

CHAPTER 6

**Labour and Welfare Bureau
Social Welfare Department**

**Provision of social welfare support services
to street sleepers
by the Social Welfare Department**

**Audit Commission
Hong Kong
27 October 2022**

This audit review was carried out under a set of guidelines tabled in the Provisional Legislative Council by the Chairman of the Public Accounts Committee on 11 February 1998. The guidelines were agreed between the Public Accounts Committee and the Director of Audit and accepted by the Government of the Hong Kong Special Administrative Region.

Report No. 79 of the Director of Audit contains 8 Chapters which are available on our website at <https://www.aud.gov.hk>



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PROVISION OF SOCIAL WELFARE SUPPORT SERVICES TO STREET SLEEPERS BY THE SOCIAL WELFARE DEPARTMENT

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PROVISION OF SOCIAL WELFARE SUPPORT SERVICES TO STREET SLEEPERS BY THE SOCIAL WELFARE DEPARTMENT

Executive Summary

1. According to the Government, street sleeping is a complex social issue involving work of various bureaux/departments. The reasons for street sleeping are multifarious including personal aspects such as financial hardship, discord with family members and loss of original accommodation. The Social Welfare Department (SWD) is responsible for providing social welfare support services to street sleepers. It provides subventions to non-governmental organisations (NGOs) under the Lump Sum Grant Subvention System to operate Integrated Services Teams for Street Sleepers (ISTs) and provide emergency and short-term hostel placement for street sleepers and homeless persons (hereinafter referred to as hostels unless otherwise specified). SWD monitors and evaluates the quality of services provided by NGOs based on the Funding and Service Agreements (FSAs — see para. 3). As at 31 March 2022, 1,564 street sleepers were registered in SWD's street sleepers registry (SSR). In 2021-22, SWD's expenditure for the abovementioned social welfare support services amounted to about \$30 million. The Audit Commission (Audit) has recently conducted a review of the provision of social welfare support services to street sleepers by SWD.

Casework services

2. SWD provides subventions to three NGOs, namely NGO A, NGO B and NGO C to each operate an IST in the Hong Kong Island and Islands (Region A), Yau Tsim Mong District (Region B), and Kowloon (except the Yau Tsim Mong District) and the New Territories (Region C) respectively (i.e. IST-NGOs). Through the provision of integrated services (such as outreaching visits, counselling, employment support/guidance, service referrals and hostel placement), ISTs aim at addressing the immediate welfare needs of street sleepers and enhancing their skills for self-reliance, so as to assist them to live off the street and reintegrate into the community. In 2021-22, 623 street sleepers received casework services (i.e. services provided by

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ISTs other than the operation of emergency and short-term hostels — see para. 9) from the three ISTs (paras. 1.5(a) and 2.2).

3. ***Need to continue monitoring attainment of performance standards.*** FSAs are signed between SWD as a funder and NGOs as service providers. They define the role of SWD in monitoring the performance of NGOs, the type of services to be provided by NGOs, the performance standards (i.e. essential service requirements, service quality standards, output standards (OSs) and outcome standards (OCs)) and the basis of subvention, among others (paras. 1.9 and 1.10). Audit examination of the attainment of performance standards by the three IST-NGOs from 2017-18 to 2021-22 revealed that most agreed levels had been attained except for some OSs, for example:

- (a) in 2017-18, against an agreed level of 45 accommodated cases within one year, NGO B reported 34 (76%) accommodated cases; and
- (b) against an agreed level of 17.5 and 20 unemployed cases successfully engaged in employment within 2020-21 and 2021-22 respectively, NGO A reported that there were 16 (91%) such cases in 2020-21 and 18 (90%) such cases in 2021-22 (paras. 2.4 and 2.5).

4. ***Need to review agreed levels of OSs.*** Audit examined the agreed levels of OSs set for IST-NGOs and noted that as at 31 March 2022:

- (a) the aggregate number of street sleepers set in the agreed levels of various OSs of the three IST-NGOs in 2021-22 accounted for less than half of the number of registered street sleepers in the territory. Taking the OS on the number of street sleepers approached within one year as an example, the aggregate agreed levels of the three IST-NGOs in 2021-22 was 419, which accounted for 27% of the 1,564 registered street sleepers in the territory; and
- (b) the agreed levels of OSs of individual IST-NGOs in 2021-22 were not in proportion to the number of registered street sleepers in the respective region. For example, while there were 805 registered street sleepers in Region C, the agreed number of street sleepers approached within one year in 2021-22 for the region was 165 (20%). In contrast, while there were 149 registered street sleepers in Region A, the agreed number of street

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sleepers approached within one year in 2021-22 for the region was 112 (75%) (para. 2.6).

5. ***Enhanced subvented outreach services not provided in one region.***

With effect from 1 October 2020, SWD has increased the subventions to provide additional manpower resources (i.e. two social workers, one registered nurse and one motor driver for each IST) to ISTs to enhance their services, including providing medical support to street sleepers (e.g. on-site medical/mental assessment to motivate street sleepers to seek early treatment through bridging them to mainstream health services). Audit noted that NGO C (operating the IST in Region C) had not accepted the additional subventions for service enhancement and decided to cease receiving SWD subvention upon expiry of the FSA on 30 September 2022. Subsequently, SWD commissioned another NGO to operate the IST in Region C from 1 October 2022. According to SWD, between October 2020 and September 2022 (2 years), NGO C had used its own resources to render medical support for the street sleepers in the region. However, since the medical support services rendered by NGO C were non-subvented, SWD could not monitor and assess whether the street sleepers in the region concerned were receiving the same level and quality of services as other regions (para. 2.7).

6. ***Need to ensure timely provision of enhanced outreach services.*** While the enhanced outreach services were expected to be available since October 2020 (see para. 5), there were delays in hiring the required staff. For example:

- (a) NGOs A and B only hired the registered nurses in December 2020 and January 2021 respectively; and
- (b) NGOs A and B only hired the motor drivers in December 2020 and October 2022 respectively (para. 2.8).

7. ***Increasing number of untraceable street sleepers.*** When an IST-NGO has lost contact with a street sleeper, the street sleeper is regarded as untraceable. If a street sleeper has become untraceable for a certain period of time and further outreach visits could not be conducted, the IST-NGO would close the case. Audit noted that the number of untraceable street sleepers increased from 64 in 2017-18 to 299 in 2021-22. According to IST-NGOs, the significant increase in the number of untraceable street sleepers since 2019-20 (from 78 in 2019-20 to 299 in 2021-22) was

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due to the increased number of new street sleepers with employment or cross-border issues under the coronavirus disease (COVID-19) epidemic. These street sleepers had ceased street sleeping after resolving their problems but had not informed the IST-NGOs. Audit also noted that:

- (a) NGOs A, B and C closed a case after a street sleeper had been untraceable for 2, 3 and 6 months respectively; and
- (b) the average non-relapse rate was measured by the percentage of accommodated street sleepers not returning to street sleeping for more than seven consecutive days within the past six months. In calculating the rate, the three IST-NGOs regarded an accommodated street sleeper as not relapsed if the street sleeper was untraceable. In 3 (10%) of 30 non-relapsed accommodated cases reported by the IST-NGOs in 2021 examined by Audit, the IST-NGOs lost contact with the street sleepers 1 to 5 months after they had been accommodated (paras. 2.9 to 2.11).

8. ***SSR statistics not reflecting actual number of street sleepers.*** The objective of SSR is to keep an account of the general characteristics of street sleepers and the type of welfare services required on an on-going basis. IST-NGOs provide social welfare support services to street sleepers regardless of whether they are registered in SSR, and maintain service user databases with information of street sleepers approached and services rendered to them. Audit noted that a unique reference number had been assigned to a registered street sleeper in SSR, and such number was recorded in the service user databases of NGOs A and C but not in that of NGO B. Audit analysed the service user databases of NGOs A and C as at 31 March 2022 and found that in 96 (27%) of 355 cases and 48 (38%) of 128 cases served in 2021-22 respectively, the street sleepers were not registered in SSR (paras. 2.15 and 2.16).

Emergency and short-term hostels

9. ***Need to review provision of subvented hostels.*** As at 31 March 2022, SWD subvented 6 NGOs to provide hostels to street sleepers and people on the verge of homelessness. Of the 6 NGOs, 3 provided integrated services including casework and hostel services (i.e. IST-NGOs — NGOs A, B and C), and 3 provided hostel services (i.e. non-IST-NGOs — NGOs D, E and F). The 6 NGOs provided 228 subvented hostel places (197 for male and 31 for female) in 8 locations. In

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2021-22, 460 street sleepers were admitted to the hostels (paras. 1.5(b) and 3.2). Audit examined the provision of subvented hostels and noted the following issues:

- (a) the number of subvented hostel places per male and female registered street sleeper decreased from 0.19 as at 31 March 2018 to 0.14 as at 31 March 2022, and from 0.3 to 0.17 respectively. In this connection, Audit noted that the NGOs had not maintained separate statistics on the utilisation of subvented male and female hostel places;
- (b) the number of subvented hostel places was not in proportion to the number of registered street sleepers in different regions as at 31 March 2022; and
- (c) for the 5-year period 2017-18 to 2021-22, NGOs A, B and D had not attained the agreed 80% target on the average utilisation/enrolment rate in 4 years, 3 years and 1 year respectively. According to the NGOs, street sleepers' preferences might account for the lower utilisation of some hostels (paras. 3.3 to 3.5).

10. ***Need to keep under review prolonged stays in hostels.*** The hostel placement provided by five NGOs was normally up to six months. As stated in the FSAs, the agreed levels on the average rate of successful discharge within six months in a year were 60% for IST-NGOs and 50% for non-IST-NGOs. According to SWD, depending on the actual welfare needs, IST-NGOs and non-IST-NGOs could extend the stay for up to 40% and 50% of street sleepers in their hostels respectively. Audit examination of the duration of stay of street sleepers discharged from the hostels in the period from 2019-20 to 2021-22 revealed that 33% to 37% of the street sleepers stayed in the hostels for more than six months (among them 9% to 15% stayed for more than 12 months). The aim of hostels is to provide transitional accommodation to assist street sleepers and people on the verge of homelessness with emergency and short-term accommodation support, and hence prolonged stays in hostels are issues requiring attention. In particular, for cases involving aged street sleepers and/or street sleepers with health issues, the short-term hostels may not be sufficiently equipped for providing the necessary support services (paras. 3.7, 3.8 and 3.10).

11. ***Need to continue monitoring attainment of performance standards.*** Audit examination of the attainment of performance standards relating to the provision of hostel services by the IST-NGOs and the non-IST-NGOs from 2017-18 to 2021-22 revealed that most agreed levels had been attained except for some OSs, for example:

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- (a) NGOs A, B and C had not attained the OS on the number of residents served in 3 years (i.e. 2017-18, 2020-21 and 2021-22), 2 years (i.e. 2020-21 and 2021-22) and 2 years (i.e. 2019-20 and 2021-22) respectively;
- (b) NGO D had not attained the OS on the average enrolment rate in 2020-21; and
- (c) NGO E had not attained the OS on the average rate of successful discharge in 2020-21 (para. 3.14).

12. ***Need to ensure accuracy of annual average rate of successful discharge reported.*** Agreed levels of 60% and 50% on the annual average rate of successful discharge (i.e. percentage of street sleepers discharged from hostel within the maximum accommodation period) were set as OSs in FSAs of IST-NGOs and non-IST-NGOs respectively. Audit examined NGOs' records of street sleepers discharged from hostels in the period from 2019-20 to 2021-22 and noted discrepancies between the average rates of successful discharge reported by 5 of the 6 NGOs and those calculated by Audit based on the NGOs' records (para. 3.16).

Anti-epidemic related issues and the way forward

13. ***Need to continue to provide assistance to street sleepers amid the COVID-19 epidemic.*** According to SWD, during the COVID-19 epidemic, IST-NGOs continued to conduct outreaching visits so as to identify the social welfare needs of street sleepers and provide them with the social welfare support services required. Additional measures were also taken, such as issuing certificates to street sleepers for using a specified form instead of the "LeaveHomeSafe" mobile application in entering government buildings and offices, and scheduled premises defined under the Prevention and Control of Disease (Requirements and Directions) (Business and Premises) Regulation (Cap. 599F). In light of the changing situation of the COVID-19 epidemic, SWD needs to keep under review the needs of street sleepers and continue to provide support to them as appropriate (para. 4.2).

14. ***Need to keep under review the social welfare support services provided to street sleepers.*** According to SWD, the objectives of social welfare support services provided to street sleepers are to meet their emergency needs and

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enhance their work motivation and skills, so as to help them give up street sleeping and become self-reliant. Audit noted that notwithstanding the provision of social welfare support services by SWD, helping street sleepers give up street sleeping and reintegrate into the community remains a challenging task as evidenced by the following trends:

- (a) ***Increasing number and age of street sleepers.*** The number of registered street sleepers increased by 2.6 times from 595 as at 31 March 2013 to 1,564 as at 31 March 2022, of which the number of street sleepers aged 50 or above increased by 3.3 times from 323 to 1,070 in the 10-year period. The most common reasons for people sleeping on streets were their inability to pay rent due to unemployment or failure to identify affordable accommodation;
- (b) ***Long-term street sleeping.*** Of the 1,564 registered street sleepers as at 31 March 2022, 728 (47%) had slept on streets for over five years, an increase from 310 (42%) of 746 registered street sleepers as at 31 March 2014. This indicated that more street sleepers were experiencing medium-term to long-term homelessness; and
- (c) ***Relapsed street sleeping.*** SWD does not compile statistics relating to relapsed street sleeping (e.g. the number of times a person sleeps on streets after living off the street upon service intervention). Nevertheless, when a street sleeper has been accommodated or become untraceable for a certain period of time, the record relating to the street sleeper would be deregistered from SSR. If the same street sleeper is found to resume street sleeping, the street sleeper may be re-registered in SSR. Audit analysed records of the 1,564 street sleepers registered in SSR as at 31 March 2022 and found that 169 (11%) street sleepers had been re-registered in SSR at least once, which may indicate relapsed street sleeping (paras. 4.5 to 4.9).

