

Community Care Fund Pilot Scheme on Relocation Allowance for Beneficiaries of the Community Housing Movement Evaluation Report

Purpose

This paper aims to report on the effectiveness of the Pilot Scheme on Relocation Allowance for Beneficiaries of the Community Housing Movement (CHM) (the Pilot Scheme).

Background

2. The Hong Kong Council of Social Service (HKCSS) launched CHM in October 2017 to provide short-term accommodation and support services to individuals or families in need of transitional housing for three years. HKCSS engaged non-governmental organisations (NGOs)/ social enterprises to operate CHM for provision of about 500 rental units with a view to benefiting a total of 1 000 households¹. A 3-year Pilot Scheme² was launched under the Community Care Fund (CCF) in December 2017 to provide subsidy for low-income households benefiting from CHM to pay for removal expenses and assist them in moving into rental units under CHM. According to the information provided by HKCSS, there are 14 service operators participating in CHM, and they have already provided 496 rental units to 596 households.

Implementation

3. As at the end of August 2020, among the 596 CHM households, a total of 345 applications³ were received under the Pilot Scheme, of which 326 applications were vetted to be eligible and the amount of allowance paid was about \$2.15 million.

¹ Each unit accommodates two beneficiary households on average.

² Under the Pilot Scheme, each eligible household will receive a one-off relocation allowance from the Social Welfare Department according to its household size. The amount of allowance is \$3,076 for a one-person household, \$7,028 for a two-to-three-person household and \$9,263 for a four-or-more-person household respectively. The level of subsidy is the same as that provided by the “Relocation Allowance for Residents of Illegal Domestic Premises in Industrial Buildings who Have to Move out as a Result of the Buildings Department’s Enforcement Action” launched under the CCF in December 2017.

³ Apart from the 326 applications with eligibility confirmed, of the remaining 19 applications, 8 are being vetted, 7 have been withdrawn (the cases having been granted with other relocation allowances in respect of the same relocation) while 4 have been found to be ineligible (household incomes having exceeded the limit).

It is estimated that there will be 195 new applications⁴ (actual number to be confirmed) by the end of this year. Together with the 326 approved applications, there would be about 520 applications in total, with an estimated cumulative expenditure of about \$3.44 million⁵ (accounting for 48% of the total approved funding).

4. On the number of beneficiary households, 520 households have benefited from the Pilot Scheme, which is lower than the target of 1 000. The main reason is that the majority of households are not suitable to reside with others, or the CHM units cannot be subdivided or partitioned, and therefore most of the units can only provide accommodation for one household. Furthermore, to prevent double benefit, if CHM households have already received relocation allowance from other sources (such as the Comprehensive Social Security Assistance, charitable funds, relocation allowance under the Buildings Department, etc.), they are not allowed to apply for subsidy under the Pilot Scheme.

Effectiveness of Pilot Scheme

5. The purpose of the Pilot Scheme is to provide subsidy for low-income households under CHM to pay for removal expenses, and assist them in moving into rental units under CHM. Based on the statistics provided by HKCSS, the occupancy rate of CHM units is very high and there is even a waiting list for some units. As reflected from the applications under the Pilot Scheme, the rental level of CHM units is generally lower than that of inadequate housing on the market, and the living environment is also better. CHM units are therefore very attractive to low-income residents, who have high motivation to move out of inadequate housing. CHM households have already benefited from the relief of rental expenses comparing to those who have to continue living in inadequate housing. As such, it might be considered as double benefit if they are provided with relocation allowance when moving into CHM units.

6. On the other hand, according to the data provided by operators of other social housing/ transitional housing projects, even though the households are not provided

⁴ From 185 units of “T-Home”-Trackside Villas, Tai Po and 10 units of other individual projects.

⁵ As at end-August 2020, the cumulative amount of allowance disbursed under the Pilot Scheme was about \$2.146 million. It is estimated that there will be about 195 applications from September to December 2020. Based on the percentages of domestic households (by household size) which applied for the Pilot Scheme in the past [51 households for one-person units (26%), 90 households for two-to-three-person units (46%) and 54 households for four-or-more-person units (28%)], and that the amount of relocation allowance under the Pilot Scheme is \$3,076 for a one-person household, \$7,028 for a two-to-three-person household and \$9,263 for a four-or-more-person household respectively, the calculations are as follows :

- The amount of allowance required from September to December 2020: $(\$3,076 \times 51 \text{ households}) + (\$7,028 \times 90 \text{ households}) + (\$9,263 \times 54 \text{ households}) = \$1,289,598$
- Total amount of allowance under the Pilot Scheme by end of December 2020: $\$2,146,000$ (cumulative amount of allowance disbursed) + $\$1,289,598$ (expected allowance required) = $\$3,435,598$ (about \$3,440,000)

with relocation allowance, the number of applications usually exceeds the number of units available when the social housing/ transitional housing projects are launched. In other words, there is no evidence showing that low-income residents are unable to move into transitional housing or housing units of similar nature because they cannot afford the removal expenses.

Conclusion

7. In conclusion, there is no evidence showing that low-income residents are unable to move into CHM units or housing units of similar nature because they cannot afford the removal expenses. The Social Welfare Department considers that the Pilot Scheme has already achieved its objective of providing removal subsidy to CHM households. Moreover, HKCSS does not expect any significant increase in the number of CHM units in the near future. Considering that there is no government policy to provide relocation allowance for residents of certain types of housing, there will not be a new phase upon the completion of the Pilot Scheme in end-December 2020.

Social Welfare Department
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