

LCQ10: Quality Education Fund

Following is a question by the Hon Chan Yuet-ming and a written reply by the Secretary for Education, Mr Kevin Yeung, in the Legislative Council today (May 25):

Question:

The Quality Education Fund (QEF) aims to support projects that are innovative and capable of enriching students' learning experiences and encouraging school-based initiatives. Regarding the QEF, will the Government inform this Council:

(1) of the number of staff members in the QEF Secretariat and, among them, the number of those who are responsible for handling applications for grants; the total payroll expenses for staff in the QEF Secretariat last year;

(2) of the following information of the projects financed by the QEF in relation to the seven priority themes for 2020-2021 (i.e. (a) STEM education, (b) Information Technology in Education, (c) Assessment Literacy, (d) Life-wide Learning, (e) Positive Values, (f) Students' Balanced Development and (g) Effective Leadership and School Management): (i) number of projects, (ii) amount of funding granted, (iii) highest per capita allocation and (iv) lowest per capita allocation (i.e. the per capita allocation among students directly benefitted from each project) (set out in the following table);

Priority theme	2020-2021 school year				2021-2022 school year to date				Total	
	(i)	(ii)	(iii)	(iv)	(i)	(ii)	(iii)	(iv)	(i)	(ii)
(a)										
...										
(g)										
Total										

(3) of the average time taken by the QEF to vet and approve an application for grant in the past three years; whether it has assessed if the length of time taken for vetting and approving applications will affect the effectiveness of schools in enhancing the quality of education; if it has, of the details; if not, the reasons for that;

(4) given that for the year ended August 31, 2021, the QEF's expenditure on grants only amounted to about \$300 million but its accumulated surplus stood as high as about \$10.5 billion, some members of the public have queried that the resources under the QEF have not been properly utilised, and that the Fund's objective has changed from promoting quality of education to making

investments or savings, whether the Government has examined the reasons for the presence of a huge surplus in the QEF; if so, of the details; if not, the reasons for that;

(5) of the total number of projects with national education-related themes that were financed by the QEF in the past five years and the amount of funding involved, and set out, by project name in a table, the name of the applicant organisation, the year in which the funding was approved and the amount of funding approved; and

(6) whether the Education Bureau will consider setting national education as one of the yearly priority themes of the QEF, and adding under QEF funding programmes that are related to enhancing the quality of national education; if so, of the details; if not, the reasons for that?

Reply:

President,

The Quality Education Fund (QEF) was established in 1998 to fund projects that aim to raise the quality of school education and to promote quality school education at all levels. The Permanent Secretary for Education Incorporated (PSEdI) holds the QEF upon trust. Being the trustee of the QEF, the PSEdI approves funding for worthwhile projects and signs with individual grantees an agreement setting out the terms and conditions of the funds. The PSEdI sets up a steering committee under the QEF to set policies for the allocation of funds, and make recommendations to the Government on all funding applications. The steering committee is supported by a secretariat. Since its establishment, the QEF has funded over 12 700 projects with a total funding amount of over \$6.1 billion.

Our reply to the Hon Chan Yuet-ming's question is as follows:

(1) The QEF Secretariat, set up under the Education Bureau (EDB), has overall management responsibility for the QEF. Besides providing secretarial support to the steering committee, it is also responsible for various duties such as processing applications, monitoring progress of projects, and disseminating good practices and experiences of funded projects. Currently, there are 22 staff members of the QEF Secretariat mainly responsible for processing applications. As the staff salary expenditure of the QEF Secretariat is subsumed in the overall expenditure of the EDB, a breakdown is not available.

(2) – (4) Initiatives implemented on a school-based pilot basis in kindergarten, primary, secondary and special education, with a view to enabling students to attain all-round development and develop positive values and attitudes as well as enhancing the professional capacity of teachers, will raise the quality of education and are worthy of the QEF's funding support. Schools, educational bodies, tertiary institutions, non-governmental organisations as well as individuals can apply for a one-off funding from the QEF to carry out projects that meet the needs of schools and contribute to the improvement of the quality of school education.

Starting from 2003, the QEF has introduced priority themes which address the needs of education. The QEF reviews the priority themes from time to time and makes adjustment on a need basis so as to meet the needs of education development in Hong Kong. In the 2020/21 and 2021/22 school year, the QEF has introduced seven priority themes, including STEM Education, Information Technology in Education, Assessment Literacy, Life-wide Learning, Positive Values, Students' Balanced Development and Effective Leadership and School Management. The priority themes may not be exhaustive. Hence, apart from the priority themes, the QEF also provides funding support to other quality projects that meet the needs of schools.

Besides, the QEF has also launched theme-based funding programmes in recent years, including the Dedicated Funding Programme for Publicly-funded Schools for schools to implement school-based curriculum design and/or student support measures; the "My Pledge to Act" Funding Programme to facilitate schools to nurture positive values and attitudes among students; and the Enhanced "My Pledge to Act" Funding Programme to further support schools to promote national education, national security education as well as media and information literacy education, with the application procedures for the latter two programmes being further streamlined. Schools can, with due regard to their own context and students' needs, devise school-based project proposals and apply to the QEF for funding. The above-mentioned theme-based funding programmes are welcomed by the school sector. Since its launch in the 2018/19 school year, an accumulative total of over 2 000 applications under the Dedicated Funding Programme for Publicly-funded Schools have been received. As for the "My Pledge to Act" Funding Programme and the Enhanced "My Pledge to Act" Funding Programme subsequently launched, more than 1 200 applications have been received in total.

