

7 September 2022

Chairpersons of  
Non-governmental organisations  
operating subvented welfare services

Dear Sir/Madam,

**Monitoring of Remunerations of Staff  
in the Top Three Tiers of Non-governmental Organisations  
operating Subvented Welfare Services for the Reporting Year of 2021-22**

Non-governmental organisations (NGOs) receiving Government subventions are accountable for the use of public funds. According to the Lump Sum Grant Manual, NGOs are required to submit the following annual reports –

- (a) **Self-assessment Report (SAR)** on Remuneration Packages for Staff in the Top Three Tiers (Annex I - Form A); and
- (b) **Review Report (RR)** on Remuneration Packages for Staff in the Top Three Tiers (Annex II - Form B), unless one or more of the following exemption criteria is (are) fulfilled –
  - (i) receiving recurrent subventions and subsidies from the Social Welfare Department (SWD) of less than \$10 million a year (on average over the preceding four years); and
  - (ii) the total subvention and subsidies that the NGO received from SWD (on average over the preceding four years) accounted for 50% or less of its operating income pertaining to services / programmes within the welfare purview (average over previous four years).

[For NGOs with the top three-tier positions (or of a particular division, e.g. social service, of the NGO, where appropriate) funded entirely by the NGO's income from sources other than the Government, other senior staff of the NGO (or of its particular division) occupying the subsequent three-tier positions will then be covered by the SAR and RR (if applicable) subject to the NGO's particular circumstances such as its organisational structure.]

### Electronic Submission

The SAR and RR will be available for use in the e-Submission System (e-SS) of the Service Performance Management Information System (SPMIS) on 20 September 2022. All NGOs are required to submit the SARs regardless of whether they are exempted from submitting RRs, and if not, to submit both SARs and RRs to SWD by **31 October 2022**. All SARs and RRs shall be submitted through electronic means under e-SS of the SPMIS. Other forms of submission are not accepted.

As recommended in the Review Report on Enhancement of Lump Sum Grant Subvention System, NGOs currently exempted from completing and disclosing their RRs are encouraged to consider making public the remuneration information of such staff in order to enhance public accountability and promote the public's understanding of NGOs' financial position.

When submitting RRs, NGOs should set out the latest number, ranking and remuneration packages for staff in the top three tiers, and explain any changes over the period covered. SWD will assess the appropriateness of the number, ranking and remuneration packages taking into account the subvented services of the NGOs and the comparable rank in the civil service, and where necessary, SWD will seek further explanations from the NGOs and follow up as appropriate.

### Public Disclosure of RRs

To enhance transparency and public accountability, NGOs are required to disclose the RRs through one or more channels prescribed in the Lump Sum Grant Manual and make them available to the public upon request. You may be aware that all RRs and Annual Financial Reports of the concerned reporting year are available on the SWD's website or through a hyperlink to the reports posted on NGOs' websites. Based on your indicated preference on disclosure at Part E of the RRs, SWD will update the information accordingly. You may browse the information with this link ([http://www.swd.gov.hk/en/index/site\\_ngo/page\\_AFRandRR/](http://www.swd.gov.hk/en/index/site_ngo/page_AFRandRR/)) or QR code below –



For any enquiry, please contact Ms YU Sau-wai, Freda on telephone number 2116 4299 or the Liaison Officer designated for your organisation.

Yours faithfully,

(Ms LUI Ka-wing)  
for Director of Social Welfare

c.c. Heads of NGOs