	<u>Post</u>	<u>Telephone Number</u>	<u>Email Address</u>
Miss Ma Siu-yee	Executive Officer II (Lotteries Fund) 4	2832 4332	eoilf4@swd.gov.hk
Ms Margaret Lo	Social Work Officer (Lotteries Fund) 2	2832 4340	slf2@swd.gov.hk