

# 立法會 *Legislative Council*

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## **Panel on Home Affairs**

### **Updated background brief prepared by the Legislative Council Secretariat for the meeting on 22 December 2015**

#### **Youth Hostel Scheme**

#### **Purpose**

This paper provides background information and highlights the views and concerns of members of the Panel on Home Affairs ("the Panel") on the Youth Hostel Scheme ("YHS").

#### **Background**

2. In his 2011-2012 Policy Address, the then Chief Executive ("CE") stated that the Government was aware of the concern of some non-governmental organizations ("NGOs") about the aspirations of working youths to have their own living space, and would actively support NGOs' plan to use part of the land granted to them by the Government for "Government, Institution or Community" use to build hostels for youths. In the Administration's view, the proposed initiative would not only optimize land use but also allow the Government to draw on NGOs' resources and experience to provide alternative housing accommodation at relatively reasonable rental for young people, thereby encouraging them to accumulate resources to prepare for their future development. In July 2012, the Government announced that its target was to provide a first batch of 3 000 hostel units for youths.

3. In February 2013, the Administration planned to start with two relatively more mature projects on a pilot basis, and then review the result before proceeding with the other projects. They were the Tung Wah Group of Hospitals ("TWGHs") project on Hollywood Road and the Hong Kong Federation of Youth Groups ("HKFYG") project at Tai Po. According to the Administration, the proposals from other NGOs were not as ready as these two projects. However, the Administration would continue discussions with the

NGOs concerned. The parameters for NGOs to develop, operate and maintain the youth hostels are set out in paragraphs 6 to 18 of the Administration's paper (LC Paper No. CB(2)612/12-13(06)).

4. In his 2014 Policy Address, CE announced that in addition to the two projects on Hollywood Road and Tai Po, the Administration would further launch two new projects in Mongkok and Jordan respectively. Together, the four projects were expected to provide about 1 000 rented hostel places for young people, the first batch of which could be completed in 2016-2017 the earliest.

### **Members' views and concerns**

5. At its meeting on 15 November 2011, the Panel was briefed by the Administration on the initial framework of YHS. The Panel further discussed the latest developments on YHS at the meeting on 18 February 2013.

### Policy objectives

6. While some members considered the initiative lacking clear positioning as some NGOs had already been operating hostels for youths, some other members expressed support for the initiative and considered that it had been clearly positioned to meet the aspiration of the working youths to have their own living space. The Administration was called on to make clear whether YHS was to promote youth development or address the housing problems of young people. According to the Administration, while youth matters straddled the policy areas of various government bureaux, HAB had focused on youth development and formulated the initiative from that perspective.

7. Some members expressed concern that YHS might not meet the needs of youths for their own living space, if the occupants of such hostels would need to move out when married or after a certain period of time. Some other members considered that the scheme should be an interim measure to facilitate working youths to accumulate resources to look for long-term accommodation. There was also a suggestion that the Administration should set a specific target for YHS in the long term, including the number of hostel units to be built and the target group(s) to be assisted through the scheme.

8. The Administration advised that the aims of YHS were to unleash the potential of under-utilized sites in the hands of NGOs and provide some relief to the current shortage of housing accommodation for young people who wished to live away from home. YHS was intended to be a measure to meet the

aspirations of some working youths aged 18 to 30 by giving them an alternative to have their own living space for a period of time. While YHS was not meant to provide a permanent accommodation, it would facilitate these young tenants to accumulate savings to meet their aspirations for future development.

9. Members generally considered that the issues relating to the provision of accommodation to youths could not be handled by a single government bureau or delegated to NGOs, and urged the Administration to formulate a long-term policy to address the housing needs of youths. The Administration admitted that the youth housing demand was an important matter that needed to be addressed by the Government and the Housing Authority. However, while there were several housing schemes that accorded priority to elderly public rental housing ("PRH") applicants, there was still no consensus in the society on whether single youths should be given priority in the allocation of PRH flats.

#### Income limit and turnover of hostel places

10. Members noted that the maximum income limit for hostel tenants was proposed to be the 75<sup>th</sup> percentile of the monthly employment earnings of employed persons aged between 18 and 30. There was a view that the maximum income limit should be lowered to benefit more working youths with greatest difficulty in affording the current high living costs and surging rents of private flats. Concerns were also raised about the affordability of hostel rents and whether a minimum income limit for hostel tenants should be set.