Audit recommendations

15. **Audit recommendations are made in the respective sections of this Audit Report. Only the key ones are highlighted in this Executive Summary. Audit has *recommended* that the Director of Social Welfare should:**

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Casework services

- (a) **continue monitoring the attainment of OSs/OCs of the IST-NGOs, including the follow-up actions taken on the unmet OSs (para. 2.13(a));**
- (b) **review the agreed levels of OSs of IST-NGOs on an on-going basis, taking into account the service demand in the territory as well as that in different regions (para. 2.13(b));**
- (c) **take measures to ensure that the enhanced outreaching services are provided as soon as practicable and prevent similar service gaps arising from non-acceptance of additional subventions in future (para. 2.13(c));**
- (d) **draw lessons from the delays of IST-NGOs in the provision of the enhanced outreaching services to improve monitoring and avoid recurrence of similar incidents in future (para. 2.13(d));**
- (e) **provide guidelines to IST-NGOs on the criteria for closing cases and calculating the average non-relapse rate for untraceable street sleepers (para. 2.13(e));**
- (f) **explore with NGO B the possibility of ascertaining the number of unregistered street sleepers in Region B (para. 2.19(a));**
- (g) **explore measures to collect information on unregistered street sleepers (e.g. street sleeping characteristics and welfare services received) without identifying their personal particulars from IST-NGOs on a regular basis (para. 2.19(b));**

Emergency and short-term hostels

- (h) **review the provision of subvented hostels and take follow-up actions as appropriate (para. 3.11(a));**
- (i) **consider requesting the NGOs to report respective utilisation rates of subvented male and female hostel places on a regular basis (para. 3.11(b));**

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- (j) **keep under review prolonged stays in hostels, in particular cases involving aged street sleepers and/or street sleepers with health issues, with a view to assisting them to find longer-term accommodations and providing them with support services as appropriate (para. 3.11(c));**
- (k) **continue to monitor the attainment of performance standards of the NGOs in providing hostel services, including the follow-up actions taken on the unmet performance standards, and render assistance to the NGOs as necessary (para. 3.19(a));**
- (l) **take measures to ensure that the NGOs calculate and report the average rate of successful discharge within the maximum accommodation period in a year accurately (para. 3.19(b));**

Anti-epidemic related issues and the way forward

- (m) **keep under review the needs of street sleepers amid the COVID-19 epidemic and continue to provide support to them as appropriate (para. 4.3); and**
- (n) **in light of the audit observations and recommendations in this Audit Report and the trends in street sleeping, keep under review the social welfare support services provided to street sleepers for further improvement (para. 4.11(a)).**

Response from the Government

16. The Director of Social Welfare agrees with the audit recommendations.

PART 1: INTRODUCTION

1.1 This PART describes the background to the audit and outlines the audit objectives and scope.

Background

1.2 According to the Government, street sleeping is a complex social issue involving work of various bureaux/departments (B/Ds). The reasons for street sleeping are multifarious including personal aspects such as financial hardship, discord with family members and loss of original accommodation. On the other hand, there are public concerns on issues associated with street sleeping such as long-term occupation of public places, obstruction, environmental hygiene as well as public order at sites where street sleepers gather. The Government has always been concerned about the needs of street sleepers, and B/Ds and welfare organisations have been in collaboration to assist street sleepers.

1.3 The Social Welfare Department (SWD) is responsible for providing social welfare support services to street sleepers. It provides subventions to non-governmental organisations (NGOs) to conduct outreaching visits to approach street sleepers for early identification of their needs, and provide appropriate social welfare support to suit individual needs with an aim to help them live off the street and reintegrate into the community.

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1.4 According to the Government, actions under the purview of other B/Ds are also required to deal with street sleeping issues (Note 1). The relevant B/Ds monitor the situation, and work out inter-departmental action plans and strategies in the light of actual circumstances and the needs of street sleepers to address issues relating to street sleeping (Note 2).

Social welfare support services for street sleepers

1.5 SWD provides the following social welfare support services to street sleepers:

- (a) ***Integrated services.*** SWD provides subventions to three NGOs, to each operate an Integrated Services Team for Street Sleepers (IST) in the Hong Kong Island and Islands, Yau Tsim Mong District, and Kowloon (except the Yau Tsim Mong District) and the New Territories (hereinafter referred to as Region A, Region B and Region C respectively). The services provided by ISTs include:

Note 1: *The departments involved in issues relating to street sleeping mainly include:*

- (a) ***Home Affairs Department.*** *The District Offices of the department liaise and coordinate with B/Ds concerned to conduct inter-departmental operations under their respective purview; and*
- (b) ***Other government departments.*** *Street sleepers sleep in different locations including roadside, rear lanes, bottom of flyovers, footbridges, pedestrian subways and parks. Various government departments including the Food and Environmental Hygiene Department, the Housing Department, the Highways Department, the Lands Department, and the Leisure and Cultural Services Department are responsible for handling environmental hygiene and other issues relating to street sleeping under their respective purview, and the Hong Kong Police Force is responsible for maintaining law and order.*

Note 2: *For example, to deal with problems arising from unlawful occupation of government land by street sleepers or environmental hygiene of street sleeping locations, the relevant departments (see Note 1 to para. 1.4) conduct inter-departmental operations when necessary to improve the situation. SWD is involved in the operations to provide assistance for street sleepers with welfare needs as appropriate.*

- (i) day and mid-night outreaching visits, counselling, employment support/guidance and service referrals (Note 3);
- (ii) personal care (e.g. bathing, haircut and meal arrangements);
- (iii) emergency relief fund to solve immediate financial problems (Note 4);
- (iv) emergency and short-term hostel placement; and
- (v) aftercare services for accommodated cases.

Through the provision of integrated services, ISTs aim at addressing the immediate welfare needs of street sleepers and enhancing their skills for self-reliance, so as to assist them to live off the street and reintegrate into the community. In this Audit Report, services provided by ISTs other than the operation of emergency and short-term hostels are hereinafter referred to as casework services. In 2021-22, 623 street sleepers received casework services from the three ISTs; and

- (b) ***Emergency and short-term hostels.*** In addition to those operated by the three ISTs (see (a)(iv) above) as part of the integrated services, SWD also provides subventions to three other NGOs to provide temporary and short-term hostel placement for street sleepers and homeless persons (hereinafter referred to as hostels unless otherwise specified — see Photographs 1(a) and (b) for examples). According to SWD:

- (i) the hostels aim at providing transitional accommodation to assist street sleepers and people on the verge of homelessness (particularly those who are aged, with disability, or in weak health) with temporary and short-term accommodation, counselling, and interpersonal and basic life skill training. The duration of stay is normally up to six months; and

Note 3: *Service referrals cover areas such as financial assistance, housing assistance, drug treatment and medical services.*

Note 4: *The expenses included urgent and short-term payment of rent and living costs, rental deposits and other removal expenses.*

Introduction

- (ii) during the street sleepers' stay, responsible social workers would provide them with assistance including the identification of a long-term accommodation or appropriate residential care service.

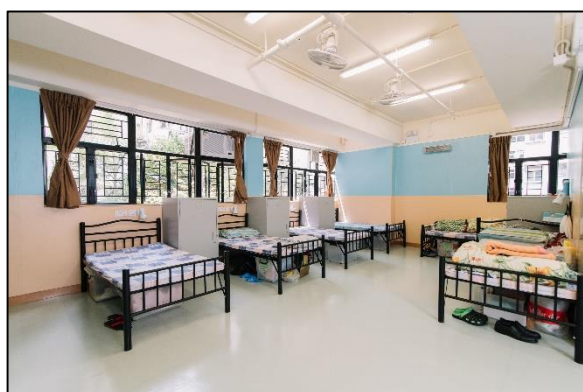
As at 31 March 2022, a total of 228 subvented hostel places were provided by the three ISTs and the three NGOs (Note 5). In 2021-22, 460 street sleepers were admitted to the hostels.

In 2021-22, SWD's expenditure for the abovementioned social welfare support services amounted to about \$30 million.

Photographs 1(a) and (b)

Hostels for street sleepers

(a)



(b)



Source: NGO records

Note 5: Various NGOs also operate hostels for street sleepers on a self-financing basis. As at 31 March 2022, there were 418 self-financing hostel places for street sleepers (286 for male and 132 for female). The operation and management of these self-financing hostels are not under SWD's purview and are not covered in this audit review.

1.6 Apart from the social welfare support services provided specifically to street sleepers as mentioned in paragraph 1.5, other SWD services which are available to the general public and vulnerable groups are also available to street sleepers in need, for example, the Integrated Family Services (Note 6) and the Comprehensive Social Security Assistance (CSSA) Scheme (Note 7).

Street sleepers registry

1.7 For planning and provision of social welfare support services to street sleepers, SWD set up a computerised street sleepers registry (SSR) in 1981 to collect information about street sleepers including the characteristics of street sleeping (such as the duration of and reasons for street sleeping) and the services they received (Note 8). Both SWD and NGOs specialised in serving street sleepers including the ISTs (see para. 1.5) are required to update SSR (Note 9) on a monthly basis (Note 10).

Note 6: *65 Integrated Family Service Centres and 2 Integrated Service Centres across the territory operated by SWD or NGOs provide a series of support services for needy individuals and families (including street sleepers), including outreaching, counselling, crisis intervention, enquiry and referrals.*

Note 7: *Street sleepers with financial needs may apply to SWD for CSSA. The aim of CSSA is to provide a safety net to families or individuals who cannot support themselves financially because of old age, disability, illness, unemployment, low income, etc., so as to enable them to meet their basic needs.*

Note 8: *In case individual street sleepers are unwilling to provide the full information required, responsible officers can still register in SSR only that part of the information they are willing to provide.*

Note 9: *Street sleepers in SSR include people sleeping by the roadside, in rear lanes, at bottom of flyovers, in common staircases, in parks and playgrounds, on vehicles and in toilets, and those staying in 24-hour fast food shops.*

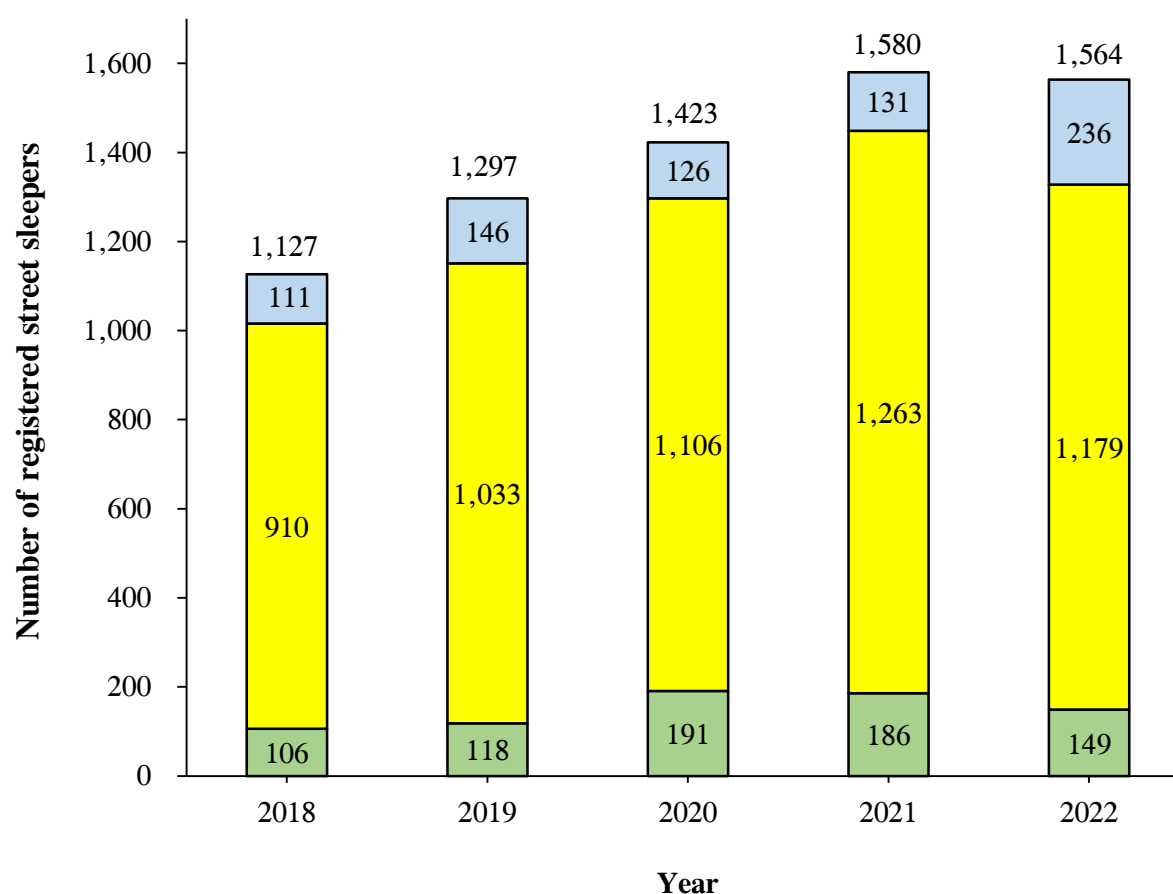
Note 10: *To ensure that the information contained in SSR can truly reflect the situation of street sleeping in Hong Kong, before registering individual street sleepers, responsible officers have to confirm that the people concerned have already been street sleeping for more than seven days, while cases are deregistered when the responsible officers have confirmed that the street sleepers concerned have been accommodated or become untraceable.*

Street sleepers in Hong Kong

1.8 According to SSR, the number of registered street sleepers increased by 437 (39%) from 1,127 in 2018 to 1,564 in 2022. Figures 1 and 2 show the number of registered street sleepers as at 31 March of each year from 2018 to 2022 by region and age respectively. Tables 1 and 2 show the reasons for street sleeping and duration of street sleeping of the registered street sleepers as at 31 March 2022 respectively.

