LCQ17: Provision of subsidies for "N have-nots households"

Following is a question by the Hon Vincent Cheng and a written reply by the Secretary for Home Affairs, Mr Caspar Tsui, in the Legislative Council today (June 2):

Last year, the Government launched a subsidy programme under which low-income households not living in public housing and not receiving Comprehensive Social Security Assistance (CSSA) (commonly known as the "N have-nots households") are provided a one-off living subsidy (one-off subsidy). The first two rounds of the subsidy programme commenced in July last year and January this year respectively. Moreover, the Government will launch a three-year Cash Allowance Trial Scheme to disburse, starting from July this year, a cash allowance on a monthly basis to those "N have-nots households" who are not living in public housing and not receiving CSSA and have waited for public housing for more than three years (not including non-elderly one-person public housing applicants) (monthly allowance), until such households are offered the first public housing allocation. In this connection, will the Government inform this Council:

- (1) of the total number of applications received by the Government under the second-round of the subsidy programme when applications closed on the 31st of last month, as well as the estimated total expenditure and total number of members in the beneficiary households;
- (2) in respect of the beneficiary households under the first-round of the subsidy programme:
- (i) a breakdown of the number of such households by the District Council district to which their places of residence belonged,
- (ii) a breakdown of the number of such households by household size and type of accommodation as provided in Table 1 (set out in Table 1),

Table 1

112	Type of accommodation								Total
	Private building	Industrial building unit	Commercial building unit	Singleton hostel	Temporary housing	Board vessel	Home-less	Others	number of households
1									
2									
3									
4									
5									
6 or above									
Total:									

(iii) the median household income (A) of each group of such households grouped by household size as provided in Table 2, and the percentage of A in the monthly household income limit (B) for that group of households in applying for the one-off subsidy (set out in Table 2), and

Table 2

Household size	Α	В	A/B (%)
1			
2			
3			
4			
5			
6 or above			
All households:		_	_

(iv) the median monthly rent (C) of each group of such households grouped by household size as provided in Table 3, and the percentage of C in the monthly rent limit (D) for that group of households in applying for the one-off subsidy (set out in Table 3);

Table 3

Household size	С	D	C/D (%)
1			
2			
3			
4			
5			
6 or above			
All households:		_	_

- (3) among the "N have-nots households" who are eligible for applying for the one-off subsidy, of the respective numbers and percentages of those households who are (i) eligible and (ii) ineligible for applying for the monthly allowance, as estimated by the Government;
- (4) given that the Government will lower the working hour requirements under the Working Family Allowance Scheme for the period from June this year to May next year, whether it has estimated, among those "N have-nots households" who are eligible for applying for the one-off subsidy but ineligible for applying for the monthly allowance, the number and percentage of those who may benefit from this arrangement; and
- (5) as some of the "N have-nots households" who are eligible for applying for

the one-off subsidy are ineligible for applying for the monthly allowance, whether the Government will consider launching a third-round of the subsidy programme, so as to benefit such households; if so, of the details; if not, the reasons for that?

Reply:

President,

The main objective of the Community Care Fund (CCF) is to provide assistance to people with financial difficulties, in particular those who fall outside the social safety net or those within the safety net but still have some special needs that are not covered. In addition, the CCF may also consider programmes on a pilot basis to help the Government identify those measures that can be considered for incorporation into its regular assistance and service programmes.

Under the existing mechanism, bureaux would consider proposals on new assistance programmes according to their policy areas. If any new programmes are considered suitable to be implemented under the CCF, bureaux should submit proposals of these new programmes to the CCF Task Force and the Commission on Poverty (CoP) for deliberations. The relevant bureaux would be responsible for implementing the approved programmes. The CCF Task Force, chaired by the Secretary for Labour and Welfare, comprises CoP members, co-opted members and representatives from relevant bureaux, etc. It advises the CoP on CCF's various arrangements (including investment, finance and administrative operations, etc.), as well as formulating assistance programmes, coordinating and overseeing the implementation of assistance programmes and evaluating their effectiveness, etc. The CCF Secretariat, which is set up under the Home Affairs Bureau (HAB), provides secretariat support service to the CCF.

Regarding the two rounds of the "One-off Living Subsidy for Low-income Households Not Living in Public Housing and Not Receiving Comprehensive Social Security Assistance" Programmes (One-off Living Subsidy Programmes), the CCF Task Force, having considered the implementation arrangements, submitted the proposal to the CoP for deliberations and approval. The Programmes are implemented by the CCF Secretariat. They are not related to any policy profolio under the HAB.

Having consulted the Labour and Welfare Bureau (LWB) and the Transport and Housing Bureau (THB), a consolidated reply to the question raised by the Hon Vincent Cheng is provided as follows:

(1) The CoP endorsed the launch of the One-off Living Subsidy Programmes under the CCF to relieve the financial pressure on low-income households. The application period of second round of the One-off Living Subsidy Programmes started on January 4, 2021 and closed on May 31, 2021. As at May 26, 2021, over 110 000 applications were received. As it takes time for the service units to carry out initial processing of applications, the actual number of

applications received by the CCF Secretariat has yet to be confirmed. The estimated expenditure of the second round of the One-off Living Subsidy Programme is \$1,813.15 million, which is expected to benefit around 177 800 households.

- (2) The preliminary relevant statistics of the first round of the One-off Living Subsidy Programme as at 26 May, 2021 are at Annex.
- (3) Applicant households are not required to provide information on whether they are on the waiting list of public rental housing (PRH) when making applications for the One-off Living Subsidy Programmes, as such information is not an eligibility criterion under the said Programmes. Therefore, the CCF Secretariat does not have any information on whether the applicant households will meet the eligibility criteria under the Cash Allowance Trial Scheme.

Under the three-year Cash Allowance Trial Scheme, cash allowance will be provided to eligible PRH General Applicant (GA) households (i.e. families with two or more persons and elderly one-person applicants) who 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 PRH flat offer. The THB estimates that upon launch of the Cash Allowance Trial Scheme, around 90 000 GA households may be eligible to apply for the cash allowance.

(4) Having regard to the COVID-19 pandemic and the latest employment condition, the Government has, on a time-limited basis, substantially reduced the working hour requirements of the Working Family Allowance (WFA) Scheme for non-single-parent households, viz. the working hour requirement for Basic Allowance is reduced from 144 to 72 hours per month and the working hour requirement for Medium Allowance is reduced from 168 to 132 hours per month. This arrangement is for one year, and applicable to the claim months from June 2021 to May 2022. For the purpose of financial planning, it is roughly estimated that about 24 000 additional households will benefit from this arrangement.

The objectives of and eligibility criteria for different cash assistance schemes vary. As far as the WFA Office is concerned, it does not maintain information on whether a WFA recipient is also receiving allowances not related to WFA.

(5) The Chief Executive (CE) announced in the 2019 Policy Address the initiative to offer relief for low-income households not living in PRH and not receiving CSSA, including people on the PRH waiting list, by providing a cash allowance. As it took time to devise a scheme to provide the cash allowance, the CE invited the CCF to launch two rounds of "one-off living subsidy" for the above low-income households who were missed out from the relief measures announced by the Financial Secretary. This would allow time for the Government to complete the relevant study towards the end of 2020. Against such a background, the CCF has launched two rounds of the One-off Living Subsidy Programmes.

At present, the CCF has no plan to launch the One-off Living Subsidy Programme again. In fact, the Government will launch a three-year Cash Allowance Trial Scheme in late June 2021 to provide cash allowance to eligible PRH GA households who are not living in public housing, not receiving the CSSA and have been waiting for PRH for more than three years without being given the first PRH flat offer.