

## **Section B**

### **Chapter 2: Rent Assistance Scheme**

#### **Aim**

The Rent Assistance Scheme (RAS), which was first introduced on 1 September 1992, aims at granting relief in the form of rent reduction to domestic tenants in Public Rental Housing (PRH) and licensees in Interim Housing (IH) who are facing temporary financial hardship.

#### **The Current Policy**

Since the introduction of RAS in 1992, the eligibility criteria of RAS have been reviewed in 1992, 1995, 2002, 2005 and 2007. The operation of RAS was also enhanced in 2014 and 2016. PRH tenants/IH licensees who satisfy the following eligibility criteria may apply for rent assistance for granting either 25% or 50% rent reduction -

1. The household income meets either one of the following criteria -
  - a. Non-elderly Households (Eligible for 50% rent reduction)
    - the household income is below 50% of the Income Limit for PRH; or
    - the rent-to-income ratio (RIR) exceeds 25%; or
    - the household income is between 50% and 70% of the Income Limit for PRH and RIR exceeds 15%.
  - b. Non-elderly Households (Eligible for 25% rent reduction)
    - the household income falls below 70% but not lower than 50% of the Income Limit for PRH; or
    - RIR exceeds 18.5% but not exceeding 25%.
  - c. Elderly Households (Eligible for 50% rent reduction)
    - elderly household (i.e. all household members aged 60 or above) with income falls below 70% of the Income Limit for PRH; or
    - With RIR exceeds 18.5%.
2. The tenant/licensee and all family members included in the tenancy agreement/licence must not own any domestic property in Hong Kong;

3. The family should not be occupying a flat with size exceeding the respective maximum allocation standard. However, the last remaining tenant of a converted one-person flat who has accepted automatic offer to occupy the whole flat may apply even though he occupies a flat exceeding the prevailing maximum allocation standard;
4. Applicant's household is not receiving Comprehensive Social Security Assistance (CSSA) with rent allowance;
5. Households living in newer block types (Harmony blocks and HOS/PSPS/BRO transferred blocks or any block types with actual completion date of the building falls on or after 1992) may not apply for rent assistance until they have lived in the flat for two years or affected by rent increase upon rent review or there is drastic change in family circumstances resulting in adverse effect on their household income;
6. Tenants affected by redevelopment are allowed to apply for rent assistance immediately upon rehousing to new or refurbished flats;
7. The eligibility of all RAS beneficiaries is reviewed biennially to determine whether rent assistance should continue to be granted to them. RAS beneficiaries should take the initiative to inform the Housing Department for a review of their eligibility when there is an increase in their household income or a change in number of family members. The HA will also conduct random checking to guard against possible abuse;
8. After RAS has been granted, RAS beneficiaries should also take the initiative to inform the Housing Department to stop the rent assistance when they become recipients of CSSA with rent allowance; and
9. After receiving rent assistance for four consecutive years, non-elderly RAS recipients living in newer block types in need of further assistance will be required to move to cheaper accommodation if suitable flats are available. Suitable flats refer to those in the same District Council with monthly rent at least 20% less than the full monthly rent (i.e. the rent payable if rent assistance is not available) of the flats occupied by the RAS beneficiaries concerned.

Upon acceptance of housing transfer, the RAS beneficiaries will be entitled to receive a Domestic Removal Allowance and will enjoy a rent-free period of one month in respect of the new tenancy. For families who refuse the transfer, they may stay-put but their rent assistance will be ceased.

Elderly households, households with disabled members and all RAS beneficiaries living in older block types (except under-occupation cases) are exempted from the requirement of moving to cheaper accommodation.