

Legislative Council Panel on Housing
Supplementary Information

Expansion of the Scope of the Funding Scheme to Support Transitional Housing Projects by Non-government Organisations and Provision of Additional Subsidy to Projects with Special Constraints

At the meeting of the Panel on Housing on 5 May 2021, the Government was requested to inform the Panel on whether it had previously indicated to the Panel that owners of the land/premises involved in transitional housing projects might charge rent. The Government's response is as follows.

2. Apart from stating in the 2020 Policy Address that the Government will implement a pilot scheme to subsidise non-government organisations (NGOs) to rent suitable rooms in hotels and guesthouses with relatively low occupancy rates for use as transitional housing, the Government has not made any public statement on whether owners of the land/premises related to transitional housing projects may or may not charge rent.

3. Although some owners may only charge nominal rent, some may still need to charge NGOs a rent below market rate for the use of their properties to cover their various expenditures on the premises. Having said that, FC Paper No. **FCR(2019-20)45** suggests that the daily operation and maintenance costs of a project, including rent, will not be funded under the Funding Scheme to Support Transitional Housing Projects by Non-government Organisations (Funding Scheme). In other words, under the existing arrangement of the Funding Scheme, rent payable to property owners can only be met by income of the project, e.g. rent collected from individual tenants and financial support from other sources, but not the subsidy under the Funding Scheme.

4. Going forward, we suggest expanding the funding scope of the Funding Scheme to cover rent payment with a view to addressing the problem and encouraging more NGOs to take on transitional housing projects in private sites/premises which require rental payment.