Upon the implementation of various theme-based funding programmes, schools provided with more options might not necessarily apply for funding under the priority themes. In the 2020/21 and 2021/22 school year, the number of priority themes projects funded by the QEF with breakdown by theme and the respective funding amount are set out as follows:

Priority themes	Number of projects funded by the QEF	Amount of funding (about \$ million)
STEM Education	18	21
Information Technology in Education	15	13
Assessment Literacy	2	2
Life-wide Learning	10	8
Positive Values	23	29
Students' Balanced Development	6	7
Effective Leadership and School Management	2	2

Total	76	82
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The QEF launched a variety of funding programmes for applications by various sectors of society (including school and non-school organisations as well as individuals). Applicants can devise project details (including funding amount sought, number and types of beneficiaries, etc) on their own accord with due regard to the needs of schools. The QEF considers each application according to the prevailing assessment criteria with due consideration to its effectiveness in enhancing the quality of school education as a whole, instead of evaluating an application merely based on per capita allocation. Projects funded by the QEF cover diversified aspects of school education, including learning and teaching, student support and development, teachers' professional development, home-school co-operation. In general, project activities are implemented by grantees using a whole school approach and the beneficiaries, apart from students, often include different stakeholders such as teachers and parents. Implementing project activities funded by the QEF not only benefits students' learning and development, but also brings positive impact on teachers' professional development, home-school co-operation, school culture and atmosphere, etc. All these outcomes are not quantifiable. The per capita allocation calculated based on the funding amount and the number of student beneficiaries could neither fully reflect the actual circumstances of project implementation nor the project impact on school education; it might also lead to unnecessary misinterpretation.

In the past three years, the QEF had received more than 3 000 applications. Individual applications were processed in accordance with the prevailing procedures and assessment criteria. In view of the difference in magnitude, complexity and funding amount sought, the time required for processing individual applications varies. In general, the processing time for projects of a smaller scale is relatively shorter. For those schools' applications lacking sufficient details, the QEF Secretariat would have to follow up with the schools for clarification and supplementary information on a need basis, leading to longer processing time. However, the related process allows schools to further review and refine the project proposals, improve the project design and enhance the overall effectiveness of project implementation. Hence, there is no direct relationship between the amount of the processing time and the effectiveness of the project on enhancing the quality of school education.

The accumulation of surplus of the fund is not a result of ineffective use of available resources. As long as the applications submitted to the QEF will contribute to the improvement of the quality of school education, they will be supported by the QEF regardless of their scale. The accumulated surplus of the QEF is mainly from the gains from investment over the years. The Director of Accounting Services is responsible for handling the investment of the QEF with the objective of generating a reasonable growth in the value of the funds whilst producing recurrent income to meet funding needs. The QEF has been adopting a prudent strategy in diversifying its investment with proper risk management. The surplus recorded is mainly

attributed to favourable investment returns. As at August 31, 2021, the balance of the QEF is around \$10.5 billion which has to be earmarked to cover a number of current funding programmes. Just the Dedicated Funding Programme for Publicly-funded Schools (\$3 billion earmarked), the e-Learning Funding Programme (\$1.5 billion earmarked) and the e-Learning Ancillary Facilities Programme (\$500 million earmarked) have accounted for a total of \$5 billion being set aside, not to mention other programmes requiring funding support of the QEF including the Priority Themes Funding Programme, the "My Pledge to Act" Funding Programme (funding cap of \$200,000 for each publicly-funded school and kindergarten joining the kindergarten education scheme), and the Enhanced "My Pledge to Act" Funding Programme (funding cap of \$300,000 for each publicly-funded school and \$150,000 for each kindergarten joining the kindergarten education scheme). These funding programmes are currently under implementation.

(5) National education being an integral part of values education includes the understanding of Chinese culture, Chinese history, national affairs, the Constitution, the Basic Law and the concept of national security, as well as to cultivate students' identity with Chinese culture and the nation, and strengthen the awareness of teachers and students of their common responsibility to safeguard national security. In the past five years, 189 applications related to national education had been approved with total funding amount of around \$97 million. From the 2017/18 to 2021/22 school year, the number of applications in relation to national education funded by the QEF in each of the school year and the respective funding amount are set out as follows:

School year	Number of applications funded by the QEF	Amount of funding (about \$ million)
2017/18	17	10
2018/19	22	21
2019/20	13	14
2020/21	14	22
2021/22+	123* (497 applications are under processing)	30* (Applications with total amount of funding sought of around \$130 million are under processing)
Total	189*	97*

As a prevailing practice, the QEF does not disclose the names of individual organisations to avoid labelling effect and piece-meal interpretation of individual applications and results.

+ As at mid-May 2022

* Facilitating measures for the Enhanced "My Pledge to Act" Funding Programme have been launched by the QEF with the application deadline extended to end of January 2024. Hence, schools are still making applications. As at mid-May

2022, the QEF has received a total of 618 applications with total amount of funding sought of around \$150 million. According to records, over 90 per cent of applications under the Enhanced "My Pledge to Act" Funding Programme were approved with funding support.

(6) The EDB has been optimising the usage of the QEF to support schools' development needs and enhance the quality of education with the priority themes reviewed regularly and theme-based funding programmes introduced on a timely basis. To support schools to nurture students' positive values and attitudes, the QEF has included Positive Values encompassing national identity as a priority theme. The QEF also launched the Enhanced "My Pledge to Act" Funding Programme last year for schools' application for additional funding to step up measures to promote values education, including national education and national security education.