11. According to the Administration, the proposed maximum income limit was an outcome of the preliminary discussion between the Administration and interested NGOs and should allow flexibility for NGOs to set reasonable hostel rents to cater for working youths with different levels of affordability. The Administration was inclined to set a maximum income limit rather than a minimum one for hostel tenants, so as to ensure that the limited hostel places would be available to youths in genuine need.

12. In order to facilitate turnover of hostel units, the Administration proposed that the first tenancy should be at least two years, which could be renewed for an aggregate of not more than five years. The Administration also proposed that the tenants should only be subject to the income and asset limit test at the time of application but not upon renewal of tenancy. Some members, however, held the view that the Administration's proposal of not requiring tenants to undergo income and asset limit tests upon renewal of tenancy was against the principle of facilitating the turnover of hostel units. The Administration explained that the proposal was made having regard to the unique objective of YHS to encourage saving.

### Interface with PRH

13. Some members were of the view that the eligibility criteria under YHS, in particular the interface with PRH, were too stringent. According to the Administration's proposal, while youths would be allowed to queue up for both PRH and youth hostels at the same time, hostel tenants should not be allowed to continue queuing for PRH once allocated a hostel unit. Members asked about the rationale behind the proposal. The Administration advised that as YHS was heavily subsidized by the Government in the form of financial support for the full capital costs of building the hostels, it was considered inappropriate for hostel tenants to continue queuing for PRH.

### Rental level

14. Noting that NGOs were required to charge an affordable rental for the hostels, some members expressed concern about whether NGOs would maintain the rental of their hostels at an affordable level and adhere to the principle of "frugality" in working out the detailed design and communal facilities of the hostels. These members held the view that the Administration should set a standard level of rental, which should be kept low and affordable, for compliance by NGOs. There was also a suggestion that the rental level should be set with reference to that of hostels for local university students.

15. The Administration advised that participating NGOs would be required to set the rental at a level which should not exceed 60% of the market rent of flats with similar size in the nearby areas. Such rental would cover all costs such as management fee, cleaning fee, utilities, government rents and rates. Also, the NGOs should have due regard to the income level of the working youths in setting the rental level of a particular YHS. In addition, the requirement that the design of hostels should be frugal would be a stipulated principle for NGOs to follow.

### Monitoring of participating NGOs

16. Concern about the monitoring of the performance of the participating NGOs was raised. There was a suggestion that the Administration should put in place an appraisal mechanism to monitor and assess the performance of the participating NGOs in the provision and operation of the proposed hostels. Appropriate actions should be taken if the hostels were found to be poorly operated or not in compliance with the Government requirements. The Administration assured members that in taking forward the initiative, NGOs would be subject to a framework under which their roles and responsibilities would be clearly set out. Should they fail to implement the initiative, it was expected that they would have to return the land to the Government.

### **Recent development**

17. The Administration will consult the Panel to seek members' support for the pre-construction works by Po Leung Kuk for the youth hostel project in Ma Tin Pok, Yuen Long at the next meeting on 22 December 2015.

### **Relevant papers**

18. A list of the relevant papers available at LegCo's website is in **Appendix**.

Council Business Division 2  
Legislative Council Secretariat  
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## Appendix

### Relevant papers on Youth Hostel Scheme

Committee	Date of meeting	Paper
Legislative Council	12.10.2011 (Item II)	<a href="#">Agenda</a> <a href="#">2011-12 Policy Address</a>
Panel on Home Affairs ("HA Panel")	14.10.2011 (Item III)	<a href="#">Agenda</a> <a href="#">Minutes</a>
	15.11.2011 (Item IV)	<a href="#">Agenda</a> <a href="#">Minutes</a>
Legislative Council	16.7.2012	<a href="#">Official Record of Proceeding</a> <a href="#">[Page 20280]</a>
HA Panel	18.1.2013 (Item IV)	<a href="#">Agenda</a> <a href="#">Minutes</a>
Legislative Council	30.1.2013	<a href="#">Official Records of Proceedings</a> <a href="#">[Pages 5545 to 5548]</a>
HA Panel	18.2.2013 (Item VI)	<a href="#">Agenda</a> <a href="#">Minutes</a>
	24.1.2014 (Item I)	<a href="#">Agenda</a> <a href="#">Minutes</a>
Legislative Council	22.10.2014	<a href="#">Official Records of Proceedings</a> <a href="#">[Pages 641 to 643]</a>
	17.12.2014	<a href="#">Official Records of Proceedings</a> <a href="#">[Pages 3773 to 3782]</a>
HA Panel	6.2.2015 (Item IV)	<a href="#">Agenda</a> <a href="#">Minutes</a>