

政府總部
勞工及福利局
香港添馬添美道
政府總部



LABOUR AND WELFARE BUREAU
GOVERNMENT SECRETARIAT

Central Government Offices
Tim Mei Avenue
Tamar, Hong Kong

本函檔號 Our Ref.: LWB T4/18/49

來函檔號 Your Ref.: CB2/HS/1/12

22 March 2013

Mr Colin CHUI
Clerk to Subcommittee on Poverty,
Legislative Council Complex,
1 Legislative Council Road,
Central, Hong Kong

Dear Mr CHUI,

Legislative Council Subcommittee on Poverty

At the meeting of the Legislative Council Subcommittee on Poverty held on 28 February 2013, the Administration was requested to provide additional information with respect to the discussion item on "Relationship between housing and poverty". In respect of items (a) and (b) in your letter of 4 March 2013, namely:

- Assistance under the Student Financial Assistance Agency for members of Comprehensive Social Security Assistance (CSSA) households; and
- Difference between maximum levels of rent allowance and the actual rent paid by CSSA recipients.

The relevant information is provided at **Annex** for Members' reference. The Housing Department will reply parts (c) to (e) separately.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'Simpson LO', written over a faint circular stamp.

(Simpson LO)

for Secretary for Labour and Welfare

Encl.

cc. Secretary for Education
Director of Social Welfare

(Attn: Mr David LEUNG)
(Attn: Mr CHAN Wing-hoi)

Annex

Assistance under the Student Financial Assistance Agency (SFAA) for members of Comprehensive Social Security Assistance (CSSA) households

Members of a family who receive assistance under the Comprehensive Social Security Assistance (CSSA) Scheme may apply for assistance (including grant and loans) from the Student Financial Assistance Agency (SFAA) if they are taking post-secondary courses. During the study period, the students concerned will receive financial assistance from SFAA, rather than CSSA, to meet study and living expenses.

The maximum grant for a student is generally sufficient to cover the tuition fee payable for publicly-funded programmes in local institutions. Apart from the grant, members of a CSSA family are normally eligible for the maximum amount of living expenses loan (the maximum amount of living expenses loan of the 2012/13 academic year is \$39,650). The loan is interest-bearing at 1.0% per annum (chargeable from the commencement of the repayment period). Students may deploy the amount to meet various types of living expenses. The Social Welfare Department (SWD) will not count the student financial assistance for the purpose of calculating the family's aggregate income.

The above arrangements are in line with CSSA's objective of being a safety net of the last resort for those in financial hardship.

Students may apply to SFAA for deferring loan repayment if they face financial hardship upon completion of post-secondary studies, or re-apply for CSSA if they meet the eligibility criteria. Where the situation warrants, SFAA will also liaise with the loan borrowers or indemnifiers to agree on a loan restructuring plan in order to assist them to repay the loans.

Difference between maximum levels of rent allowance and the actual rent paid by CSSA recipients.

The CSSA Scheme is designed to provide financial support to families in need to meet their basic needs. Rent allowance is payable to eligible CSSA recipients to meet the accommodation expenses. The amount of the allowance is the actual rent paid, or the maximum level prescribed by the number of members in the household eligible for CSSA, whichever is the less.

Under the existing adjustment mechanism, the maximum rent allowance (MRA) is adjusted annually in accordance with the movement of the Consumer Price Index (A) (CPI(A)) rent index for private housing. The levels of MRA have been increased by 7.8% with effect from 1 February 2013. The prevailing levels of MRA are as follows -

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

Based on CSSA caseload statistics at the end of November 2012, the estimated additional annual expenditure required to top up the deficit of MRA to CSSA recipients residing in private housing would be \$185 million. It should be noted that the levels of MRA are set with reference to a range of factors, including the possibility of inducing a corresponding increase in the rentals for private housing (including those occupied by non-CSSA households). The Administration has to be cautious to ensure the prudent use of public funds while helping those in need.

For CSSA recipients living in rented private housing, the Community Care Fund will consider re-launching the "Subsidy for CSSA recipients living in rented private housing paying rents that exceed the maximum rent allowance under CSSA" programme with a view to relieving their financial pressure. It is estimated that the number of beneficiary households will be about 17 000.

Individuals or families with genuine and pressing housing needs might apply to SWD for allocation of public housing flats under compassionate rehousing. If the recipients live in private housing and have been on the waiting list for compassionate rehousing or admission to a subvented home for the elderly, Director of Social Welfare may exercise his discretionary power to approve rent allowance above the maximum level to cover the actual rent paid by the recipients.