

LCQ16: Lantau Closed Road Permits

Following is a question by the Hon Frankie Yick and a written reply by the Secretary for Transport and Housing, Mr Frank Chan Fan, in the Legislative Council today (June 2):

Question:

At present, the roads in South Lantau are designated as closed roads. Vehicles travelling on those closed roads must possess valid Lantau Closed Road Permits (LCRPs) issued by the Transport Department (TD). It has been reported that outside MTR Tung Chung Station during holidays, some people make use of vehicles with LCRPs for illegal carriage of passengers for reward, taking members of the public to places like Pui O and Cheung Sha via the closed roads in South Lantau for leisure activities. In this connection, will the Government inform this Council:

(1) of (i) the number of LCRPs (excluding those issued under the Driving on Lantau Island Scheme) issued by the TD, with a breakdown by vehicle class and whether the applicant was issued LCRP for the first time, and (ii) the number of LCRPs revoked by the TD, with a breakdown by reason of revocation, in each of the past five years;

(2) given that only the residents and business operators in South Lantau may apply for LCRPs (with each residential or commercial unit being issued a maximum of one LCRP), but it has been reported that some of the successful LCRP applications were lodged by ineligible persons using borrowed residential addresses of the residents in South Lantau, of the new measures in place to eradicate such practice; and

(3) of the respective numbers of persons who were prosecuted and convicted for illegal carriage of passengers for reward using vehicles with LCRPs, the penalties imposed on those convicted, and the number of the relevant LCRPs revoked, in the past five years; the new measures in place to eradicate such illegal activity?

Reply:

President,

Currently, the roads on South Lantau are designated as closed roads. All vehicles travelling on the closed roads on Lantau have to possess valid Lantau Closed Road Permits (LCRPs) issued by the Transport Department (TD), while drivers of the vehicles concerned shall comply with the conditions stated in the LCRPs and the relevant approval letters.

After consulting the TD and the Hong Kong Police Force (the Police), my reply to the various parts of the Hon Frankie Yick's question is as follows:

(1) The number of LCRPs issued by the TD (including long-term and temporary ones, but excluding LCRPs issued under the Driving on Lantau Island Scheme)

with a breakdown by class of vehicles between 2018 and the first quarter of 2021 are tabulated below:

Class of Vehicles	Number of LCRPs (Percentage to the total number)			
	2018	2019	2020	Q1 2021
Private cars	About 8 800 (53%)	About 9 400 (54%)	About 8 800 (58%)	About 2 500 (53%)
Light goods vehicles	About 2 700 (16%)	About 3 000 (17%)	About 2 100 (14%)	About 700 (15%)
Public transport vehicles (e.g. franchised/non- franchised buses, taxis)	About 2 400 (15%)	About 2 000 (11%)	About 1 500 (10%)	About 900 (19%)
Goods vehicles (except light goods vehicles)	About 800 (5%)	About 1 400 (8%)	About 1 300 (8%)	About 200 (4%)
Other types of vehicles (e.g. motorcycles, government vehicles)	About 1 800 (11%)	About 1 700 (10%)	About 1 500 (10%)	About 400 (9%)
Total	About 16 500	About 17 500	About 15 200	About 4 700
(i) First application	(i) 9 500	(i) 9 500	(i) 7 100	(i) 2 800
(ii) Renewal	(ii) 7 000	(ii) 8 000	(ii) 8 100	(ii) 1 900

Note: The TD has started to take stock and keep the number of LCRPs issued with a breakdown by vehicle classes each year since 2018, and hence does not have the relevant figures before 2018.

In general, the main reason for revocation of LCRPs is that the holder returns the LCRP to the TD after moving out from South Lantau. In addition, some non-franchised bus companies may return their LCRPs, while some LCRP holders may return their original LCRPs as they request to change the particulars on their LCRPs. The TD does not keep the number of LCRPs revoked.

(2) All along, the TD approves and issues LCRPs having regard to the genuine needs of the applicants to enter the closed roads in accordance with established vetting criteria. For instance, residents and business operators on South Lantau would normally be issued with long-term LCRPs (valid for 12 months) to enter South Lantau. Applicants have to submit valid supporting documents, e.g. bill issued by the electricity company or the Rating and Valuation Department, land search document issued by the Land Registry or rental receipt together with the stamped tenancy agreement, as address proof. Each residential or business unit on South Lantau, regardless of whether the occupier is an owner or tenant, can only be issued with one LCRP, which can be used on more than one designated vehicle provided that only one vehicle is allowed at a time.

