

**立法會**  
***Legislative Council***

LC Paper No. CB(1)456/20-21(03)

Ref. : CB1/PL/HG

**Panel on Housing**

**Meeting on 14 January 2021**

**Background brief prepared by the Legislative Council Secretariat on  
Cash Allowance Trial Scheme**

**Purpose**

This paper provides background information on the Cash Allowance Trial Scheme ("the trial scheme"), and gives a summary of the views and concerns expressed by Members on the subject.

**Background**

2. In order to alleviate the pressure on livelihood faced by low-income households, the Government will, on a trial basis, provide cash allowance to eligible General Applicant households<sup>1</sup> which are not living in public housing, not receiving the Comprehensive Social Security Assistance ("CSSA") and have been waiting for PRH for more than three years without being given the first flat offer.<sup>2</sup>

**Major views and concerns**

3. The major views and concerns expressed by Members on the subject are summarized in the ensuing paragraphs.

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<sup>1</sup> Families with two or more persons and elderly single-person applicants

<sup>2</sup> According to the Chief Executive's Policy Address delivered on 25 November 2020, the Government is working out the implementation details of the trial scheme and aims to start receiving applications in mid-2021.

### Implementation timing of the trial scheme

4. In view of the additional pressure faced by grassroots families living in subdivided units and other inadequate housing under the Coronavirus Disease 2019 epidemic and worsening economic conditions, some Members urged for an early implementation of the trial scheme.

5. The Administration advised that the Government understood the difficulties faced by grassroots households and was working on the details of the trial scheme. Before the launch of the trial scheme, the Community Care Fund would put forward two rounds of "one-off living subsidy" in 2020-2021 for the low-income households not living in PRH and not receiving CSSA.<sup>3</sup>

### Relationship between cash allowance and rent

6. Some Members opined that the Administration should examine the relationship between the provision of cash allowance on a regular basis and changes in the rental level of private flats. On the question of whether tenancy or rent control would be implemented in parallel with the cash allowance scheme, the Administration advised that whether implementing the cash allowance scheme would push up rents, and hence warrant considering the introduction of tenancy control, depended on the eligibility criteria for receiving the cash allowance (e.g. whether the allowance would be linked to actual rental expenses), mode and arrangements in disbursing the allowance, etc. No simple conclusion could be drawn for the time being. Tenancy control (including control on rents and control on tenure) was a highly controversial issue. The Government needed to handle the issue in a very cautious manner.<sup>4</sup>

### **Latest development**

7. The Administration will brief members at the meeting on 14 January 2021 on the proposed trial scheme.

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<sup>3</sup> LC Paper No. [CB\(1\)860/19-20\(01\)](#)

<sup>4</sup> LC Paper No. [CB\(1\)286/19-20\(01\)](#)

**Relevant papers**

8. A list of relevant papers is set out in the **Appendix**.

Council Business Division 1  
Legislative Council Secretariat  
11 January 2021

## Appendix

### Cash Allowance Trial Scheme

#### List of relevant papers

<b>Council/ Committee</b>	<b>Date of meeting</b>	<b>Papers</b>
Panel on Housing	8 November 2019	Administration's paper (LC Paper No. <a href="#">CB(1)32/19-20(01)</a> )  Minutes of meeting (LC Paper No. <a href="#">CB(1)492/19-20</a> )  Administration's supplementary paper (LC Paper No. <a href="#">CB(1)286/19-20(01)</a> )
Finance Committee	Special meeting on 6 April 2020	Paragraph 6.4 of <a href="#">the Finance Committee Report on the examination of the Estimates of Expenditure 2020</a>