

Community Care Fund
Extension of the
“Subsidy for Comprehensive Social Security Assistance Recipients
Living in Rented Private Housing” in 2016
Evaluation Report

Background

The “Subsidy for Comprehensive Social Security Assistance Recipients Living in Rented Private Housing” programme (the Programme) was extended by the Community Care Fund (CCF) in 2016 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 rental increase.

Implementation of the Programme

2. The Programme was extended by the Social Welfare Department (SWD) in September 2016. 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, of which one-person households and two-or-more-person households were provided with a one-off subsidy of \$2,000 and \$4,000 respectively.

Evaluation

3. With reference to the experience gained from the evaluation of the Programme which had been launched for four times and the methodology used for the evaluation of other CCF programmes, SWD commenced the evaluation on the effectiveness of the Programme in October 2017 and completed it in November 2017. The effectiveness of the Programme was analysed on the basis of 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 records on the CSSS, a questionnaire survey with the beneficiaries and enquiries from the public.

Analysis of the Evaluation Results

(a) Statistical Data on the Beneficiaries

4. During the implementation period of the extension of the Programme in 2016, SWD verified the eligibility of 15 458 CSSA households by virtue of the data in the CSSS, and paid the subsidy to eligible beneficiaries accordingly. As at the end of September 2017 when the extension ended, a total of about \$47.02 million was disbursed to eligible CSSA households, and the total disbursement under the fourth launch of the Programme and its extension in 2016 was about \$91.89 million.

(b) Beneficiaries Surveyed

5. SWD made telephone interviews of 150 randomly-selected CSSA households¹ which benefited under the Programme in order to find out how they had used the subsidy and what their views on the Programme were. The results are summarised as follows:

6. The majority of the respondents (93%) agreed that the Programme could relieve their burden of housing expenses in face of rent increase, while a minority of them (7%) indicated that the subsidy under the Programme was insufficient to alleviate their financial burden owing to excessively high rents and other expenses. Over 60% of the respondents (65%) had no other comments on the Programme. Suggestions from respondents who had other comments (35%) mainly included increasing the amount of subsidy or increasing the frequency of disbursement in order to make a higher amount of subsidy (32 respondents), while other respondents (18 respondents) praised the implementation of the Programme and expressed their gratitude. Some respondents (5 respondents) expected a relaunch of the Programme, with the remaining few respondents expressing opinions on the publicity of the Programme and indicating their wishes to be allocated with public rental housing (PRH) flats as soon as possible, etc. It is concluded that most of the respondents (99%) were satisfied with the operational arrangements of the Programme.

¹ The survey was conducted with prior consent obtained from the 150 respondents.

7. During the implementation period of the extension of the Programme in 2016, SWD had set up an enquiry hotline to provide necessary support and information to individuals concerned. As at the end of September 2017 when the extension ended, SWD had received a total of 818 enquiries regarding the Programme, most of which were about the arrangement for the disbursement of subsidy (57%), followed by those on eligibility criteria (33%), the possibility of a relaunch of the Programme (17%) and the acknowledgement of receipt of subsidy (8%), with a small number of other general enquiries (1%)².

Conclusion

8. Based on the above survey data, a majority of the beneficiaries surveyed agreed that the Programme could relieve their burden on housing expenses. This reflected that the Programme had helped relieve the beneficiaries' financial burden arising from rental increase.

9. The MRA under the CSSA Scheme is adjusted annually in accordance with the established mechanism having regard to the movement of private housing rent index under the Consumer Price Index (A)³ for CSSA households to meet the necessary rental expenses. Under the mechanism, the MRA from 2012 to 2017 was adjusted upwards yearly by 5.7%, 7.8%, 6.5%, 6.7%, 5.8% and 4.3% respectively, with a cumulative increase of as much as 45% following an upward adjustment of 1.5% from 1 February 2018. The Programme could relieve the financial burden on CSSA households living in rented private housing outside the existing mechanism when there was a periodic increase of rent, while at the same time avoid triggering further rent increase in the private housing market as far as possible.

10. The rent levels of private housing are closely linked to its supply. In the long term, the Government will continue to increase the supply of PRH in order to address the basic housing needs of different sectors of society. SWD or

² An enquirer may put forward more than one view/enquiry and each view/enquiry would be categorised and counted. As the percentages in respect of various enquiries were calculated with 818, being the total number of enquirers, taken as the base, they may not add up to 100%.

³ 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.

relevant non-governmental organisations have been committed to helping individuals or families with welfare needs. Assessment is made by social workers of the welfare service units concerned with reference to the circumstances and needs of the individuals and families to provide them with housing assistance as appropriate, including short-term financial assistance to meet rental and removal expenses. These measures have catered for 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.

11. Overall speaking, although rental increase has been relatively mild in the private housing market as reflected by recent data⁴, rental expenses still constitute a financial burden on a number of CSSA households living in rented private housing. As such, SWD has relaunched the Programme by adjusting the approach in calculating and disbursing subsidy, with a view to providing CSSA households with more appropriate assistance and relieving their financial burden⁵.

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⁴ 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) was 0.2% during the period from August to October 2017.

⁵ On 17 November 2017, the Commission on Poverty endorsed the relaunch of the Programme for 2 years by adjusting the approach in calculating and disbursing subsidy. Instead of a one-off subsidy of \$2,000 (for one-person households) or \$4,000 (for two-or-more-person households), a monthly subsidy amounting to either 50% of the portion of the rental amount exceeding the applicable MRA or 15% of the applicable MRA, whichever is the less, will be disbursed. The said subsidy calculated monthly will be provided yearly on one-off basis. The Programme was relaunched by SWD on 30 November 2017 and the one-off subsidy for the first year has been disbursed from end of January 2018 onwards.