

**Legislative Council Subcommittee on Poverty**  
**Housing Assistance for Persons with Low-income**

**Purpose**

This note reports the housing assistance for persons with low-income provided by the Administration.

**(I) Public Rental Housing (PRH)**

*(A) Access to PRH*

2. The Housing Authority (HA) is tasked to provide affordable housing for low-income families. To meet the demand from the Waiting List (WL) applicants, HA has taken proactive measures to acquire more land for PRH production as well as to shorten the development process.

*(a) Supply of PRH*

3. Apart from the annual production of about 15 000 new flats on average, HA also recovers about 7 000 PRH flats each year from sitting tenants, amounting to a total of some 22 000 flats for allocation to various categories of housing applicants.

*(b) Ex-owners of Subsidised Home Ownership Schemes (SHOS) to Apply for PRH*

4. In general, ex-owners/ex-joint owners of various SHOS are ineligible for PRH. However, those applicants in adjudicated bankruptcy, financial hardship resulting in need for the Comprehensive Social Security Assistance (CSSA) and adverse changes to family circumstances such as divorce and death of bread-winner would be given special consideration for access to PRH.

5. Apart from HA, the Hong Kong Housing Society (HKHS) also provides subsidised housing for those in need in Hong Kong, including

public rental units. As announced in the 2013 Policy Address, a site in Sha Tau Kok will be allocated to HKHS for rental housing development. HKHS has also commenced the redevelopment of Ming Wah Dai Ha, with a view to providing more units for those in need and enhancing the living conditions.

*(c) PRH for Eligible Affected Tenants in Redevelopment Projects of the Urban Renewal Authority (URA)*

6. Pursuant to the separate Memorandum of Understanding URA signed with HA and with HKHS respectively, HA and HKHS will each contribute a quota of up to 1 000 PRH units per year to rehouse eligible tenants affected by URA's redevelopment projects. Subject to the availability of units, URA will endeavour to rehouse eligible affected tenants in the same or adjacent districts as far as practicable.

*(d) Rehousing arrangement for persons affected by enforcement action of Buildings Department (BD)*

7. BD takes action against the unauthorized building works (UBWs) in accordance with the Buildings Ordinance and prevailing UBW enforcement policy. It is the Administration's policy to ensure that no one will be rendered homeless as a result of its enforcement actions. To assist the persons affected by BD's enforcement action to seek proper accommodation, BD maintains close liaison and cooperation with the relevant government departments to provide assistance to occupants in need. The Housing Department will arrange for rehousing for eligible persons with genuine needs in accordance with the established rehousing policy. For other ineligible persons who are rendered homeless due to enforcement action by BD, temporary accommodation at transit centre will be provided to them. If they have lived in the transit centre for 3 months and passed the "homeless" test, subject to their fulfilling the eligibility of applying for PRH, they will be offered interim housing in the New Territories while awaiting PRH allocation through the Waiting List. In addition, in October 2011, the former Steering Committee of the Community Care Fund endorsed a programme to provide one-off relocation allowance to eligible occupants living in subdivided flats in industrial buildings who are affected by BD's enforcement actions.

*(B) Assistance to Low-income PRH Tenants*

8. HA has put in place various assistance schemes to help alleviate the financial difficulties of low-income households living in PRH.

(a) Continuation to Pay Normal Rent

9. Under the Housing Subsidy Policy, tenants with residence in PRH for ten years or more are required to declare their household income biennially to determine whether they are eligible to continue to enjoy housing subsidy. Those families with household income below the Subsidy Income Limit which is pitched at two times of the Waiting List Income Limit (WLIL) may continue to pay normal rent.

(b) Rent Assistance Scheme (RAS)

10. For tenants facing temporary financial difficulties, HA would offer them rent assistance under the RAS<sup>1</sup> as a temporary relief measure with a 25% or 50% reduction in rent depending on the income levels of the families. As at end January 2013, some 12 400 PRH tenants were receiving RAS. Among them, 6 500 (52%) were elderly households with rent reduction of 50% and the remaining 5 900 were non-elderly households with 5 000 and 900 enjoying rent reduction of 50% and 25% respectively.

(c) Transfer to a Cheaper Accommodation

11. Those low-income tenants who cannot afford the rental of their existing PRH flats may apply for transfer to a cheaper flat as a long-term measure to relieve their financial burden. For those households who have received rent assistance under RAS for three consecutive years and are living in newer block types, they will be offered a Domestic Removal Allowance and a one-month rent-free period of the new tenancy upon transfer to a suitable flat with a lower monthly rent.