In addition, the TD also issues temporary LCRPs to those who have genuine needs to enter South Lantau temporarily (e.g. indigenous villagers going to South Lantau for tomb sweeping, residents of South Lantau moving home and those carrying out works on closed roads, etc.). When submitting applications, applicants have to state detailed reasons for entering South Lantau and provide relevant supporting documents; they also have to make related declaration on and sign the applications.

When examining each application, the TD will review if the applicant has submitted a completed application form according to the requirements, the nature and needs of the application and the adequacy of supporting documents submitted, e.g. verifying the particulars such as the name of applicant against the submitted identity document and address proof, so as to consider whether an LCRP can be issued. If it is found that an applicant has made a false declaration in applying for the LCRP, the TD would refer the case to the Police for follow-up actions.

(3) Upon receiving complaints on suspected unlawful use of LCRPs (including using the LCRPs for illegal carriage of passengers to South Lantau for hire or reward), the TD would refer the case to the Police for investigation and enforcement actions. The Police would arrange patrol, intercept vehicles for checking, or arrange decoy operation if necessary, to combat against the use of LCRPs for illegal carriage of passengers for hire or reward. The Police does not maintain the prosecution figures and relevant sentence records in respect of vehicles, issued with LCRPs, involving illegal carriage of passengers for hire or reward. Where there is a conviction for unlawful carriage of passengers for hire or reward with the use of an LCRP by a particular vehicle, in addition to the penalty for that conviction, the TD will also revoke the relevant LCRP.

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LCQ12: Financial situation of the Airport Authority Hong Kong

Following is a question by the Hon Chung Kwok-pan and a written reply by the Secretary for Transport and Housing, Mr Frank Chan Fan, in the Legislative Council today (June 2):

Question:

The Airport Authority Hong Kong (AAHK) has indicated that the Coronavirus Disease 2019 epidemic has made an unprecedented impact on the business of the Hong Kong International Airport (HKIA). In the light of the drop in operating surplus and the income from airport construction fee (ACF) due to air traffic slump, AAHK raised a series of financings in the last financial year for general corporate purposes and to meet its capital expenditure, including that of the Three-Runway System project. In this connection, will the Government inform this Council if it knows:

(1) whether AAHK has assessed the short-term impacts of the decrease in passenger and cargo throughputs of HKIA due to the outbreak of the epidemic on the operation and financial situation of AAHK; whether AAHK has projected how the passenger and cargo throughputs in the coming three years compare with those in the three years before the epidemic;

(2) whether AAHK has projected the income from ACF and its percentage in AAHK's total income, in each of the coming three years;

(3) the measures put in place by AAHK to increase its operating income in the coming three years, so as to compensate for the reduction in income due to the epidemic;

(4) whether AAHK has assessed if AAHK can achieve a surplus of operating

income over expenditure in the coming three years; if AAHK has assessed and the outcome is in the negative, of AAHK's corresponding plans; and

(5) whether, given the uncertain outlook of the aviation industry amid the epidemic, AAHK has formulated a financing plan for the coming three years?

Reply:

President,

Hong Kong's aviation traffic has been significantly impacted by the Coronavirus Disease 2019 pandemic. In 2020, the Hong Kong International Airport (HKIA) handled a total of 8.8 million passengers and 160 655 flights, which represent year-on-year decreases of 87.7% and 61.7%, respectively. The cargo and air mail throughput remained relatively stable but still registered a year-on-year decline of 7.1% to 4.5 million tonnes.

The financial performance of the Airport Authority Hong Kong (AAHK) depends largely on the HKIA's air traffic volume. The pandemic has seriously impacted the revenue and hence operating surplus of the AAHK. Due to the passenger traffic slump, the Airport Construction Fee (ACF) collected by the AAHK in the first half of 2021-2022 financial year amounted to a mere HK\$56 million, representing a decrease of 97.2% when compared with the same period in 2019-2020 financial year. On the other hand, the HKIA has since the beginning of the pandemic launched several rounds of relief measures for the airport community, including waiver or reduction of rents and fees, thereby drastically reducing the HKIA's income. In response to the uncertain air traffic outlook and market condition, the AAHK has implemented various cost control measures, including re-prioritising capital expenditure, freezing headcounts and pay raise to preserve its liquidity. As for the AAHK's future income, depending on the progress of the control of the pandemic around the world, passenger throughput may gradually recover to pre-pandemic levels in three to four years. However, the pace of resumption of global air traffic still faces many uncertainties. As the AAHK's financial position is largely dependent upon the extent of recovery of the air traffic, it is difficult for the AAHK to make an accurate estimation of the operating surplus, which is largely traffic driven, and the ACF collection.