Figure 1

**Number of registered street sleepers by region
(2018 to 2022)**



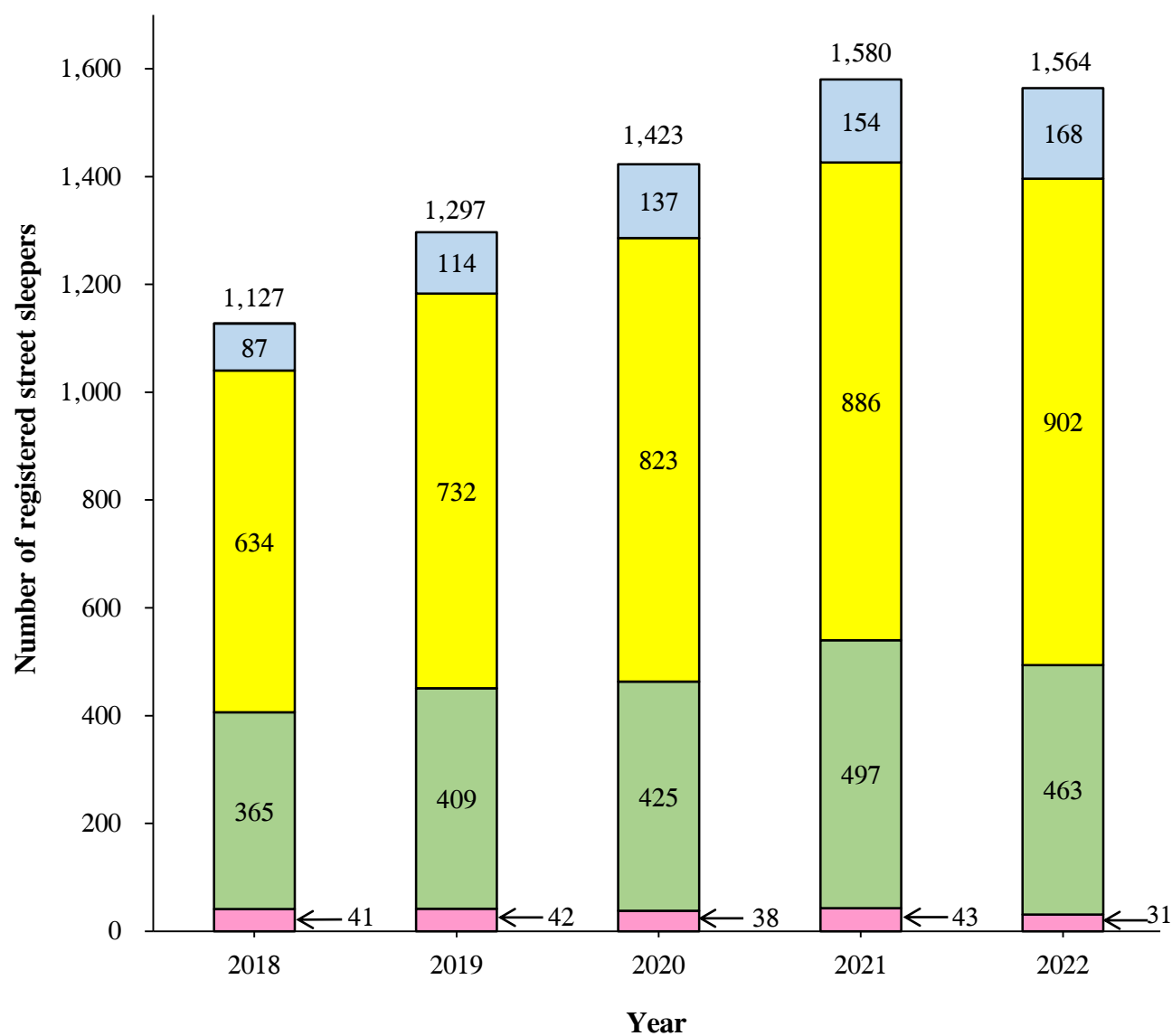
Legend: ■ New Territories
■ Kowloon
■ Hong Kong Island and Islands

Source: Audit analysis of SWD records

Remarks: The figures represent the position as at 31 March in respective years.

Figure 2

**Number of registered street sleepers by age
(2018 to 2022)**



Legend:

- aged 70 or above
- aged 50-69
- aged 30-49
- aged below 30 or unknown

Source: *Audit analysis of SWD records*

Remarks: *The figures represent the position as at 31 March in respective years.*

Introduction

Table 1

**Reasons for street sleeping
(31 March 2022)**

Reason for street sleeping	Number of registered street sleepers
Unemployed and hence unable to pay rent	554 (35%)
Personal choice	272 (17%)
Unable to identify accommodation with affordable rent	215 (14%)
Unable to identify accommodation after discharge from hospital/prison/addiction treatment centre	129 (8%)
Others (e.g. relationship problems with family)	321 (21%)
Unknown	73 (5%)
Total	1,564 (100%)

Source: Audit analysis of SWD records

Table 2

**Duration of street sleeping
(31 March 2022)**

Duration of street sleeping (Note)	Number of registered street sleepers
1 month or less	0
More than 1 month to 1 year	236 (15%)
More than 1 year to 5 years	600 (38%)
More than 5 years to 10 years	298 (19%)
More than 10 years	430 (28%)
Total	1,564 (100%)

Source: Audit analysis of SWD records

Note: According to SWD, when a street sleeper has been accommodated or become untraceable for a certain period of time (see para. 2.9), the record relating to the street sleeper would be deregistered from SSR. If the street sleeper resumes street sleeping, with his/her consent, the street sleeper will be re-registered again. The duration of street sleeping is counted from the new street sleeping date registered in SSR.

Monitoring by SWD

1.9 Under the Lump Sum Grant (LSG) Subvention System, Funding and Service Agreements (FSAs) are signed between SWD as a funder and NGOs as service providers. As at 31 March 2022, SWD entered into six FSAs with six NGOs for the provision of social welfare support services to street sleepers as follows:

- (a) three NGOs for the provision of integrated services (IST-NGOs — see para. 1.5(a)); and
- (b) three NGOs for the operation of hostels (non-IST-NGOs — see para. 1.5(b)).

1.10 FSAs define the obligations of SWD to NGOs, the role of SWD in monitoring the performance of NGOs, the type of services to be provided by NGOs, the performance standards and the basis of subvention. The performance standards are as follows:

- (a) ***Essential Service Requirements (ESRs)***. ESRs specify some basic features of the infrastructure for the service provision (e.g. staff qualifications and opening hours);
- (b) ***Service Quality Standards (SQSs)***. SQSs define the level of quality which, in terms of management and service provision, NGOs are expected to attain (e.g. financial management). There are 16 SQSs, each of which is elaborated by a set of criteria and assessment indicators. SQSs are generic descriptions of the basic requirements so as to enable the NGOs to have appropriate methods in meeting the SQS requirements;
- (c) ***Output Standards (OSs)***. OSs are quantitative measures of the key activities related to the provision of a particular service (e.g. enrolment rate and the number of activities organised); and
- (d) ***Outcome Standards (OCs)***. OCs measure the effectiveness of the service (e.g. percentage of service users indicating satisfaction).

Introduction

1.11 SWD monitors and evaluates the quality of subvented services through a mechanism known as the Service Performance Monitoring System (SPMS — Note 11). Under SPMS:

- (a) ***Self-assessment and regular reporting.*** NGOs are required to conduct self-assessments on attainment of performance standards (see para. 1.10) and submit various reports to SWD, including:
 - (i) an annual self-assessment report on attainment of performance standards for all service units (Note 12) on an NGO basis together with an action plan for addressing areas with under-performance (e.g. an OS or OC not met); and
 - (ii) a statistical report on the actual performance on OSs and OCs for every quarter by each service unit for the purpose of on-going monitoring; and
- (b) ***Performance assessment visits.*** SWD conducts visits to assess service units' performance, and to ensure that NGOs comply with the terms and requirements stipulated in FSAs. Performance visits comprise:
 - (i) ***Review visits.*** All service units of an NGO with at least one year operation are subject to review visits on a scheduled or an unannounced basis by random selection in a three-year monitoring cycle (Note 13);
 - (ii) ***New service assessment visits.*** New service assessment visits are conducted at service units with new services launched, or for

Note 11: *SPMS was established jointly by SWD and NGOs receiving LSG subventions, in phases between 1999 and 2002, to ensure the provision of quality welfare services to the public and the NGOs' accountability for the use of public funds. Under SPMS, service performance of all NGOs receiving LSG subventions is assessed on the basis of FSAs drawn up between SWD and NGOs operating subvented services.*

Note 12: *Under LSG Subvention System, SWD draws up an FSA for each subvented service that an NGO provides. For example, if an NGO provides two different subvented services, two FSAs are drawn up and SWD regards them as two service units.*

Note 13: *In a three-year cycle, 1 service unit is sampled from every 5 service units of an NGO for the visits.*

services of which the operating NGOs have no previous experience in running; and

- (iii) ***Risk-based visits.*** Risk-based visits are focused and purposeful visits to collect information, assess and monitor the performance of services with a view to assessing service units with under-performance/non-compliance or with identified, suspected or potential problem areas in performance.

If a service unit fails to make any improvement to achieve a reasonable standard of performance according to the FSAs, SWD may withhold or terminate the subvention provided to the service unit.

Responsible branches

1.12 SWD provides social welfare support services to street sleepers under the programme area “Family and Child Welfare”. The Family and Child Welfare Branch of SWD, headed by an Assistant Director, is responsible for the planning, development and implementation of family and child welfare services, including the social welfare support services for street sleepers. Four staff under the Family and Child Welfare Branch, including a Chief Social Work Officer, a Senior Social Work Officer, a Social Work Officer and an Assistant Social Work Officer are involved in the provision of social welfare support services to street sleepers, among other duties. The Subventions Branch of SWD is responsible for monitoring and evaluating the quality of services provided by NGOs (including the social welfare support services to street sleepers) under the LSG Subvention System, such as examining reports submitted by NGOs and conducting on-site visits/assessments. An extract of the organisation chart of SWD (as at 31 March 2022) is shown at Appendix A.

Audit review

1.13 In October 2021, the Audit Commission (Audit) commenced a review of the provision of social welfare support services to street sleepers by SWD. The audit review has focused on the following areas:

Introduction

- (a) casework services (PART 2);
- (b) emergency and short-term hostels (PART 3); and
- (c) anti-epidemic related issues and the way forward (PART 4).

Audit has found room for improvement in the above areas and has made a number of recommendations to address the issues.

General response from the Government

1.14 The Director of Social Welfare agrees with the audit recommendations and thanks Audit for the valuable views and suggestions rendered during the course of the audit review.

Acknowledgement

1.15 Audit would like to acknowledge with gratitude the full cooperation of the staff of SWD and NGOs concerned during the course of the audit review.

PART 2: CASEWORK SERVICES

2.1 This PART examines issues relating to the provision of casework services to street sleepers, focusing on the following areas:

- (a) performance management and standard of services (paras. 2.2 to 2.14); and
- (b) maintenance of SSR (paras. 2.15 to 2.20).

Performance management and standard of services

2.2 SWD provides subventions to three NGOs, to each operate an IST in Region A (NGO A), Region B (NGO B) and Region C (NGO C) (see para. 1.5(a)). According to the FSAs signed with the IST-NGOs, integrated services for street sleepers are provided to meet the following three objectives:

- (a) to assist street sleepers to live off the street and reintegrate into the community;
- (b) to equip street sleepers and other homeless persons with adequate skills to be self-reliant; and
- (c) to assist in homeless prevention work, such as organising community education programmes relating to street sleepers and homeless prevention.

2.3 Apart from SQSs (see para. 1.10(b)) which are generally applicable to all NGOs receiving subventions from SWD, IST-NGOs are required to meet the following specific performance standards stipulated in the FSAs:

- (a) **OSs.** There are six OSs on casework services:
 - (i) number of street sleepers approached within one year;

Casework services

- (ii) number of cases served within one year (Note 14);
 - (iii) number of cases accommodated within one year (Note 15);
 - (iv) number of unemployed cases successfully engaged in employment within one year (Note 16);
 - (v) number of visits conducted with the provision of medical support services in a quarter (Note 17); and
 - (vi) number of attendance of street sleepers to programmes/groups relating to mental/physical health promotion within one year (see Note 17 to (v) above);
- (b) **OCs.** There are four OCs:
- (i) average non-relapse rate of accommodated cases (Note 18);

Note 14: *Number of cases served within one year is calculated using the following formula:*

*Number of active cases at the beginning of a financial year (i.e. 1 April)
+ Total number of new and reactivated cases in the year*

Note 15: *An accommodated case is defined as a service user receiving proper accommodation (e.g. emergency shelters, short-term hostels, urban hostels, private tenements and public housing) for a period of not less than one week.*

Note 16: *An unemployed case successfully engaged in employment is defined as a service user being gainfully employed in a job of any nature, including casual job, part-time job for a period of not less than four weeks within three months.*

Note 17: *The OS/ESR has been introduced since October 2020 for the two IST-NGOs which have received additional subventions from SWD for enhancing the social welfare support services (see para. 2.7).*

Note 18: *Average non-relapse rate for a month is calculated using the following formula:*

$$\frac{\text{Number of accommodated cases without returning to street sleeping for a period of more than seven consecutive days within the past six months}}{\text{Number of accommodated cases six months ago}} \times 100\%$$

- (ii) percentage of service users with perceived improvement in the main problems after receiving services from ISTs;
 - (iii) percentage of service users with improved self-esteem after receiving services from ISTs; and
 - (iv) percentage of service users with enhanced support network after receiving services from ISTs; and
- (c) **ESRs.** There are four ESRs:
- (i) staff requirement including registered social workers;
 - (ii) outreaching visits including those at mid-night should be conducted to meet the service need in the district;
 - (iii) registering/updating/deregistering street sleeper cases in SSR maintained by SWD; and
 - (iv) medical support services provided by a registered nurse (psychiatric) (see Note 17 to (a)(v) above).

