

**Community Care Fund Assistance Programme**  
**Third Launch of the “Subsidy for Comprehensive Social Security**  
**Assistance recipients living in rented private housing”**  
**Evaluation Report**

## **Background**

The Community Care Fund (CCF) launched the “Subsidy for Comprehensive Social Security Assistance recipients living in rented private housing” programme (the Programme) for the third time to provide a one-off subsidy to Comprehensive Social Security Assistance (CSSA) households living in rented private housing and paying a monthly rent which exceeded the maximum rent allowance (MRA) under the CSSA Scheme, so as to relieve their financial burden arising from the periodic increase of rent.

## **Implementation of the Programme**

2. Implementing the Programme in September 2014, the Social Welfare Department (SWD) also announced the details of the Programme and started a publicity campaign<sup>1</sup>. The CSSA households concerned were not required to submit applications. Based on their previously reported rental information as recorded in the Computerised Social Security System (CSSS), eligible CSSA households were identified, following which eligible one-person households and two-or-more-person households were provided with a one-off subsidy of \$2,000 and \$4,000 respectively. As at 30 April 2015, a total subsidy of about \$44.57 million had been disbursed.

## **Evaluation**

3. With reference to the experience gained from the evaluation of the Programme which had been implemented twice previously and the methodology used for the evaluation of other CCF programmes, SWD commenced the evaluation on the effectiveness of the Programme in April 2015 and completed it in May 2015. The effectiveness of the

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<sup>1</sup> The publicity campaign included issuing press releases, distributing programme leaflets via SWD’s District Social Welfare Offices and the Home Affairs Department’s District Offices, and uploading relevant information onto the SWD website.

Programme was analysed based on the number of households benefited, how the subsidy had been used by the beneficiaries, the beneficiaries' views on the Programme, enquiries and suggestions made by the public, etc. The data for the evaluation was collected from sources including the CSSS, questionnaire survey of the beneficiaries and enquiries made by the public.

## **Analysis of the Evaluation Results**

### **(a) Statistical Data on the Beneficiaries**

4. Based on the data in the CSSS, SWD verified the eligibility of 14 986 CSSA households which then received subsidy. The beneficiaries mostly comprised 7 688 (51.3%) one-person households, followed by 3 626 (24.2%) two-person households, 1 975 (13.2%) three-person households and 1 697 (11.3%) four-or-more-person households. As at 30 April 2015, the total disbursement was about \$44.57 million, including about \$15.38 million for one-person CSSA households and about \$29.19 million for two-or-more-person CSSA households.

### **(b) Beneficiaries Surveyed**

5. SWD interviewed by telephone 150 randomly-selected CSSA households<sup>2</sup> which benefited under the Programme in order to find out how they had used the subsidy and what their views on the Programme were.

#### **(i) *Use of Subsidy***

6. Over 77% of the respondents mainly used the subsidy for rental expenses, while 61% of the respondents spent it on essential daily living expenses<sup>3</sup>. Moreover, a small number of respondents had also used the subsidy for other purposes, including educational expenses (5

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<sup>2</sup> The survey was conducted with prior consent obtained from the 150 respondents.

<sup>3</sup> If an individual respondent had spent the subsidy on more than one expense item, each of the expense items would be categorised and counted. As the percentage for each expense item was calculated based on the overall number of respondents (i.e. 150), total percentages may not add up to 100%.

respondents), medical expenses (3 respondents) and savings/debt repayments (5 respondents).

***(ii) Views on the Programme***

7. About 97% of the respondents agreed that the Programme could relieve their burden of paying for housing expenses, and over 97% of the respondents were satisfied with the operational arrangement of the Programme. (one respondent added that as no application was required under the Programme, form-filling time was saved). While most of the respondents (89%) had no other comments on the Programme, 4 respondents praised the implementation of the Programme and expressed their gratitude. Suggestions from a small number of respondents who had other comments mainly included increasing the amount of subsidy (7 respondents), implementing the Programme on a long-term basis or more frequently (4 respondents), strengthening the support for those “suffering from high levels of rent” (1 respondent), that the publicity of the Programme was not adequate (1 respondent) and that beneficiaries should be informed of the content of the Programme (1 respondent).

**(c) Public Enquiries and Suggestions**

8. During the implementation of the Programme, SWD had set up an enquiry hotline to provide necessary support and information to the individuals concerned. As at 30 April 2015, SWD had received a total of 707 enquiries regarding the Programme, most of which concerning the arrangement for the disbursement of subsidy (46%), the eligibility criteria (37%) and the acknowledgement of receipt of subsidy (15%). There were a small number of other enquiries (7%), including those about the arrangement for the relaunch of the Programme, application procedures and information updates. Moreover, one person expressed the view that the Programme had pushed up market rent levels<sup>4</sup>.

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<sup>4</sup> An individual person making enquiries might express more than one view, and each view would be categorised and counted. As the percentage for various enquiry items was calculated based on the overall number of persons making enquiries (i.e. 707), total percentages may not add up to 100%.

