

# LCQ18: Combating fraud of Comprehensive Social Security Assistance

Following is a question by the Hon Dominic Lee and a written reply by the Secretary for Labour and Welfare, Mr Chris Sun, in the Legislative Council today (February 19):

Question:

It has been reported that the number of fraud cases involving the Comprehensive Social Security Assistance (CSSA) has been on the rise in recent years, and quite a number of them involve the concealment of assets or income outside Hong Kong. Such a situation has aroused concerns. In this connection, will the Government inform this Council:

(1) of the respective numbers of reports of suspected CSSA fraud received by the Government and established fraud cases, as well as the amount of overpayment successfully recovered in each of the past five years; among those established fraud cases, of the proportion of cases involving the concealment of assets or income outside Hong Kong;

(2) whether it has assessed if the existing 120 officers under the six special investigation teams of the Social Welfare Department are sufficient to cope with the large number of reported cases, and whether it has plans to increase the manpower for conducting investigations and upgrade the investigation techniques; if it has, of the details; if not, the reasons for that;

(3) whether the Government has adopted technologies (e.g. artificial intelligence or big data analysis methods) to proactively identify and strengthen the monitoring of CSSA cases with high fraud risks; if so, of the details; if not, the reasons for that;

(4) how the Government currently verifies the CSSA applicants' asset and income profile in the Mainland or overseas; whether it has plans to enhance the mechanism for sharing the relevant information with the Mainland and other regions; if so, of the details; if not, the reasons for that; and

(5) apart from the existing measures in place, whether the Government will consider introducing other measures to combat CSSA fraud, such as increasing penalties, strengthening interdepartmental cooperation within the Government and enhancing the information verification mechanism?

Reply:

President,

As part of Hong Kong's social security system, the Comprehensive Social Security Assistance (CSSA) Scheme provides a safety net of last resort for people who cannot support themselves financially due to old age, ill health, disability, single parenthood, unemployment, low earnings or for other reasons to help them meet their basic needs. There are stringent means tests in place under the CSSA Scheme to ensure that finite public resources are targeted at needy persons.

The CSSA applicants and their household members must truthfully declare relevant information including income and assets in and outside Hong Kong when submitting their applications. In processing the applications, the Social Welfare Department (SWD) will interview the applicants, conduct home visits and, where necessary, verify the information submitted by the applicants and/or their household members with their employers, ex-employers or landlords.

The SWD adopts a risk-based approach to processing CSSA cases. This includes regular review of all approved cases through various means (such as interviews, home visits or in writing), whereby recipients will be required to re-declare income and assets such that their continued eligibility for CSSA can be verified; adopting different review cycles for approved cases according to their risk levels; and conducting spot-checks on CSSA cases with appointees or agents to ensure that they have properly managed the cash assistance. In addition, the SWD conducts data-matching with other government departments and organisations (such as the Immigration Department, Treasury, Land Registry and Companies Registry) periodically and on a need basis for information verification and analysis, so as to identify suspicious cases for in-depth investigation.

In case the SWD suspects that an applicant or a recipient has not truthfully declared income or assets, or has even placed assets outside Hong Kong to circumvent the means tests, the SWD will proactively conduct in-depth investigation and take follow-up actions, and refer more serious cases to enforcement agencies for investigation. Where necessary, the SWD will also proactively communicate and verify with government departments or organisations (such as banks) of the places where assets are allegedly concealed.

If a recipient is no longer eligible for CSSA, the SWD will demand him/her to repay the overpayment (if any) as soon as possible. Anyone who knowingly or wilfully provides false statements or withholds any information to obtain CSSA by deception commits an offence. Apart from being disqualified from CSSA, he/she may even be prosecuted under the Theft Ordinance (Cap. 210), liable to a maximum penalty of 14 years of imprisonment upon conviction.

CSSA fraud is not common. In recent years, the number of substantiated fraud cases only accounted for about 0.1 per cent to 0.3 per cent of the total number of cases. The relevant figures from 2020-21 to 2024-25 are set out at Annex. The SWD does not maintain a breakdown of CSSA fraud cases with

successfully recovered overpayment or involving concealment of assets or income outside Hong Kong.

Staff of the SWD's Social Security Field Units (SSFUs) across districts and its Special Investigation Teams (SITs) vet and review CSSA applications and approved cases as well as investigate suspected CSSA fraud cases according to their respective duties. The SITs underwent a re-structuring in July 2019 and hired an additional Chief Social Security Officer to enhance the monitoring of data-matching and spot checks of cases amongst other duties. In September 2021, the SITs were further staffed up to strengthen the work of case investigation. At present, more than 1 400 Social Security Grade officers in the SWD's SSFUs across districts are involved in vetting applications, reviewing approved cases and investigating suspected cases, while the six SITs comprise about 120 Social Security Grade officers. The SWD also employs three former disciplined forces officers as investigation advisers to assist in handling more complex or serious cases.

To ensure proper use of public monies, the SWD will continue its efforts in counteracting CSSA fraud, and continue to review and optimise the effectiveness of relevant measures, including investigation manpower and methods.