Need to continue monitoring attainment of performance standards

2.4 ***Attainment of OSs/OCs.*** Audit analysis of the attainment of OSs/OCs by the three IST-NGOs from 2017-18 to 2021-22 revealed that most agreed levels had been attained (see Tables 3 and 4).

Table 3

Attainment of OSs on casework services by the three IST-NGOs (Note 1)
(2017-18 to 2021-22)

OS		Agreed level	Actual (Note 2)	Agreed level (Note 3)	Actual	Agreed level	Actual
		2017-18 to 2019-20		2020-21		2021-22	
1.	Number of street sleepers approached within one year	375	635 (169%)	397	837 (211%)	419	573 (137%)
2.	Number of cases served within one year	255	456 (179%)	270	645 (239%)	285	623 (219%)
3.	Number of cases accommodated within one year	135	212 (157%)	140	313 (224%)	145	187 (129%)
4.	Number of unemployed cases successfully engaged in employment within one year	45	80 (178%)	50	76 (152%)	55	73 (133%)
5.	Number of visits conducted with the provision of medical support services in a quarter	N.A.	N.A.	N.A. (Note 4)	N.A. (Note 4)	72	93 (129%) (Note 5)
6.	Number of attendance of street sleepers to programmes/groups relating to mental/physical health promotion within one year	N.A.	N.A.	N.A. (Note 4)	N.A. (Note 4)	600	1,373 (229%)

Source: Audit analysis of SWD records

Note 1: The agreed levels and actual figures are aggregate figures for all 3 IST-NGOs for OS1 to OS4, and aggregate figures for 2 of the 3 IST-NGOs (i.e. NGOs A and B) for OS5 and OS6 (see Note 17 to para. 2.3(a)(v) and para. 2.7).

Note 2: The figures are the annual average figures of 2017-18, 2018-19 and 2019-20.

Note 3: With effect from October 2020, with the provision of additional subventions to enhance services, apart from introducing two new OSs (i.e. OS5 and OS6), the agreed levels for the four existing OSs (i.e. OS1 to OS4) have also been increased. Hence, the agreed levels for 2020-21 shown in the Table are calculated on a pro-rata basis.

Table 3 (Cont'd)

Note 4: According to SWD, the OSs were exempted from service assessment in 2020-21 as they were only introduced in October 2020 (see Note 17 to para. 2.3(a)(v)) and full-year statistics were not available.

Note 5: The figure is the quarterly average figure of 2021-22.

Remarks: The figures in brackets refer to the percentage of attainment.

Table 4

**Attainment of OCs by the three IST-NGOs
(2017-18 to 2021-22)**

OC		Agreed level	Actual (Note)				
			2017-18	2018-19	2019-20	2020-21	2021-22
1.	Average non-relapse rate of accommodated cases	80%	82% to 99%	90% to 98%	92% to 100%	94% to 97%	90% to 98%
2.	Percentage of service users with perceived improvement in the main problems after receiving services from ISTs	65%	71% to 100%	85% to 100%	83% to 100%	90% to 100%	89% to 100%
3.	Percentage of service users with improved self-esteem after receiving services from ISTs	65%	69% to 95%	88% to 100%	83% to 100%	90% to 100%	89% to 100%
4.	Percentage of service users with enhanced support network after receiving services from ISTs	65%	69% to 94%	89% to 100%	83% to 100%	89% to 98%	76% to 98%

Source: Audit analysis of SWD records

Note: The figures represent the actual attainment of OCs of the three IST-NGOs during the period. For example, against an agreed level of 80%, the actual average non-relapse rate of accommodated cases of the three IST-NGOs in 2021-22 ranged from 90% to 98%.

Casework services

2.5 Audit also examined the annual self-assessment reports (see para. 1.11(a)(i)) submitted by the three IST-NGOs for the period 2017-18 to 2021-22 and noted that:

- (a) all ESRs and SQSs had been complied with by the three ISTs during the period;
- (b) NGO C attained all OSs relating to casework services and OCs during the period;
- (c) NGO B attained all OSs relating to casework services and OCs during the period except for one OS in 2017-18 and another OS in 2021-22, as follows:
 - (i) in 2017-18, against an agreed level of 45 accommodated cases within one year (see para. 2.3(a)(iii)), NGO B reported 34 (76%) accommodated cases; and
 - (ii) against an agreed level of 36 visits conducted with the provision of medical support services in a quarter (see para. 2.3(a)(v)), NGO B reported 31 (86%) visits in the fourth quarter of 2021-22. According to NGO B, the OS was unmet because of the outbreak of the fifth wave of the coronavirus disease (COVID-19) epidemic in 2021-22.

NGO B proposed measures in the pertinent action plan (see para. 1.11(a)(i)) to improve the attainment of the OSs; and

- (d) NGO A attained all OSs relating to casework services and OCs during the period except for one OS in 2020-21 and 2021-22, as follows:

- (i) against an agreed level of 17.5 (Note 19) unemployed cases successfully engaged in employment within 2020-21 (see para. 2.3(a)(iv)), NGO A reported that there were 16 (91%) such cases; and
- (ii) against an agreed level of 20 unemployed cases successfully engaged in employment within 2021-22, NGO A reported that there were 18 (90%) such cases.

NGO A proposed measures in the pertinent action plan (see para. 1.11(a)(i)) to improve the attainment of the OS.

While the three IST-NGOs attained most OSs/OCs, Audit considers that SWD should continue monitoring the attainment of OSs/OCs of the IST-NGOs, including the follow-up actions taken on the unmet OSs.

Need to review agreed levels of OSs

2.6 Audit examined the agreed levels of OSs set for IST-NGOs and noted that as at 31 March 2022:

- (a) the aggregate number of street sleepers set in the agreed levels of various OSs of the three IST-NGOs in 2021-22 accounted for less than half of the number of registered street sleepers in the territory; and
- (b) the agreed levels of OSs of individual IST-NGOs in 2021-22 were not in proportion to the number of registered street sleepers in the respective region.

Note 19: *With the provision of additional subventions for service enhancement since October 2020 (see Note 17 to para. 2.3(a)(v)), SWD and IST-NGOs have agreed to increase the level of OS on the number of unemployed cases successfully engaged in employment within one year from 15 to 20 with effect from October 2020. Accordingly, the agreed level (i.e. 17.5 cases) is calculated on a pro-rata basis for 2020-21 (i.e. 15 cases for the period from April 2020 to September 2020 and 20 cases for the period from October 2020 to March 2021).*

An example is illustrated in Table 5. In Audit's view, SWD needs to review the agreed levels of OSs of IST-NGOs on an on-going basis, taking into account the service demand in the territory as well as that in different regions.

Table 5

Agreed number of street sleepers approached within one year against number of registered street sleepers in regions served by respective IST-NGOs (31 March 2022)

IST-NGO	Region	Number of registered street sleepers (a)	Agreed number of street sleepers approached within one year (b)	Percentage of the agreed number of street sleepers approached within one year to the number of registered street sleepers (c) = (b) ÷ (a) × 100%
A	A	149 (9.5%)	112 (26.7%)	75%
B	B	610 (39%)	142 (33.9%)	23%
C	C	805 (51.5%)	165 (39.4%)	20%
Overall		1,564 (100%)	419 (100%)	27%

Source: Audit analysis of SWD records

Enhanced subvented outreaching services not provided in one region

2.7 According to SWD, in view of the complicated and hard-core nature of street sleeping cases like drug addiction, mental illness, alcoholism and ageing, as well as the increasing number of registered street sleepers in SSR, enhancement of ISTs for effective and efficient intervention for this vulnerable group was required. With effect from 1 October 2020, SWD has increased the subventions to provide

additional manpower resources (Note 20) to ISTs to enhance their services, including providing medical support to street sleepers (e.g. on-site medical/mental assessment to motivate street sleepers to seek early treatment through bridging them to mainstream health services). Audit noted that:

- (a) NGO C (operating the IST in Region C) had not accepted the additional subventions for service enhancement and decided to cease receiving SWD subvention upon expiry of the FSA on 30 September 2022;
- (b) in view of the situation in (a) above, SWD had taken rectification measures and commissioned another NGO to operate the IST in Region C through invitation for proposals announced in February 2022. The newly engaged NGO would provide support services, including medical support services to street sleepers, with effect from 1 October 2022; and
- (c) 114 (14%) and 248 (31%) of 805 street sleepers in Region C had mental health service needs and drug abuse problems respectively as recorded in SSR as at 31 March 2022.

Upon enquiry about the enhanced services including medical support services for the region under NGO C's purview between October 2020 and September 2022 (2 years), SWD informed Audit in September 2022 that NGO C had used its own resources to render medical support for the street sleepers in the region. While noting SWD's explanation, since the medical support services rendered by NGO C were non-subvented, SWD could not monitor and assess whether the street sleepers in the region concerned were receiving the same level and quality of services as other regions. Audit considers that SWD needs to take measures to prevent similar service gaps arising from non-acceptance of additional subventions in future.

Need to ensure timely provision of enhanced outreaching services

2.8 With the provision of increased subventions and additional manpower resources, enhanced outreaching services were expected to be available since October 2020 (see para. 2.7). However, Audit noted the following delays:

Note 20: *The additional manpower resources included one social work officer, one assistant social work officer, one registered nurse (psychiatric) and one motor driver for each IST.*

Casework services

- (a) ***Delay in the hiring of staff.*** Resources for the hiring of a registered nurse (psychiatric), a social work officer and an assistant social work officer were provided to NGOs A and B to provide enhanced outreaching services to street sleepers. Audit noted that:
 - (i) NGO A hired the registered nurse, the social work officer and the assistant social work officer in December 2020, January 2021 and January 2021 respectively; and
 - (ii) NGO B hired the registered nurse, the social work officer and the assistant social work officer in January 2021, April 2021 and December 2020 respectively; and
- (b) ***Delay in the hiring of motor drivers and purchase of light goods vehicles (Note 21).*** Light goods vehicles were deployed to support NGOs A and B during the outreaching visits by, for example, transporting simple equipment, delivering in-kind items (e.g. blankets, food and clothing) to street sleepers and escorting street sleepers to hostels. Audit noted that:
 - (i) for NGO A, while the motor driver was hired in December 2020, the light goods vehicle was only available in August 2021. According to NGO A, the driver had been deployed to support its social workers in outreaching visits to street sleepers before the bus was available; and
 - (ii) for NGO B, while the light goods vehicle was available in March 2022, the motor driver was only hired in October 2022. According to NGO B, there were recruitment difficulties.

The enhanced outreaching services can only be fully provided when both manpower and other resources are available. Audit considers that SWD needs to draw lessons from the delays of IST-NGOs in the provision of the enhanced outreaching services to improve monitoring and avoid recurrence of similar incidents in future.

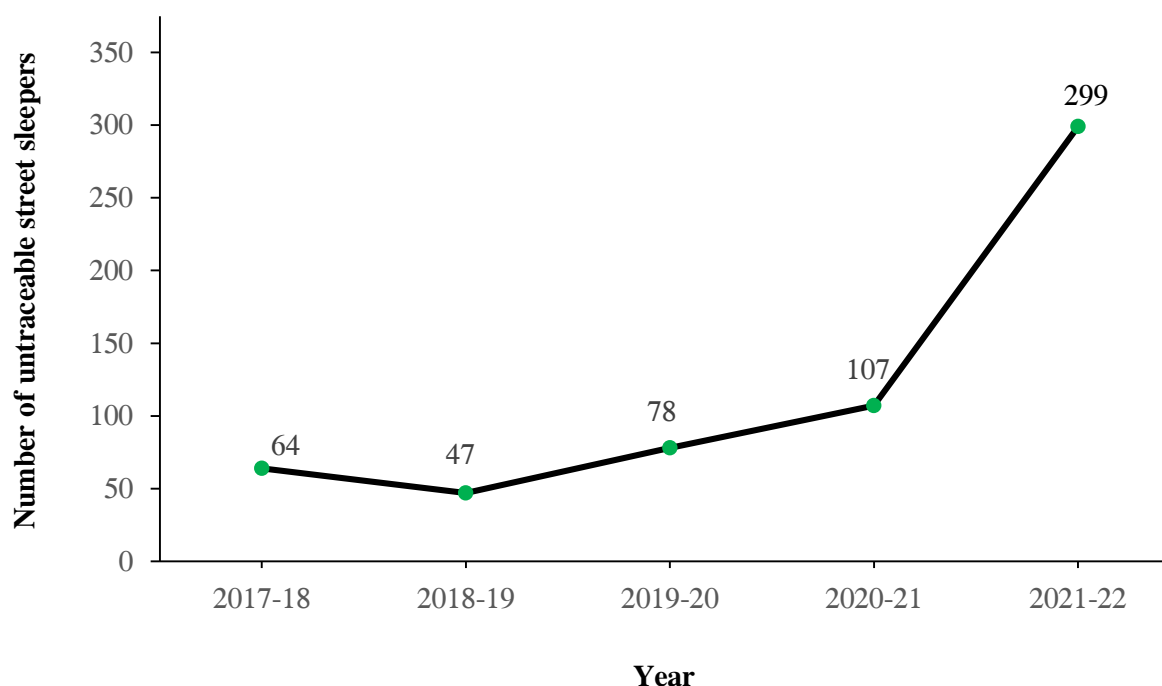
Note 21: *The light goods vehicles were purchased with grants from the Lotteries Fund and the recurrent expenditure for operating the vehicles was provided under LSG.*

Increasing number of untraceable street sleepers

2.9 Through outreaching visits, IST-NGOs maintain contacts with street sleepers, provide them with necessary social welfare support services and persuade them to quit street sleeping. When an IST-NGO has lost contact with a street sleeper, the street sleeper is regarded as untraceable. If a street sleeper has become untraceable for a certain period of time (see para. 2.11(a)) and further outreaching visits could not be conducted, the IST-NGO would close the case and deregister the case from SSR. Audit analysed the number of untraceable street sleepers from 2017-18 to 2021-22 in SSR and noted that it was on an increasing trend (see Figure 3).

