

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

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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.