

Control and Monitoring Mechanism for Direct Subsidy Scheme (DSS) Primary Schools

To ensure that DSS schools meet the services and operating standards required, control and monitoring mechanism will be instituted. This comprises both compliance vetting and quality assessment -

(A) Compliance Vetting

The purpose of compliance vetting is to check, by way of information collected regularly through available channels such as school inspections, audited accounts, etc. to see whether there is any breach of admission requirements. Compliance vetting will be conducted in three major areas -

- (a) Admission Conditions and Requirements
To check if the admission conditions and requirements have been breached;
- (b) Statutory Requirements
To check if the requirements of the Education Ordinance, the Education Regulations and such other statutory requirements applicable to DSS schools are complied with; and
- (c) Financial Management
To check if malpractice of financial management is observed.

Appropriate actions (including termination of subsidies) could be taken if the schools do not pass the compliance vetting. Follow-up reviews will be performed to ensure timely rectification of the situation.

(B) Quality Assessment

The purpose of quality assessment is to provide an external review on the performance of the school as a whole. The EDB may assess the performance of the school by conducting -

- (a) full inspections along domains such as: Management and Organization, Learning and Teaching, Student Support and School Ethos and Student Performance;
- (b) focus inspections on one of the domains or a specific area (e.g. discipline, home-school co-operation, medium of instruction, teaching/ learning of a key learning area, etc.);
- (c) external school review; or
- (d) other new performance measures to be introduced in future.

2. A comprehensive review will be made after the first 5-year period of the school's admission into the DSS, taking into account findings in the compliance vetting and the quality assessment. A concluding remark to the effect that the school is (or is not) operating to the satisfaction of the Permanent Secretary for Education (PS(Ed)) will be drawn and conveyed to the school concerned.

3. If a school is assessed to be not operating to the satisfaction of the PS(Ed), it will not be offered an extension in the DSS.

Assessment of Operation Standard

(A) Domains of assessment

- (a) Management and Organisation
- (b) Learning and Teaching
- (c) Student Support and School Ethos
- (d) Student Performance

(B) Assessment of Operating Standard

- (a) The PS(Ed) may make a full assessment on the operating standard of the DSS school after the first 5-year period, or at any length of period as he may think fit, after the DSS school commences operation, taking into account the findings of the school inspections or any factors as he may think appropriate in the compilation of the full assessment.
- (b) If the DSS school is assessed during the full assessment to be not operating to the satisfaction of the PS(Ed) and has been so notified, follow-up school inspections will be conducted during and/or after the period of time given to the school for improvement. The school's ability to make the necessary improvements will be given due weight when the PS(Ed) takes a view on whether to withdraw DSS status from the school at the end of the 10-year period or, in exceptional circumstances, before the end of the period.
- (c) In connection with the renewal of the service agreement signed between DSS schools and the Government, DSS schools are allowed to engage outside experts to work with the EDB in performance evaluation as long as -
 - (i) the experts are recognized by EDB;
 - (ii) EDB will play the monitoring role in the evaluation exercise;
 - (iii) the school will submit the evaluation report to EDB, together with any improvement plan; and
 - (iv) the school will pay for the cost of engaging the experts.
(i.e. the cost of engaging the experts is not an approved item of expenditure for the DSS Subsidy).

EDB will determine, on the basis of the evaluation report, whether to renew the service agreement with or without modification to the agreement terms.