Figure 3

Number of untraceable street sleepers (2017-18 to 2021-22)



Source: Audit analysis of SWD records

2.10 Upon enquiry about the increasing trend of untraceable street sleepers, SWD informed Audit in September 2022 that:

Casework services

- (a) NGOs were required to update SSR monthly. In early 2021, SWD reminded the IST-NGOs of such requirement; and
- (b) according to IST-NGOs, the significant increase in the number of untraceable street sleepers since 2019-20 was due to the increased number of new street sleepers with employment or cross-border issues under the COVID-19 epidemic. These street sleepers had ceased street sleeping after resolving their problems but had not informed the IST-NGOs.

2.11 Regarding untraceable street sleepers, Audit also noted the following issues:

- (a) the three IST-NGOs adopted different practices in closing cases involving untraceable street sleepers. While NGO C closed a case after a street sleeper had been untraceable for a period of 6 months, NGOs A and B closed a case after a street sleeper had been untraceable for a period of 2 and 3 months respectively; and
- (b) the average non-relapse rate was measured by the percentage of accommodated street sleepers (i.e. street sleepers receiving proper accommodation such as emergency shelters) not returning to street sleeping for more than seven consecutive days within the past six months. However, in calculating the rate, the three IST-NGOs regarded an accommodated street sleeper as not relapsed if the street sleeper was untraceable. Audit examination of 30 non-relapsed accommodated cases reported by the IST-NGOs in 2021 revealed that in 3 (10%) cases, the IST-NGOs lost contact with the street sleepers 1 to 5 months after they had been accommodated. Hence, it could not be ascertained whether the accommodated street sleepers returned to street sleeping after they had become untraceable.

In Audit's view, SWD needs to provide guidelines to IST-NGOs on the criteria for closing cases and calculating the average non-relapse rate for untraceable street sleepers.

Areas for improvement in providing emergency relief funds to street sleepers

2.12 An emergency relief fund is allocated to each IST-NGO each year (Note 22). The fund aims to provide short-term financial assistance to street sleepers with genuine and imminent needs. The items covered by the fund include short-term rental, living expenses, employment related expenses and moving expenses. According to the emergency relief fund guidelines issued by SWD to IST-NGOs, street sleepers in need can apply for the fund through IST-NGOs in the relevant regions. Audit noted the following issues:

- (a) ***Need to encourage repayment to build up street sleepers' sense of financial responsibility.*** According to the emergency relief fund guidelines, IST-NGOs may request a street sleeper to repay all or part of the approved funds according to a repayment plan, usually with a repayment period of six months. Audit analysed the repayment of funds by street sleepers to the three IST-NGOs and found that 55% of the funds loaned to street sleepers between April and September 2021 (i.e. first half of 2021-22) was repaid as of March 2022. In Audit's view, as a means to build up street sleepers' sense of financial responsibility, SWD needs to request IST-NGOs to explore appropriate measures to encourage street sleepers to repay loans from the emergency relief fund as far as practicable after taking into account their repayment ability; and
- (b) ***Need to document the reasons for long processing time.*** Audit examined 30 emergency relief fund applications received in the period from 2017-18 to 2021-22 and found that in 3 applications, IST-NGOs took 56 to 72 days to approve, and the reasons for the delays of 2 of the 3 applications were not documented. Upon enquiry, in September 2022, SWD informed Audit that the reasons for taking a long time to approve the 2 applications were:
 - (i) in one application (which took 61 days to approve), emergency fund was applied for food allowance. According to the IST-NGO, it had disbursed the applied fund to the street sleeper upon application.

Note 22: *In general, an emergency relief fund of \$90,000 is allocated to each IST-NGO each year. For 2020-21, in light of the outbreak of the COVID-19 epidemic, an additional funding of \$90,000 to \$180,000 was allocated to each IST-NGO depending on the needs of the street sleepers in the respective regions.*

However, the approval and fund disbursement dates were incorrectly recorded; and

- (ii) in another application (which took 72 days to approve), emergency fund was applied to pay for rental and living expenses. Since the applicant was also applying for CSSA, the IST-NGO took a longer time to verify the details.

The emergency relief fund aims at providing short-term financial assistance to street sleepers with genuine and imminent needs. While the processing time may vary depending on the individual circumstance of each case, it is important that the disbursement is timely made and the approval details are properly recorded. If a longer processing time is required, the reasons should be documented.

Audit recommendations

2.13 **Audit has *recommended* that the Director of Social Welfare should:**

- (a) **continue monitoring the attainment of OSs/OCs of the IST-NGOs, including the follow-up actions taken on the unmet OSs;**
- (b) **review the agreed levels of OSs of IST-NGOs on an on-going basis, taking into account the service demand in the territory as well as that in different regions;**
- (c) **take measures to:**
 - (i) **ensure that the enhanced outreaching services are provided as soon as practicable, including the medical support services to street sleepers in Region C; and**
 - (ii) **prevent similar service gaps arising from non-acceptance of additional subventions in future;**

- (d) **draw lessons from the delays of IST-NGOs in the provision of the enhanced outreaching services to improve monitoring and avoid recurrence of similar incidents in future;**
- (e) **provide guidelines to IST-NGOs on the criteria for closing cases and calculating the average non-relapse rate for untraceable street sleepers;**
- (f) **request IST-NGOs to explore appropriate measures to encourage street sleepers to repay loans from the emergency relief fund as far as practicable after taking into account their repayment ability; and**
- (g) **remind IST-NGOs to process emergency relief fund applications as soon as practicable, and document properly the approval details and the reasons for long processing time.**

Response from the Government

2.14 The Director of Social Welfare agrees with the audit recommendations and will take necessary follow-up actions as recommended. She has said that:

- (a) SWD will continue to monitor the performance of IST-NGOs on the attainment of OSs/OCs and regularly check the progress on the follow-up actions taken on any under-achievement;
- (b) SWD will review the agreed levels of OSs/OCs of IST-NGOs on an on-going basis, taking into account the service demand in the territory and in different regions through analysis of the data in SSR;
- (c) regarding the provision of the enhanced outreaching services:
 - (i) SWD has commissioned another NGO to provide services in Region C with effect from 1 October 2022 and the NGO has been requested to expedite staff recruitment to provide enhanced services to meet the service needs of street sleepers. Among them, the social workers and the registered nurse (psychiatric) have been in place since 1 and 3 October 2022 respectively to provide professional and medical support services to street sleepers in the region; and

- (ii) for the benefit of street sleepers, SWD will keep in view the service need and solicit views/cooperation from NGOs on obtaining additional resources to enhance services at the planning stage;
- (d) SWD will strengthen the monitoring on IST-NGOs, including staff recruitment and the purchase of vehicles to ensure the provision of enhanced outreaching services to street sleepers;
- (e) SWD will issue guidelines to IST-NGOs on the criteria for closing cases and calculating the average non-relapse rate for untraceable street sleepers;
- (f) SWD will request IST-NGOs to explore feasible measures to encourage and assist street sleepers to repay loans from the emergency relief fund as far as practicable, after considering their repayment ability; and
- (g) SWD will remind IST-NGOs to process emergency relief fund applications as soon as practicable and properly document the assessment, approval details and the reasons for long processing time.

Maintenance of street sleepers registry

2.15 According to the ESR stipulated in the FSAs (see para. 2.3(c)(iii)), IST-NGOs are required to register, update and deregister street sleeper cases in SSR maintained by SWD on a monthly basis. The objective of SSR is to keep an account of the general characteristics of street sleepers and the type of welfare services required on an on-going basis. Timely registration of new cases, and update and deregistration of existing cases are important to ensure the accuracy of SSR for better service planning.

SSR statistics not reflecting actual number of street sleepers

2.16 When IST-NGOs approach new street sleepers, they would seek their consent for registering their information in SSR if the street sleepers have been sleeping in streets for over seven days. Nevertheless, IST-NGOs provide social welfare support services to street sleepers regardless of whether they are registered. IST-NGOs maintain case files and service user databases with information of street sleepers approached and services rendered to them. Audit noted that a unique

reference number had been assigned to a registered street sleeper in SSR, and such number was also recorded in the service user databases of NGOs A and C. However, such information was not available in NGO B's service user database. Audit analysed the service user databases of NGOs A and C as at 31 March 2022 and found that in 96 (27%) of 355 cases and 48 (38%) of 128 cases served in 2021-22 respectively, the street sleepers were not registered in SSR. For NGO B, in the absence of the unique SSR reference number in its service user database, the street sleeper information kept in the database could not be readily matched against that in SSR, and hence the number of service users not registered in SSR could not be ascertained readily.

2.17 According to SWD, SSR is used for statistical purpose and is one of the references for future resource and service planning. According to the analysis in paragraph 2.16, quite a number of street sleepers were not registered in SSR. Given that NGO B was serving Region B with 39% of registered street sleepers as at 31 March 2022 (see Table 5 in para. 2.6), it would be useful to explore with NGO B the possibility of ascertaining the number of unregistered street sleepers in the region with a view to ascertaining the total number of unregistered street sleepers in Hong Kong. To facilitate resource and service planning, there are also merits for SWD to explore measures to collect information on unregistered street sleepers (e.g. street sleeping characteristics and welfare services received) without identifying their personal particulars from IST-NGOs on a regular basis, so as to maintain a more accurate statistics about street sleepers in Hong Kong.

Need to timely update SSR

2.18 IST-NGOs are required to update SSR monthly so as to keep the information in SSR accurate. Once a case is closed (e.g. a street sleeper has been accommodated or untraceable for a certain period of time — see para. 2.9), the record relating to the street sleeper should be deregistered from SSR in the following month. Audit examined 110 cases closed by IST-NGOs in the period from April 2018 to March 2022 and found that in 56 (51%) cases, there were discrepancies between the case closing dates and the deregistration dates. The time elapsed from the case closing dates and the deregistration dates ranged from 2 to 31 months, averaging 10 months. In Audit's view, SWD needs to remind IST-NGOs to timely update SSR to ensure that accurate information about street sleepers is maintained for statistical and service planning purposes.

Audit recommendations

- 2.19 **Audit has *recommended* that the Director of Social Welfare should:**
- (a) **explore with NGO B the possibility of ascertaining the number of unregistered street sleepers in Region B;**
 - (b) **explore measures to collect information on unregistered street sleepers (e.g. street sleeping characteristics and welfare services received) without identifying their personal particulars from IST-NGOs on a regular basis; and**
 - (c) **remind IST-NGOs to timely update SSR.**

Response from the Government

2.20 The Director of Social Welfare agrees with the audit recommendations and will take necessary follow-up actions as recommended. She has said that:

- (a) upon SWD's advice, NGO B has incorporated the cases' SSR reference numbers in its service user database for having a clearer picture of the street sleepers in Region B. For cases where the street sleepers concerned refuse to release their personal data, NGO B also agrees to register their street sleeping characteristics and welfare services received in SSR without identifying their personal particulars so that there are more updated information on the street sleepers;
- (b) SWD will request IST-NGOs to report the street sleeping characteristics and welfare services received of the street sleepers who refused to release their personal data in the SSR, without identifying their personal particulars; and
- (c) SWD will remind IST-NGOs to timely update SSR records to ensure accuracy, including registration of new cases, deregistration of existing cases and case review for updating the situation of the existing cases etc.

PART 3: EMERGENCY AND SHORT-TERM HOSTELS

3.1 This PART examines the provision of emergency and short-term hostels to street sleepers by SWD, focusing on the following areas:

- (a) provision of hostels (paras. 3.2 to 3.12); and
- (b) review of performance of hostel operators (paras. 3.13 to 3.20).

Provision of hostels

3.2 *Hostels.* As at 31 March 2022, SWD subvented 6 NGOs to provide hostels to street sleepers and people on the verge of homelessness. Of the 6 NGOs, 3 provided integrated services including casework (see PART 2) and hostel services (i.e. IST-NGOs), and 3 provided hostel services (i.e. non-IST-NGOs). The 6 NGOs provided 228 subvented hostel places (197 for male and 31 for female) in 8 locations (see Table 6).

