

**For Discussion
on 15 November 2011**

Legislative Council Panel on Home Affairs

Hostels for Single Youths

PURPOSE

This paper aims to brief Members on the Government's initiative to support interested non-governmental organisations (NGOs) to use part of the land granted to them by the Government for "Government, Institution or Community" (GIC) use to build hostels for youths.

BACKGROUND

2. Some local NGOs are concerned about the aspiration of working youths to have their own living space. Apart from providing youth services, they want to use part of the land granted to them by the Government for GIC use to build hostels for youths. The Chief Executive stated in the 2011-12 Policy Address that the Government would actively support interested NGOs for taking forward these projects.

PROJECT OBJECTIVE

3. The Home Affairs Bureau (HAB) attaches much importance to youth development. It sponsors and organises various youth development activities, including those on promoting positive values among young people, enhancing their understanding of Chinese culture and heritage, encouraging their participation in voluntary and community work, broadening their international perspective, and promoting leadership training etc, to nurture our young people as a major force in driving the development of our society. Youth development work involves several aspects and it is a long-term and sustained commitment. Meanwhile, we also note the developmental needs of working youths.

4. It is hoped that through helping NGOs to optimise the use of land and build hostels for youths, we can provide young people with another housing alternative with relatively reasonable rental to encourage them to accumulate resources to prepare for future development, such as pursuing

continued education or starting up business.

5. We will offer suitable assistance to participating NGOs to encourage them to optimise the use of GIC land granted to them to provide a certain number of hostel places.

PROJECT FRAMEWORK

6. The HAB will be responsible for coordinating these projects, while other relevant Government bureaux and departments will provide professional advice and assistance. Departments under Development Bureau will start offering one-stop consultancy and coordination service from the early stage of planning. Interested NGOs can submit expression of interest together with project proposal and site location to HAB. We will actively follow up the matter.

7. We hope that the proposed hostels will cater for the needs of working youths who have just joined the workforce. We have had initial discussions with some interested NGOs to exchange views on the project framework. The initial project framework is as follows -

- (a) Hostels for youths shall be built and operated solely by NGOs with their own resources;
- (b) Young people currently residing in Hong Kong who have right of abode and have been living here for at least seven years shall be given priority in the allocation of hostel places;
- (c) As the project is targeted at young people, an age limit, such as 18 to 30 years old (at the time of application) should be set;
- (d) Target beneficiaries of the project should be working youths;
- (e) For effective use of resources, the project should set certain income and asset limits for applicants. A flexible indicator that can benefit more young people is probably the 75th percentile of the monthly employment earnings of employed persons aged 18-30¹. As for assets, the limit can fall between the total net asset limit for single applicants for public rental housing (HK\$193,000) and the asset limit for single applicants

¹ According to the information provided by the Census and Statistics Department, the 75th percentile of the monthly employment earnings of employed persons aged 18-30 in 2010 is HKD\$14,000.

under the former Home Ownership Scheme (HK\$265,000). In addition, an applicant shall not own solely or jointly any residential property in Hong Kong, or hold any residential property in Hong Kong through a company;

- (f) From the perspective of youth development, this project aims at encouraging young people to better equip themselves when they just join the workforce rather than addressing their long-term housing needs. The tenancy should therefore last only for a specific period of time. To facilitate turnover of hostel places, tenancy may be modeled in such a way that tenants will be offered the most favourable concessionary rent for the initial 2-3 years of tenancy after which a less favourable rate will be applied for the renewal of 1-2 year tenancy; and
- (g) Given that sites available for this purpose are found in different districts and the operating costs of NGOs vary, there should be flexibility in the fixing of rent; and
- (h) It would be desirable to provide some shared area and facilities for youth activities to meet youth development needs when providing the hostel places.

8. The above framework has consolidated some initial ideas collected from NGOs and has yet to be finalised after further in-depth discussions with them.

9. Considering the differences in environment and terms for GIC sites granted to NGOs as well as in their service concepts, NGOs would have the discretion to determine the other operational details and rules of these hostels.

ASSISTANCE PROVIDED BY THE GOVERNMENT

10. HAB will provide assistance in the following aspects to interested NGOs–

- (a) Change of land use – Since change of land lease conditions and application for planning permission etc may be involved, payment of land premium may be entailed. We will provide assistance in this regard;

- (b) Financial support – Although the Government will not fund the construction and operation of these hostels, we will provide assistance if NGOs wish to apply for funding from charity funds and/or borrow loans; and
- (c) Technical support for construction of hostels – The Government will provide consultancy and coordination service relating to the planning and building of youth hostels to facilitate the commencement and implementation of the projects.

WAY FORWARD

11. HAB will continue to discuss with interested NGOs on the detailed implementation of these projects. Subject to NGOs' feedback, we wish to make available the first batch of hostel places as early as possible.

ADVICE SOUGHT

12. The above project framework is an initial idea and Members' views on the details of the project are welcomed.

Home Affairs Bureau
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