

# LCQ21: Owner-occupied residential properties owned by applicants for Comprehensive Social Security Assistance

Following is a question by the Hon Leung Che-cheung and a written reply by the Secretary for Labour and Welfare, Dr Law Chi-kwong, in the Legislative Council today (February 20):

Question:

A Guide to Comprehensive Social Security Assistance and the webpage of the government hotline 1823 both set out the manner in which owner-occupied residential properties are treated and counted as assets in the asset test conducted by the Social Welfare Department (SWD) for applications for Comprehensive Social Security Assistance (CSSA): (i) the value of the owner-occupied residential property may be disregarded in cases where the applicant has a family member who is old or disabled or has been medically certified to be in ill-health, (ii) the owner-occupied residential property of an able-bodied adult applicant will be counted as assets only after a grace period of 12 months, and (iii) the Director of Social Welfare may, at his discretion, extend the grace period for an applicant who is a single parent with a child/children aged below 15. However, the webpage on CSSA of SWD's website and the Pamphlet on Comprehensive Social Security Assistance Scheme both contain merely a brief statement: the total value of the capital assets (including properties ...) owned by a CSSA applicant and his/her family members must not exceed the prescribed limit of the relevant CSSA category. It is learnt that quite a number of people have, based on this simple statement, mistakenly thought that their owner-occupied residential properties must be counted as assets and they are therefore ineligible for CSSA. In this connection, will the Government inform this Council:

(1) Of the respective numbers of CSSA applications, which were made by applicants owning owner-occupied residential properties, received and approved by SWD in each of the past five years, with a breakdown by CSSA category; and

(2) Of the reason why SWD has not expounded on its webpage on CSSA and in the aforesaid pamphlet the manner in which owner-occupied residential properties are treated and counted as assets; whether SWD will make improvements and make publicity efforts in this regard to avoid the disadvantaged groups from giving up applying for CSSA as they are unaware of the relevant arrangements; if not, of the reasons for that?

Reply:

President,

The Comprehensive Social Security Assistance (CSSA) Scheme provides a safety net for those who are unable to support themselves financially so as to assist them to meet their basic needs. Having regard to this consideration, CSSA applicants are subject to means-testing. The Social Welfare Department (SWD) has to ensure that public funds are used properly on the one hand, and cater for the circumstances of applicants who are in old age, with disabilities and in ill-health on the other. In this connection, the full value of owner-occupied properties of eligible household applicants (mainly for those with family members in old age, with disabilities or in ill-health) is disregarded in the asset test. This arrangement is to allow these persons to continue to live in their original homes and familiar districts. Meanwhile, the value of owner-occupied properties of other household applicants are generally disregarded for the grace period of the first 12 months.

My reply to the Member's question is as follow:

(1) From 2014 to 2018, the number of cases residing in purchased flats in private housing (including cases residing in flats which are not owned by relevant CSSA households but are not required to pay rent) are tabulated below. SWD does not maintain the statistics according to case nature.

	End-December 2014	End-December 2015	End- December 2016	End-December 2017	End-December 2018
Number of CSSA cases residing in purchased (i.e. not rented) flats in private housing	9 156	8 616	8 056	7 683	7 310

Note: The relevant figures reflect the position as at December 31 each year, i.e. the number of cases which were receiving CSSA and residing in purchased (i.e. not rented) flats in private housing on that date.

The above figures do not include the number of cases which reside in public rental housing purchased under the Tenants Purchase Scheme. SWD does not maintain the relevant breakdown.

(2) To facilitate the public in understanding the CSSA Scheme, e.g. its eligibility requirements, relevant criteria and means-testing arrangements (including the treatment of owner-occupied properties and the relevant calculations), etc., SWD has uploaded to its website a Guide to CSSA which sets out the relevant details. Apart from referring to the Guide, the public may also approach the Social Security Field Units or call the SWD's hotline to enquire about the CSSA Scheme. Owing to the limited space of the Pamphlet on the CSSA Scheme, SWD has only included basic information of the Scheme for easy reference of the public. SWD will review the relevant publicity materials as and when necessary.