Table 6

Subvented places provided in hostels
(31 March 2022)

NGO	Hostel	Location	Number of subvented hostel places		
			Male	Female	Total
IST-NGO					
A	A	Wanchai	61	—	61
B	B	Mong Kok	40	—	40
C	C	Sham Shui Po	14	—	25
		Sham Shui Po	6	—	
		Mong Kok	—	5	
Non-IST-NGO					
D	D	Wong Tai Sin	16	26	42
E	E	Chai Wan	40	—	40
F	F	Hung Hom	20	—	20
Total			197	31	228

Source: SWD records

Remarks: According to SWD, the monthly service charge shall not exceed the maximum level of rent allowance under CSSA Scheme (i.e. \$2,515 per month as at 31 March 2022). As at 31 March 2022, Hostel C was free of charge and the monthly rent of the remaining 5 hostels ranged from \$1,380 to \$2,515.

Need to review provision of subvented hostels

3.3 **Decrease in number of subvented hostel places per registered street sleeper.** According to SSR, the total number of registered street sleepers increased by 437 (39%) from 1,127 as at 31 March 2018 to 1,564 as at 31 March 2022 (see Figure 1 in para. 1.8). The number of male street sleepers increased by

Emergency and short-term hostels

366 (36%) from 1,020 to 1,386, and the number of female street sleepers increased by 74 (71%) from 104 to 178. In contrast, the number of subvented hostel places had only been increased by 6 (3%) in the period. Accordingly, the number of subvented hostel places per male and female registered street sleeper decreased from 0.19 as at 31 March 2018 to 0.14 as at 31 March 2022, and from 0.3 to 0.17 respectively (see Table 7). In this connection, Audit noted that the NGOs had not maintained separate statistics on the utilisation of subvented male and female hostel places as they were not required to do so under the FSAs.

Table 7

Number of registered street sleepers and subvented hostel places (2018 to 2022)

	Number of registered street sleepers/ subvented hostel places as at 31 March					Increase/ (decrease) from 31 March 2018 to 31 March 2022	
	2018	2019	2020	2021	2022	(No.)	(%)
<i>Number of registered street sleepers (a)</i>							
Male	1,020	1,161	1,272	1,410	1,386	366	36
Female	104	136	150	170	178	74	71
Unknown (Note)	3	0	1	0	0	(3)	(100)
Total	1,127	1,297	1,423	1,580	1,564	437	39
<i>Number of subvented hostel places (b)</i>							
Male	191	191	191	197	197	6	3
Female	31	31	31	31	31	0	0
Total	222	222	222	228	228	6	3
<i>Number of subvented hostel places per registered street sleeper (c) = (b) ÷ (a)</i>							
Male	0.19	0.16	0.15	0.14	0.14	(0.05)	(26)
Female	0.30	0.23	0.21	0.18	0.17	(0.13)	(43)
Overall	0.20	0.17	0.16	0.14	0.15	(0.05)	(25)

Source: Audit analysis of SWD records

Note: The genders of the street sleepers were not recorded in SSR.

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3.4 *Number of subvented hostel places not in proportion to number of registered street sleepers in different regions.* Audit noted that the number of subvented hostel places was not in proportion to the number of registered street sleepers in different regions as at 31 March 2022. While the number of subvented hostel places per registered street sleeper was higher on Hong Kong Island (0.68) than that in Kowloon (0.11), the average utilisation rates of hostels in 2021-22 (Note 23) on Hong Kong Island and in Kowloon were 69% and 76% respectively (see Table 8).

Table 8

**Distribution and utilisation rates of subvented hostel places by region
(2021-22)**

Region	Number (as at 31 March 2022)			Average utilisation rate
	Registered street sleepers (a)	Subvented hostel places (b)	Subvented hostel places per registered street sleeper (c) = (b) ÷ (a)	
Kowloon	1,179 (75%)	127 (56%)	0.11	76%
Hong Kong Island	149 (10%) (Note)	101 (44%)	0.68	69%
The New Territories	236 (15%)	0 (0%)	0	N.A.

Source: Audit analysis of SWD and NGOs records

Note: The 149 registered street sleepers included 140 street sleepers on Hong Kong Island and 9 street sleepers on Islands.

Note 23: According to SWD, the average utilisation rate of a hostel in a year is calculated by the following formula:

$$\frac{\text{Number of attendance in a year} / \text{number of opening days in a year}}{\text{Number of subvented hostel places}} \times 100\%$$

3.5 *Street sleepers' preference for hostels.* An 80% target on the average utilisation rate in a year was agreed between SWD and IST-NGOs and an 80% target on the average enrolment rate was agreed between SWD and non-IST-NGOs as OSs in FSAs (see Table 10 in para. 3.13). Audit noted that for the 5-year period 2017-18 to 2021-22, NGOs A, B and D had not attained the 80% target in 4 years, 3 years and 1 year respectively (see Appendices B and C). According to the NGOs, street sleepers' preferences (e.g. hostels near their work places and social network or living on streets for more spacious accommodation) might account for the lower utilisation of some hostels.

3.6 In light of the audit findings mentioned in paragraphs 3.3 to 3.5 on the availability of subvented hostel places, the distribution of registered street sleepers and subvented hostel places, the utilisation of subvented hostel places in different regions, and the needs of street sleepers, Audit considers that SWD needs to review the provision of subvented hostels and take follow-up actions as appropriate. To facilitate the review, SWD also needs to consider requesting the NGOs to report respective utilisation rates of subvented male and female hostel places on a regular basis.

Need to keep under review prolonged stays in hostels

3.7 *Accommodation period.* The hostel placement for Hostel C (involving 25 places) and the remaining five hostels (involving 203 places) was normally up to six weeks and six months respectively. According to SWD, the hostel social workers in collaboration with the responsible case workers closely review the situation of each case and may consider extending the stay of street sleepers in hostels subject to their specific needs.

3.8 *Extension of stay in hostels.* As stated in the FSAs, the agreed levels on the average rate of successful discharge within six months/six weeks in a year were 60% for IST-NGOs and 50% for non-IST-NGOs (see OS1 in Table 10 in para. 3.13). According to SWD, depending on the actual welfare needs, IST-NGOs and non-IST-NGOs could extend the stay for up to 40% and 50% of street sleepers in their hostels respectively. Audit examination of the duration of stay of street sleepers discharged from the five hostels (with accommodation period up to six months) in the

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period from 2019-20 to 2021-22 (Note 24) revealed that 33% to 37% of the street sleepers stayed in the hostels for more than six months (see Table 9).

Table 9

**Duration of stay in hostels with maximum accommodation period of 6 months
(Hostels A, B, D, E and F)
(2019-20 to 2021-22)**

Duration of stay	Number of street sleepers			
	2019-20	2020-21	2021-22	
6 months or less	186 (67%)	165 (63%)	167 (65%)	
More than 6 to 12 months (Note 1)	67 (24%)	57 (22%)	57 (22%)	
More than 12 months (Note 2)	24 (9%)	40 (15%)	33 (13%)	90 (35%)
	91 (33%)	97 (37%)		
Total	277 (100%)	262 (100%)	257 (100%)	

Source: Audit analysis of SWD and NGOs records

Note 1: The average duration of stay was 8.3, 8.4 and 8.3 months in 2019-20, 2020-21 and 2021-22 respectively.

Note 2: The average and maximum duration of stay was 23.2, 23.2 and 28.3 months, and 87, 114 and 157 months in 2019-20, 2020-21 and 2021-22 respectively.

3.9 Reasons for extending the stay in hostels. Audit further examined 15 cases with duration of stay of more than 12 months (ranged from 13 to 157 months and extended for 2 to 30 times) in the period from 2019-20 to 2021-22 and noted that the reasons for extension of stay included:

- (a) waiting for allocation of other subsidised accommodation (e.g. elderly home or public rental housing);

Note 24: *All street sleepers were discharged from Hostel C within six weeks in the period from 2019-20 to 2021-22.*

- (b) unemployed or salary not enough to pay rent; and
- (c) having difficulties in finding suitable accommodation with reasonable rent due to old age or health issues.

3.10 According to SWD, the percentage of street sleepers with extended duration of stay to flexibly meet individual needs was within the allowable range as stated in the FSAs (i.e. 40% for hostels operated by IST-NGOs and 50% for those operated by non-IST-NGOs), and the extension of stay to cater for the individual welfare needs of the vulnerable groups (e.g. elderly persons and people with chronic mental illness) mentioned in paragraph 3.9 were considered justifiable. In Audit's view, the aim of hostels is to provide transitional accommodation to assist street sleepers and people on the verge of homelessness with emergency and short-term accommodation support, and hence prolonged stays in hostels are issues requiring attention. Furthermore, some of the aged street sleepers mentioned in paragraph 3.9 also have health issues and the short-term hostels may not be sufficiently equipped for providing the necessary support services. Audit considers that SWD needs to keep under review prolonged stays in hostels, in particular cases involving aged street sleepers and/or street sleepers with health issues, with a view to assisting them to find longer-term accommodations and providing them with support services as appropriate.

Audit recommendations

3.11 **Audit has *recommended* that the Director of Social Welfare should:**

- (a) **review the provision of subvented hostels and take follow-up actions as appropriate;**
- (b) **consider requesting the NGOs to report respective utilisation rates of subvented male and female hostel places on a regular basis; and**
- (c) **keep under review prolonged stays in hostels, in particular cases involving aged street sleepers and/or street sleepers with health issues, with a view to assisting them to find longer-term accommodations and providing them with support services as appropriate.**

Response from the Government

3.12 The Director of Social Welfare agrees with the audit recommendations. She has said that SWD will:

- (a) monitor the provision of subvented hostels and the service demand continuously, and keep in view the need for increasing the provision of subvented hostels;
- (b) request NGOs to keep record and provide supplementary statistics on the utilisation rate of subvented male and female hostel places, in addition to the overall utilisation rate of the subvented service; and
- (c) regularly analyse the duration of stay of residents in hostels and seek further information on prolonged stay cases from NGOs, particularly those involving aged street sleepers and/or street sleepers with health issues, to ensure that they could receive appropriate support services.

Review of performance of hostel operators

3.13 OSs and OCs are set out in the FSAs to measure the performance of NGOs in the provision of hostel services. The agreed levels of the OSs and OCs in 2021-22 are summarised in Table 10.

Table 10

OSs and OCs on provision of hostel services
(2021-22)

OS/OC		Agreed level	
		IST-NGO	Non-IST-NGO
OS			
1.	Average rate of successful discharge within the maximum accommodation period in a year	60 %	50 %
2.	Average utilisation rate in a year (see Note 23 to para. 3.4)	80 %	N.A.
3.	Number of residents served in a year	NGO A: 122 NGO B: 80 NGO C: 106	N.A.
4.	Average enrolment rate in a year (Note 1)	N.A.	80 %
OC			
5.	Percentage of service users with perceived improvement in main problems after receiving services from the integrated/hostel services for street sleepers	65 % (see OC2 of Table 4 in para. 2.4)	65 % (Note 2)
6.	Percentage of service users with improved self-esteem after receiving services from the integrated/hostel services for street sleepers	65 % (see OC3 of Table 4 in para. 2.4)	65 % (Note 2)
7.	Percentage of service users with enhanced support network after receiving services from the integrated/hostel services for street sleepers	65 % (see OC4 of Table 4 in para. 2.4)	65 % (Note 2)

Source: SWD records

Note 1: According to SWD, the average enrolment rate in a year is the average of the monthly enrolment rate which is calculated by the following formula:

$$\frac{\text{Number of residents in the hostel at the end of a month}}{\text{Number of subvented hostel places}} \times 100\%$$

Note 2: The OC has been included in the FSAs for the non-IST-NGOs since October 2020.

Need to continue monitoring attainment of performance standards

3.14 According to the annual self-assessment reports (see para. 1.11(a)(i)) submitted by the six NGOs for the period 2017-18 to 2021-22:

- (a) relating to the provision of hostel services by IST-NGOs (see para. 2.4 for attainment of other performance standards):
 - (i) NGO A had not attained the OSs on the average utilisation rate in 4 years (i.e. 2017-18, 2019-20, 2020-21 and 2021-22), and the number of residents served in 3 years (i.e. 2017-18, 2020-21 and 2021-22);
 - (ii) NGO B had not attained the OSs on the average rate of successful discharge and the average utilisation rate in 3 years (i.e. 2018-19, 2020-21 and 2021-22), and the number of residents served in 2 years (i.e. 2020-21 and 2021-22); and
 - (iii) NGO C had not attained the OS on the number of residents served in 2 years (i.e. 2019-20 and 2021-22).

Appendix B shows the attainment of OSs relating to the provision of hostel services reported by IST-NGOs; and

- (b) for non-IST-NGOs:
 - (i) all ESRs (Note 25), SQSs and OCs had been complied with during the period;
 - (ii) NGO F had attained all OSs during the period;

Note 25: *There are two ESRs:*

- (a) *24-hour service per day, with at least one staff member present at all times; and*
- (b) *staff requirement including registered social worker.*

- (iii) NGO D had not attained the OS on the average enrolment rate in 2020-21; and
- (iv) NGO E had not attained the OS on the average rate of successful discharge in 2020-21.

Appendix C shows the attainment of OSs relating to the provision of hostel services reported by non-IST-NGOs.

Audit noted that all NGOs had submitted action plans with the annual self-assessment reports for addressing the underperforming areas as required (see para. 1.11(a)(i)).