## **Conclusion**

### **(a) Programme Publicity**

9. Since the CSSA households meeting the eligibility criteria were identified based on the data in CSSS, the beneficiaries were not required to submit applications. Nevertheless, SWD had launched a number of publicity initiatives which included issuing press releases, distributing programme leaflets via SWD's District Social Welfare Offices (including the Social Security Field Units which handle CSSA cases) and the Home Affairs Department's District Offices, and uploading relevant information to the SWD website to allow eligible persons to know more about the Programme arrangements. At the same time, those who met the eligibility criteria but had previously failed to duly report to SWD change(s) on housing information could become aware of the Programme and report the change(s) in a timely manner for receiving the subsidy. Furthermore, in line with the above publicity initiatives, SWD had also set up an enquiry hotline under the Programme to provide on-the-spot support and detailed information for the individuals concerned. Although a few individual had commented that the release of information was insufficient, the publicity efforts and the information released for the Programme were considered adequate on the whole.

### **(b) Operational Arrangements**

10. Apart from those views which had no direct relationship with the operational arrangements (such as increasing the amount of subsidy and enhancing the frequency of implementation), over 95% of the surveyed beneficiaries were satisfied with the operational arrangements of the Programme. There were also views expressed that the Programme was convenient for beneficiaries as no application was required. Regarding the enquiry hotline specially set up for the Programme, the number of enquiries received (707) accounted for only a very small proportion of the total of nearly 15 000 CSSA households benefited. This showed that the operational arrangements of the Programme was satisfactory.

(c) Overall Effectiveness

11. As can be seen from the survey data, the vast majority of the beneficiaries surveyed agreed that the Programme could relieve their burden of paying for housing expenses, and some of them even gave praise and expressed gratitude. This showed that the implementation arrangements of the Programme and the amount of subsidy were both appropriate. Furthermore, as the beneficiaries used the subsidy mainly to cover essential expenses such as rent and daily necessities, it can be seen that the Programme has achieved its objective of relieving the financial burden on the beneficiaries arising from the periodic increase of rent.

12. The MRA under the CSSA Scheme is adjusted annually in accordance with the established mechanism having regard to the movement of rent index for private housing<sup>5</sup> under the Consumer Price Index (A) for CSSA households to meet the necessary rental expenses. Under the mechanism, the MRA from 2012 to 2015 was adjusted upwards yearly by 5.7%, 7.8%, 6.5% and 6.7% respectively (with a cumulative increase of up to 29.5%). Along with this, the number of CSSA households benefited from the Programme due to their rents exceeding the MRA dropped from about 22 600 during the first launch of the Programme in 2011 to about 17 700 during its relaunch in 2013, and dipped further to about 15 000 during its third launch in 2014. It could be seen that the mechanism had effectively reflected the relevant rental changes, and the launch of the Programme could relieve the financial burden on CSSA households living in rented private housing at a time when there was a periodic increase of rent. While some had commented that the Programme had pushed up market rent levels, the Programme, being a one-off subsidy in an appropriate amount, had precisely been designed not to push up the rent for private housing as far as possible. Nevertheless, if the rent allowance is adjusted according to the actual rent paid by CSSA households living in rented private housing, it may induce an increase in rent for private housing when the housing supply is tight, thus increasing the burden on low income non-CSSA households, which may indirectly result in more households falling into the CSSA net.

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<sup>5</sup> The index, compiled by the Census and Statistics Department on a monthly basis, measures the rental movements of private housing among non-CSSA households with relatively low expenditure and serves as the basis for adjusting the MRA.

13. The rent levels of private housing are closely linked to housing supply. In the long term, the Government will continue to increase the supply of public housing to fulfill the housing needs of those who cannot afford rented private housing. For individuals who have pressing housing needs, the social workers from the Integrated Family Service Centres of SWD or subvented non-governmental organisations would provide them with appropriate assistance on a case-by-case basis, which could include short-term financial assistance to meet rental and removal expenses, arrangement for admission to urban hostels for single persons, and/or recommendation for allocation of public rental housing flats under the Compassionate Rehousing Scheme.

14. The above measures have been taken having regard to the housing needs of the CSSA households in various aspects. SWD will continue to adjust the MRA in accordance with the existing mechanism so as to reflect relevant rental changes. At a time when there is a periodic increase of rent, implementing the Programme can serve as a buffer, while triggering the increase of rent for private housing would be avoided as far as possible. Therefore, it is not necessary to implement the Programme on a long-term basis or incorporate the Programme into the Government's regular assistance programmes. As some recent figures<sup>6</sup> have indicated, while the movement of rent for private housing has been relatively steady, there are signs that periodic rental increases have remained in existence. CSSA households living in rented private housing are therefore still in need of assistance at present. It is therefore recommended that the Programme be re-launched in order to relieve their financial burden.

Social Welfare Department  
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<sup>6</sup> According to the Monthly Report on the Consumer Price Index published by the Census and Statistics Department, the month-to-month increase of private housing rent index under the Consumer Price Index (A) ranged from 0.3% to 0.5% during the period from January to March 2015.