

days has been revised to the mid-point salary of HP². The rate of CGHP for irrevocable freezing and encashment of vacant HP posts remains at mid-point salary of HP². The qualified period for revocable freezing of the vacant posts is up to one year within a school year.

Enhanced Arrangements

5. Starting from 1 November 2022, all aided special schools with a boarding section subvented by the EDB may apply to the EDB to freeze vacant HP post(s) in their boarding sections for encashment. They may also apply for encashment of temporary replacement for HP on approved leave of not less than 30 days. The rates of CGHP are at the mid-point salary of HP². The existing cap for encashment, utilization of CGHP, accounting arrangements and administrative arrangements, as set out in ensuing paragraphs, remain unchanged.

Cap for Encashment

6. Special schools may encash vacant HP posts up to 20% of the HP establishment³ of each school year. In exceptional circumstances in which a special school intends to encash vacant HP posts beyond 20% of the HP establishment, prior approval shall be sought from the EDB. Under no circumstances shall the encashment of the vacant HP posts exceed 40% of the HP establishment of each school year. If the cap of encashment of 20% or 40% of the HP establishment results in a fractional number of HP posts for a particular school, the fractional number will be rounded down to the nearest whole number.

7. While the approval for revocable freezing of vacant HP posts will be valid for the school year in question only, the approval for irrevocable freezing of vacant HP posts (including those approved before the effective date of this circular) will be valid for the school year in question and in subsequent school years so long as the number of HP posts approved to be frozen and encashed on an irrevocable basis falls at or below the cap of 40%. In case a change of HP establishment results in the number of HP posts approved in a previous year to be frozen and encashed exceeding the cap of 40% of the HP establishment in a school year, the number of frozen and encashed HP posts so approved will be revised downward until it falls at or below the cap of 40% of the HP establishment in that school year and in subsequent school years. Any adjustment to the caps will be included in percentage terms in the claim form for CGHP where necessary by 30 June each year. The updated claim form is available at the website of the EDB.

<https://sense.edb.gov.hk/en/special-education/grants/cash-grant-for-houseparent-in-aided-special-schools.html>

Utilisation of CGHP and Accounting Arrangements

8. The provision of CGHP is a measure to allow schools with greater flexibility in deployment of manpower to address the personal and health care needs of the boarders. CGHP should be used to employ additional staff, such as janitor staff or health care worker(s) to address

³ HP establishment also includes houseparents in-charge and assistant warden, if any.

such needs and shall not be used for staff training.

9. For freezing and encashment of HP posts, the cash grant is provided for schools in two installments to be payable in September and March each school year. For encashment for temporary replacement for HPs on approved leave of not less than 30 days, the cash grant will be provided after receipt and verification of the related claim form from the school. CGHP is a grant outside the Expanded Operating Expenses Block Grant (EOEBG) and it has included all statutory employment-related payments such as severance payments, leave entitlement as well as related replacement during leave. Schools should ensure that utilisation of CGHP can be covered by the amount of provision given. The schools will not be provided with additional funding to cover expenditure arising from the above employment. In the event of a deficit, it should firstly be met by the surplus under EOEBG. Any unsettled deficit will then be borne by the school's own funds.

10. The Incorporated Management Committee (IMC) of the school would be accountable for proper use of all public resources, including this cash grant. Schools are required to ensure timely employment of appropriate additional staff to address the personal and health care needs of the boarders. Schools should not retain surplus of this cash grant as a matter of principle. However, in order to cater for the operational needs of the schools, schools are allowed to retain a maximum of 12 months' provision calculated as at the end of each school year. Surplus of CGHP not exceeding such maximum amount at the end of a school year can be carried forward to the next school year and be spent only on the permitted use of the cash grant. The EDB will claw back the surplus of CGHP which is in excess of such maximum amount. Transfer of funds out of this cash grant is not allowed.

11. Schools are required to keep a separate ledger account for CGHP to record all income and expenditure chargeable to this cash grant. The payment records should be retained for seven school years.

Administrative arrangements

12. In applying for encashment of vacant HP post(s), schools are required to make the following administrative arrangements:

- (a) Schools must ensure that the HP post(s) in exchange for CGHP is/are vacant and the quality of boarding services will not be adversely affected by the encashment arrangement.
- (b) Schools should obtain prior consent of the majority of HPs for the proposed encashment.
- (c) The encashment arrangement and how CGHP would be used must be endorsed by the IMC and made transparent to the staff of the school.
- (d) Both application for irrevocable and revocable freezing and encashment of HP post(s)

should be made on an annual basis. Schools are required to submit the claim form within the respective school year.

- (e) Schools wishing to apply for encashment of temporary replacement for HP on approved leave of not less than 30 days or freezing and encashment of up to 20% of the HP post(s) in the establishment, regardless of whether such encashment is revocable or not, are required to complete the relevant section of the [claim form](#)⁴ and send it to the Recurrent Subventions Section of the EDB for processing.
- (f) Schools intending to freeze and encash more than 20% of HP posts in the establishment, regardless of whether such encashment is revocable or not, are required to seek prior approval in writing from the EDB before they make any arrangements for employing additional staff. The approval letter, if applicable, should be attached to the claim form for submission to the EDB.
- (g) For the encashment of temporary replacement for HP on approved leave of not less than 30 days, schools are normally required to submit the claim form within one month after the leave period ends. In case the approved leave spans over two school years, schools should submit the claim form for the approved leave period in the first school year at the end of the first school year, and the claim form for the remaining leave period should be submitted separately in the following school year within one month after the leave period ends. For prolonged approved leave, schools may submit the claim form at appropriate intervals, say every three months.

13. For enquiry, please contact the respective Senior School Development Officer.

(Ms YY SO)

for Permanent Secretary for Education

⁴ Please obtain the claim form from the EDB SENSE website (sense.edb.gov.hk): [Home > Special Education > Grants > Cash Grant for Houseparent in Aided Special Schools](#).