3.15 Upon enquiry, in September 2022, SWD informed Audit that since 2019-20, the operation of hostels had been seriously affected by the COVID-19 epidemic (i.e. the infection of hostel residents, the subsequent temporary closure of hostels for isolation, and the suspension of street sleeper admission to observe social distancing, etc.), which had impacts on the attainment of the agreed service levels and was outside the control of the NGOs and SWD. While noting SWD's explanations, to ensure effective use of public resources, Audit considers that SWD should continue to monitor the attainment of performance standards of the NGOs in providing hostel services, including the follow-up actions taken on the unmet performance standards, and render assistance to the NGOs as necessary.

Need to ensure accuracy of annual average rate of successful discharge reported

3.16 An annual average rate of successful discharge (i.e. percentage of street sleepers discharged from hostel within the maximum accommodation period) was an OS agreed between SWD and NGOs in the FSAs. The agreed levels were 60% and 50% for IST-NGOs and non-IST-NGOs respectively (see OS1 in Table 10 in para. 3.13). Audit examined NGOs' records of street sleepers discharged from hostels in the period from 2019-20 to 2021-22 and noted discrepancies between the average rates of successful discharge reported by 5 of the 6 NGOs in the annual self-assessment reports (see para. 1.11(a)(i)) and those calculated by Audit based on the NGOs' records (see Table 11). Audit considers that SWD needs to take measures to ensure that the NGOs calculate and report the average rate of successful discharge within the maximum accommodation period in a year accurately.

Table 11

**Comparison between annual average rates of successful discharge
within the maximum accommodation period
reported in NGOs' annual self-assessment reports and Audit's calculation
(2019-20 to 2021-22)**

NGO	2019-20		2020-21 (Note)		2021-22 (Note)	
	NGO's report	Audit's calculation	NGO's report	Audit's calculation	NGO's report	Audit's calculation
A	64 %	64 %	62 %	59 %	71 %	71 %
B	75 %	75 %	35 %	38 %	46 %	46 %
C	100 %	100 %	100 %	100 %	100 %	100 %
D	76 %	77 %	62 %	63 %	76 %	76 %
E	55 %	50 %	26 %	26 %	55 %	55 %
F	69 %	59 %	100 %	97 %	56 %	56 %

Legend: Performance overstated
 Performance understated

Source: *Audit analysis of SWD records*

Note: *According to SWD, due to the impact of the outbreak of COVID-19, the agreed level for average rate of successful discharge was not met by some NGOs in 2020-21 and 2021-22.*

Need to provide adequate information on hostel services to public

3.17 According to SWD, a service unit should ensure that a clear description of its purpose, objectives and mode of operation is well-defined and transparent. To achieve this, the service unit:

- (a) may produce handbook, information leaflet or brochure with descriptions on its purpose, objectives, target service users, approach to service delivery and service entry and leaving mechanisms in a user-friendly language;

- (b) needs to ensure that the service descriptions mentioned in (a) above are accessible to potential service users, staff and members of the community as appropriate; and
- (c) may circulate the service descriptions mentioned in (a) above to potential service users, staff and members of the community as necessary.

3.18 Audit noted that all six NGOs had produced leaflets for sharing information on hostel services with potential service users and stakeholders (see para. 3.17(a) and (b)). However, such leaflets were only available in the hostels or activity centres/offices of the NGOs. In this connection, Audit further reviewed the information on hostel services provided by the six NGOs on their websites and noted that some information (e.g. admission requirement, maximum accommodation period and rental charges) was not available. Table 12 shows the results of Audit's research on 1 August 2022. To facilitate potential service users and relevant stakeholders in understanding the hostels and making informed choices, Audit considers that SWD needs to request the NGOs to consider uploading service leaflets to their websites to ensure that adequate information on hostel services is readily available to potential service users and relevant stakeholders.

Table 12

**Information on hostel services provided on six NGOs' websites
(1 August 2022)**

Information	NGO						
	A	B	C		D	E	F
			Two hostels for male	One hostel for female			
Target users	✓	✓	✓	✓	✓	✓	✓
Admission requirements							
• referral required	✓	✓	✓	✓	✓	✓	✓
• pre-admission body check (Note)	✓	✓	✓	✗	✗	✗	✓
Maximum accommodation period	✗	✓	✗	✓	✗	✗	✓
Rental charges	✗	✓	✓	✓	✓	✓	✓
Information leaflet	✗	✓	✗	✗	✗	✗	✗
Photographs/videos of hostel	✓	✓	✗	✗	✗	✗	✗

Legend: ✓ Information available
✗ Information not available

Source: Audit analysis of NGOs records

Note: Street sleepers are required to obtain certificates from medical practitioners certifying that they do not have any communicable disease before admission to hostels.

Audit recommendations

3.19 Audit has *recommended* that the Director of Social Welfare should:

- (a) continue to monitor the attainment of performance standards of the NGOs in providing hostel services, including the follow-up actions taken on the unmet performance standards, and render assistance to the NGOs as necessary;

- (b) **take measures to ensure that the NGOs calculate and report the average rate of successful discharge within the maximum accommodation period in a year accurately; and**
- (c) **request the NGOs to consider uploading service leaflets to their websites to ensure that adequate information on hostel services is readily available to potential service users and relevant stakeholders.**

Response from the Government

3.20 The Director of Social Welfare agrees with the audit recommendations. She has said that:

- (a) SWD will continue to monitor the attainment of OSs/OCs of NGOs in providing hostel services, regularly check the progress on the follow-up actions taken on any under-achievement, and provide advice on improving performance when necessary;
- (b) SWD will provide on-going follow up and remind NGOs to improve the accuracy of the reports submitted; and
- (c) SWD has advised NGOs in late September 2022 to upload service leaflets to their websites to ensure that adequate information on hostel services is readily available to potential service users and relevant stakeholders.

PART 4: ANTI-EPIDEMIC RELATED ISSUES AND THE WAY FORWARD

4.1 This PART examines SWD's support for street sleepers amid the COVID-19 epidemic and the way forward for the provision of the social welfare support services to street sleepers.

Social Welfare Department's support for street sleepers amid COVID-19 epidemic

Need to continue to provide assistance to street sleepers amid the COVID-19 epidemic

4.2 According to SWD, during the COVID-19 epidemic, IST-NGOs continued to conduct outreaching visits so as to identify the social welfare needs of street sleepers and provide them with the social welfare support services required. In addition, the following measures were also taken:

- (a) ***Dissemination of anti-epidemic information.*** During outreaching visits and when street sleepers visited the activity centres/hostels of the NGOs, the NGOs provided the street sleepers with up-to-date epidemic-related information (e.g. health tips, local infection situation, information on vaccination, and requirements on compulsory testing) and distributed protective gears as necessary;
- (b) ***Special allowance provided to NGOs.*** To assist welfare units to step up preventive measures against the spread of COVID-19, SWD provided six rounds of special allowance (Note 26) between January 2020 and February 2022 to subvented NGOs (including service units serving street sleepers) to purchase personal protective equipment and disinfection supplies, employ additional staff and hire additional services (e.g. cleansing services);

Note 26: *SWD granted special allowance ranging from \$60,000 to \$210,000 to each of the three IST-NGOs and the three non-IST-NGOs subject to the number of units of the NGOs providing subvented services for street sleepers.*

- (c) ***Increase in allocation to the emergency relief fund.*** In general, an emergency relief fund of \$90,000 is allocated to each IST-NGO each year. For 2020-21, in light of the outbreak of the COVID-19 epidemic, an additional funding of \$90,000 to \$180,000 was allocated to each IST-NGO depending on the needs of the street sleepers in the respective regions (see Note 22 to para. 2.12); and

- (d) ***Assistance provided to street sleepers in complying with requirements on using the “LeaveHomeSafe” mobile application.*** With effect from 1 November 2021, the public are required to use the “LeaveHomeSafe” mobile application (hereinafter referred to as “LeaveHomeSafe”) installed in smart devices (e.g. smartphones) to scan a Quick Response code before they are allowed to enter government buildings and offices. From 9 December 2021, the requirement is extended to the public entering scheduled premises defined under the Prevention and Control of Disease (Requirements and Directions) (Business and Premises) Regulation (Cap. 599F). Specified persons are allowed to complete a specified form as an alternative measure for complying with the requirement on using “LeaveHomeSafe” (Note 27). In order to facilitate street sleepers without smart devices to enter the premises concerned, the following measures were taken:
 - (i) IST-NGOs were authorised by the Government to issue certificates to street sleepers. With the certificate, a street sleeper might complete a specified form instead of using the “LeaveHomeSafe”. As at 31 May 2022, 57 certificates were issued by IST-NGOs; and

Note 27: *According to the Government, specified persons include:*

- (a) *persons aged 65 or above and persons aged 15 or below;*
- (b) *persons with disability; and*
- (c) *other persons (e.g. street sleepers) recognised by the Government or organisation authorised by the Government.*

According to SWD, a street sleeper may fill in the telephone number of the IST-NGO as the contact number in the form.

- (ii) IST-NGOs assisted distributing smartphones (either donated by the public or purchased by IST-NGOs) to street sleepers in need. As at 31 May 2022, IST-NGOs distributed 168 smartphones to street sleepers.

In light of the changing situation of the COVID-19 epidemic, Audit considers that SWD needs to keep under review the needs of street sleepers amid the epidemic and continue to provide support to them as appropriate.

Audit recommendation

4.3 **Audit has *recommended* that the Director of Social Welfare should keep under review the needs of street sleepers amid the COVID-19 epidemic and continue to provide support to them as appropriate.**

Response from the Government

4.4 The Director of Social Welfare agrees with the audit recommendation. She has said that SWD will request NGOs providing social welfare support services to street sleepers, including the IST-NGOs, non-IST-NGOs and the Care and Support Networking Team (CSNT — see para. 4.10), to give continuous support and assistance to street sleepers during the COVID-19 epidemic, such as disseminating the information about the epidemic and rendering assistance as required.

Way forward

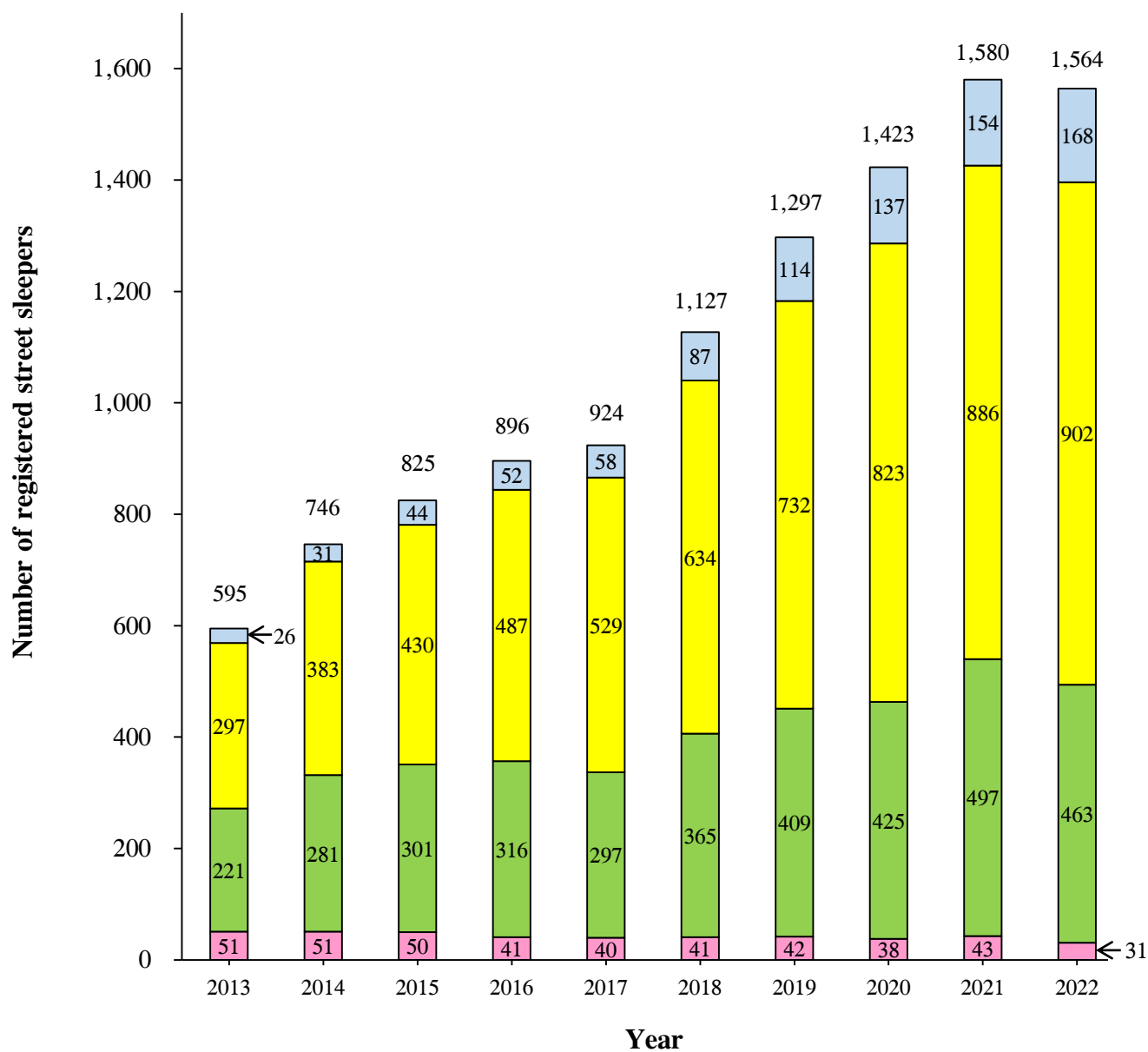
Trends in street sleeping

4.5 Notwithstanding the provision of social welfare support services by SWD, helping street sleepers give up street sleeping and reintegrate into the community remains a challenging task. Audit noted some trends in street sleeping, as detailed in paragraphs 4.6 to 4.8, warranting attention.