(d) Other Assistance Schemes

*(i) Addition of Family Member*

12. Under the Normal Addition and Harmonious Families Addition (HFAD) Policies, sitting tenants may apply for addition of family members, such as spouse, children, including those adult ones, and dependent relatives for mutual support. As at end January 2013, about

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<sup>1</sup> Under the RAS, an applicant can be provided a 25% or 50% rent reduction –  
(a) to be eligible for 50% rent reduction : (i) an elderly household (all members aged 60 or above) should have income falling below 70% of WLIL or with rent-to-income ratio (RIR) exceeding 18.5% whereas (ii) a normal household with income below 50% of WLIL or RIR exceeding 25% or the household income is between 50% and 70% of WLIL and RIR exceeding 15%; and  
(b) to be eligible for 25% rent reduction : a normal household should have income falling below 70% but not lower than 50% of WLIL or RIR exceeding 18.5% but below 25%.

10 700 households have benefitted from this HFAD Policy by adding their adult children as well as their offsprings into their PRH tenancies.

*(ii) Free Home Modification for Disabled and Elderly Households*

13. Sitting disabled and elderly PRH tenants may obtain free home modification works on their own flats or new flats to be allocated upon transfer. Modification works include enlargement of the bath rooms for wheel-chair users, installation of flashing door bell for the deaf, conversion of bath tub into a shower area with a grab rail and replacement of the conventional pole-socket laundry rack to a new one with cord pulleys for the elderly, etc.

*(iii) Provision of Emergency Alarm System (EAS)*

14. To cater for the needs of non-CSSA elderly persons who require an EAS, HA may offer them an EAS Grant for a one-off installation cost up to a maximum of \$2,500 on a reimbursement basis. In 2012, about 1 250 elderly received the EAS Grant.

*(iv) Waiving of Rent Deposit*

15. Upon signing up of a tenancy agreement for a PRH flat, tenants have to pay a rental deposit which is equivalent to one month's rent. As a relief measure, households with all elderly members or enjoying the RAS are exempted from payment of rent deposit of their PRH flats.

## **(II) Private Housing**

*Rent Allowance for Elderly Scheme (RAES)*

16. To provide an alternative option for the low-income elderly who have established a close tie to the local community where PRH may not be available, HA launched RAES in 2001 to give the elderly WL applicants a monthly rent allowance to rent a private tenement in lieu of PRH. Despite RAES was ceased in 2003 in view of its low response rate, the existing beneficiaries may continue to enjoy rent allowance until expiry of the current leases or if they opt for a PRH flat. As at end January 2013, there were 40 singleton families and 27 doubleton families receiving RAES.

### **(III) Rent Allowance under the Comprehensive Social Security Assistance (CSSA) Scheme**

17. The CSSA Scheme helps families in financial hardship meet their basic needs. Rent allowance is payable to CSSA households to meet accommodation expenses. The amount of the allowance is the actual rent paid by the household, or the maximum rate determined with reference to the number of members in the household who are eligible for CSSA, whichever is the less. The prevailing maximum levels of rent allowance (MRA) are as follows -

<b>Number of members in the household eligible for CSSA</b>	<b>Monthly MRA</b>
1	\$1,440
2	\$2,905
3	\$3,795
4	\$4,035
5	\$4,045
6 or above	\$5,055

18. The Administration adjusts MRA annually in accordance with the movement of the Consumer Price Index (A) rent index for private housing. The index is compiled by the Census and Statistics Department based on information collected through a monthly sample survey on private rented households and is used to measure the rental movements of private housing, including those of the relatively low expenditure non-CSSA households and households residing in rooms/cubicles.

19. The Social Welfare Department (SWD) last adjusted MRA by 7.8% in 1 February 2013 in accordance with the above mechanism. At present, the MRA can cover the actual rent paid by the majority (89%) of beneficiaries. Generally, the amount of rent allowance can cover the full rental of a PRH flat. For CSSA recipients living in private housing, who are on the waiting list for compassionate rehousing or admission to a subvented home for the elderly, the Director of Social Welfare may exercise discretion to approve a rent allowance higher than the applicable MRA level to cover the actual rent paid.

20. As regards short-term measures, the Community Care Fund launched an assistance programme, namely the “Subsidy for Comprehensive Social Security Assistance Recipients Living in Rented Private Housing” in October 2011 to provide CSSA households living in private housing and paying a rent which exceeded MRA under the CSSA

Scheme with a one-off subsidy, so as to relieve their financial burden in face of periodic rent increase. This assistance programme is administered by SWD and each eligible one-person and two-or-more-person CSSA household is provided with a one-off subsidy of \$1,000 and \$2,000 respectively. About 22 600 CSSA households have benefited from this assistance programme and the total amount of subsidies paid is about \$32.08 million.

**Transport and Housing Bureau  
Housing Department  
Labour and Welfare Bureau  
Social Welfare Department  
Development Bureau  
Buildings Department  
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