4.6 ***Increasing number and age of street sleepers.*** The number of registered street sleepers increased by 2.6 times from 595 as at 31 March 2013 to 1,564 as at 31 March 2022, of which the number of street sleepers aged 50 or above increased by 3.3 times from 323 to 1,070 in the 10-year period (see Figure 4). The most common reasons for people sleeping on streets were their inability to pay rent due to unemployment or failure to identify affordable accommodation (see Table 1 in para. 1.8).

Figure 4

Number of registered street sleepers by age
(2013 to 2022)



Legend:

- aged 70 or above
- aged 50-69
- aged 30-49
- aged below 30 or unknown

Source: Audit analysis of SWD records

Remarks: The figures represent the position as at 31 March in respective years.

4.7 ***Long-term street sleeping.*** Of the 1,564 registered street sleepers as at 31 March 2022, 728 (47%) had slept on streets for over five years (see Table 2 in para. 1.8), an increase from 310 (42%) of 746 registered street sleepers as at 31 March 2014. This indicated that more street sleepers were experiencing medium-term to long-term homelessness. According to SWD and NGOs:

- (a) on-going social welfare support services have been provided to street sleepers including integrated services provided by IST-NGOs and hostels provided by non-IST-NGOs; and
- (b) in general, a variety of issues on the part of the street sleepers concerned was involved, such as housing, financial, family/personal relationship, mental health, drug addiction, unemployment, restriction in crossing the border during the COVID-19 epidemic, life style and personal choice.

In Audit's view, while on-going social welfare support services have been provided to street sleepers for a long period of time, it seems difficult to persuade some of them to give up street sleeping.

4.8 ***Relapsed street sleeping.*** According to SWD, it does not compile statistics relating to relapsed street sleeping (e.g. the number of times a person sleeps on streets after living off the street upon service intervention). Nevertheless, when a street sleeper has been accommodated or become untraceable for a certain period of time, the record relating to the street sleeper would be deregistered from SSR (see para. 2.9). If the same street sleeper is found to resume street sleeping, the street sleeper may be re-registered in SSR. In Audit's view, the number of street sleepers re-registered in SSR may indicate relapsed street sleeping. Audit analysed records of the 1,564 street sleepers registered in SSR as at 31 March 2022 (see Table 13) and found that:

- (a) 169 (11%) of 1,564 street sleepers had been re-registered in SSR at least once; and

Anti-epidemic related issues and the way forward

- (b) while on 157 (69%) of 227 occasions, the reasons for deregistration were being accommodated (Note 28), the street sleepers concerned resumed street sleeping again.

Table 13

**Re-registration of street sleepers in SSR
(31 March 2022)**

Number of re-registrations	Number of registered street sleepers	Reason for deregistration		
		Accommodated (see Note 28)	Untraceable	Not recorded
0	1,395	N.A.	N.A.	N.A.
1	126	78	47	1
2	30	46	14	0
3	12	29	7	0
4	0	0	0	0
5	1	4	1	0
Total	1,564	157	69	1

227

Source: Audit analysis of SWD records

Need to keep under review the social welfare support services provided to street sleepers

4.9 According to SWD, the objectives of social welfare support services provided to street sleepers are to meet their emergency needs and enhance their work motivation and skills, so as to help them give up street sleeping and become self-reliant. Upon enquiry, in September 2022, SWD informed Audit that:

Note 28: *Street sleepers were regarded as accommodated if they were admitted to the subvented hostels operated by IST-NGOs or non-IST-NGOs (see para. 1.5(b)), self-financing hostels for street sleepers operated by other organisations (see Note 5 to para. 1.5 (b)), private accommodation, public housing and hospitals.*

- (a) with service intervention (i.e. services provided by the three ISTs and a number of hostels), the street sleepers had improvement in their main problems and self-esteem, and enhancement in their support network as demonstrated by the significant overachievement of the three relating OCs (see OC2, OC3 and OC4 in Table 4 in para. 2.4); and
- (b) under the influence of the overall social environment, including the economy, the COVID-19 epidemic, ageing population and high rental, the increase in the number and age of street sleepers were outside the control of the welfare sector.

In view of the increasing number and age of street sleepers and the problems of long-term/relapsed street sleeping (see paras. 4.6 to 4.8), Audit considers that SWD needs to keep under review the social welfare support services provided to street sleepers, taking into account the audit observations and recommendations of this Audit Report with a view to further improving the services.

Social welfare support services provided to street sleepers by CSNT

4.10 CSNT (Note 29), operated by an NGO under SWD subventions, assists ex-offenders, persons in recovery (mental health) and street sleepers mainly in the West Kowloon to reintegrate into the community through provision of outreaching, support, casework and group work services. According to SWD, CSNT has been providing various support services to street sleepers, for example:

- (a) conducting regular outreaching visits at locations where street sleepers are usually found, including roadside, under flyovers, parks and playgrounds; and
- (b) working collaboratively with relevant stakeholders such as IST-NGOs at operational level (e.g. checking with IST-NGOs whether the street sleepers have received any social welfare support services) and the relevant government departments for providing appropriate social welfare support

Note 29: *CSNT is provided under the Home and Youth Affairs Bureau's policy objective on community development, which aims to build up the capacity of the community, to foster the spirit of mutual help in the community, to address the needs of and to empower disadvantaged communities, to enhance community cohesion and harmony, and to motivate community participation.*

services to street sleepers, including service referrals and temporary financial aid.

In this connection, Audit noted that 478 (31%) of the 1,564 street sleepers recorded in SSR as at 31 March 2022 were registered by CSNT, and two IST-NGOs also provided integrated services to street sleepers (e.g. outreaching visits and referral services) in Kowloon (see para. 1.5(a)) (i.e. the area which CSNT was also serving). In view of the large number of registered street sleepers in the area concerned (1,179 (75%) of 1,564 as at 31 March 2022), Audit considers that there are merits for SWD to take measures to enhance the collaboration between IST-NGOs and CSNT at operational level with a view to harnessing the synergy of the services provided.

Audit recommendations

4.11 **Audit has *recommended* that the Director of Social Welfare should:**

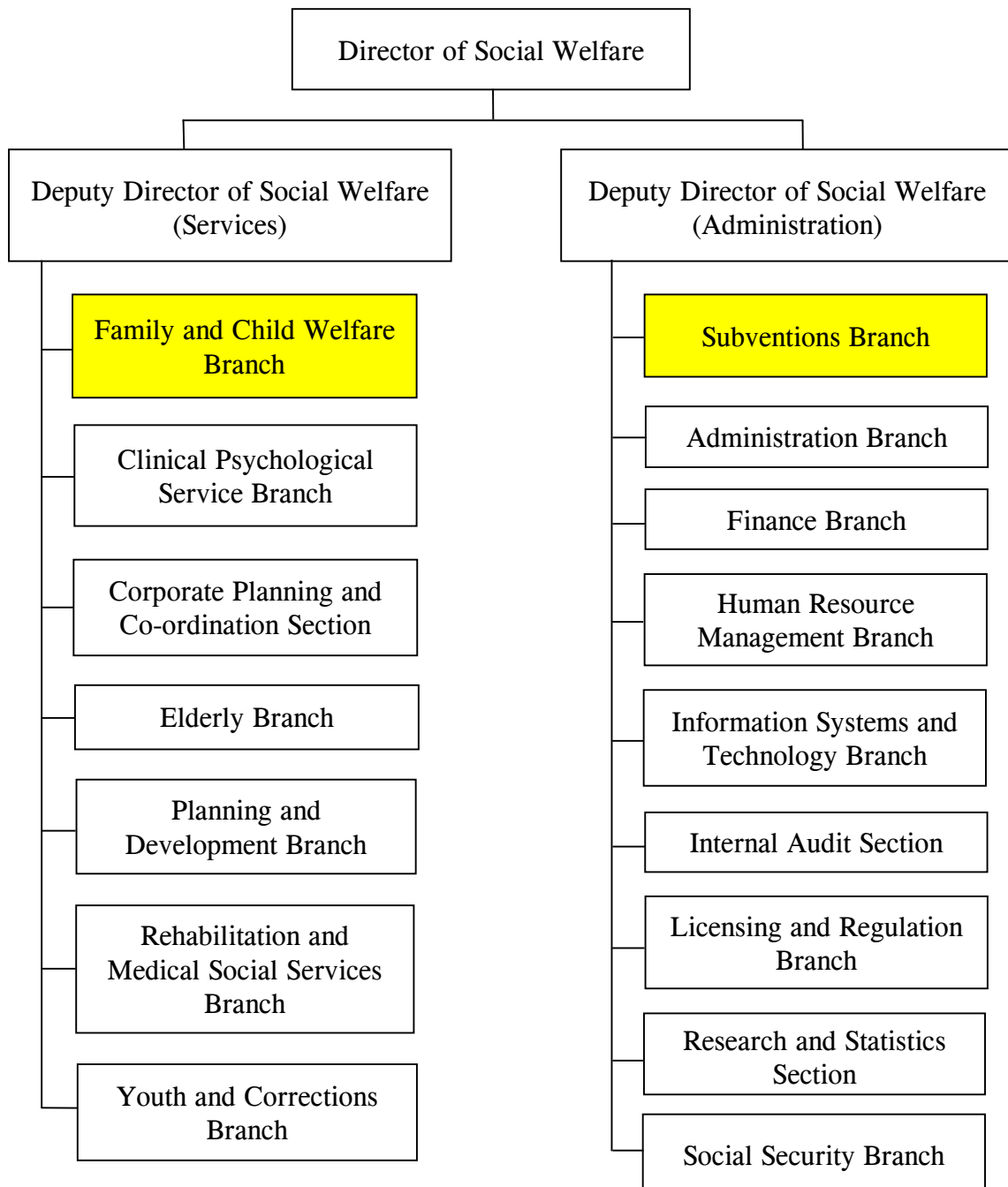
- (a) **in light of the audit observations and recommendations in this Audit Report and the trends in street sleeping, keep under review the social welfare support services provided to street sleepers for further improvement; and**
- (b) **take measures to enhance the collaboration between IST-NGOs and CSNT at operational level with a view to harnessing the synergy of the services provided.**

Response from the Government

4.12 The Director of Social Welfare agrees with the audit recommendations. She has said that SWD will:

- (a) have on-going reviews of the social welfare support services provided to street sleepers; and
- (b) advise IST-NGOs and CSNT to enhance operational collaboration in respective districts for serving street sleepers in the region.

**Social Welfare Department:
Organisation chart (extract)
(31 March 2022)**



Legend: Branches involved in the work relating to the provision of social welfare support services to street sleepers

Source: SWD records

Appendix B
(paras. 3.5 and 3.14(a) refer)

**Attainment of Output Standards relating to the provision of
hostel services reported by the non-governmental organisations
operating Integrated Services Teams for Street Sleepers
(2017-18 to 2021-22)**

Description	2017-18		2018-19		2019-20		2020-21		2021-22	
	Agreed level	Actual	Agreed level	Actual	Agreed level	Actual	Agreed level	Actual	Agreed level	Actual
NGO A										
Average rate of successful discharge	60%	67%	60%	62%	60%	64%	60%	62%	60%	71%
Average utilisation rate	80%	69.8%	80%	80%	80%	79%	80%	56%	80%	58%
Number of residents served	80 / 110 (Note 1)	100	110	118	110	117	110 / 122 (Note 2)	99	122	101
NGO B										
Average rate of successful discharge	60%	63%	60%	58%	60%	75%	60%	35%	60%	46%
Average utilisation rate	80%	85%	80%	79%	80%	88%	80%	79.8%	80%	59%
Number of residents served	80	84	80	101	80	90	80	72	80	62
NGO C										
Average rate of successful discharge	60%	100%	60%	100%	60%	100%	60%	100%	60%	100%
Average utilisation rate	80%	100%	80%	100%	80%	100%	80%	100%	80%	91%
Number of residents served	106	125	106	111	106	99	106	117	106	78

Legend: Agreed level unmet

Source: *Audit analysis of SWD records*

Note 1: *The agreed level was changed in January 2018.*

Note 2: *The agreed level was changed in March 2021.*

**Attainment of Output Standards relating to the provision of
hostel services reported by the non-governmental organisations
not operating Integrated Services Teams for Street Sleepers
(2017-18 to 2021-22)**

Description	Agreed level	Actual				
		2017-18	2018-19	2019-20	2020-21	2021-22
NGO D						
Average rate of successful discharge	50 %	68 %	66 %	76 %	62 %	76 %
Average enrolment rate in a year	80 %	87 %	84 %	87 %	79 %	84 %
NGO E						
Average rate of successful discharge	50 %	61 %	54 %	55 %	26 %	55 %
Average enrolment rate in a year	80 %	82 %	89 %	85 %	81 %	85 %
NGO F						
Average rate of successful discharge	50 %	95 %	92 %	69 %	100 %	56 %
Average enrolment rate in a year	80 %	100 %	100 %	100 %	100 %	100 %

Legend:  Agreed level unmet

Source: Audit analysis of SWD records

Acronyms and abbreviations

Audit	Audit Commission
B/Ds	Bureaux/departments
CSNT	Care and Support Networking Team
CSSA	Comprehensive Social Security Assistance
ESR	Essential Service Requirement
FSA	Funding and Service Agreement
IST	Integrated Services Team for Street Sleepers
LSG	Lump Sum Grant
NGO	Non-governmental organisation
OC	Outcome Standard
OS	Output Standard
SPMS	Service Performance Monitoring System
SQS	Service Quality Standard
SSR	Street sleepers registry
SWD	Social Welfare Department