The AAHK is taking forward the Three-Runway System (3RS) project and other development projects which have commenced according to plan. The AAHK has revisited and updated the 3RS project's financial arrangement, and will continue to adjust the arrangement as and when necessary. The AAHK will continue to finance the 3RS project through retaining its operating surplus, collecting ACF and raising funds from the market. Among these sources, the AAHK projects that the total amount of funds to be raised from the market would include: (i) HK\$89 billion of debt, an increase from the original plan's HK\$69 billion; and (ii) US\$1.5 billion (or HK\$11.6 billion equivalent) of perpetual capital securities (accounted as equity) issued. In view of the traffic slump and the drop in revenue, the contributions from the operating surplus and the ACF collection to finance the 3RS project would be reduced inevitably. So far, the AAHK has maintained a strong credit rating of "AA+"

by Standard & Poor's Global Ratings, and its cost of borrowing remains at a low level. The AAHK is confident that it can continue to leverage on its strong credit profile to raise funds from the market at reasonable cost, and does not require any form of financial guarantees from the Government in funding the 3RS project.

We believe that the aviation industry and air traffic will gradually recover as the pandemic subsides. The AAHK will continue to closely monitor the market situation in devising its long-term development strategy in accordance with prudent commercial principles.

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LCQ17: Provision of subsidies for “N have-nots households”

Following is a question by the Hon Vincent Cheng and a written reply by the Secretary for Home Affairs, Mr Caspar Tsui, in the Legislative Council today (June 2):

Last year, the Government launched a subsidy programme under which low-income households not living in public housing and not receiving Comprehensive Social Security Assistance (CSSA) (commonly known as the “N have-nots households”) are provided a one-off living subsidy (one-off subsidy). The first two rounds of the subsidy programme commenced in July last year and January this year respectively. Moreover, the Government will launch a three-year Cash Allowance Trial Scheme to disburse, starting from July this year, a cash allowance on a monthly basis to those “N have-nots households” who are not living in public housing and not receiving CSSA and have waited for public housing for more than three years (not including non-elderly one-person public housing applicants) (monthly allowance), until such households are offered the first public housing allocation. In this connection, will the Government inform this Council:

(1) of the total number of applications received by the Government under the second-round of the subsidy programme when applications closed on the 31st of last month, as well as the estimated total expenditure and total number of members in the beneficiary households;

(2) in respect of the beneficiary households under the first-round of the subsidy programme:

(i) a breakdown of the number of such households by the District Council district to which their places of residence belonged,

(ii) a breakdown of the number of such households by household size and type of accommodation as provided in Table 1 (set out in Table 1),

Table 1

Household size	Type of accommodation								Total number of households
	Private building	Industrial building unit	Commercial building unit	Singleton hostel	Temporary housing	Board vessel	Home-less	Others	
1									
2									
3									
4									
5									
6 or above									
Total:									

(iii) the median household income (A) of each group of such households grouped by household size as provided in Table 2, and the percentage of A in the monthly household income limit (B) for that group of households in applying for the one-off subsidy (set out in Table 2), and

Table 2

Household size	A	B	A/B (%)
1			
2			
3			
4			
5			
6 or above			
All households:		—	—

(iv) the median monthly rent (C) of each group of such households grouped by household size as provided in Table 3, and the percentage of C in the monthly rent limit (D) for that group of households in applying for the one-off subsidy (set out in Table 3);

Table 3

Household size	C	D	C/D (%)
1			
2			
3			
4			
5			
6 or above			
All households:		—	—

(3) among the "N have-nots households" who are eligible for applying for the one-off subsidy, of the respective numbers and percentages of those households who are (i) eligible and (ii) ineligible for applying for the monthly allowance, as estimated by the Government;

(4) given that the Government will lower the working hour requirements under the Working Family Allowance Scheme for the period from June this year to May next year, whether it has estimated, among those "N have-nots households" who are eligible for applying for the one-off subsidy but ineligible for applying for the monthly allowance, the number and percentage of those who may benefit from this arrangement; and

(5) as some of the "N have-nots households" who are eligible for applying for the one-off subsidy are ineligible for applying for the monthly allowance, whether the Government will consider launching a third-round of the subsidy programme, so as to benefit such households; if so, of the details; if not, the reasons for that?

Reply:

President,

The main objective of the Community Care Fund (CCF) is to provide assistance to people with financial difficulties, in particular those who fall outside the social safety net or those within the safety net but still have some special needs that are not covered. In addition, the CCF may also consider programmes on a pilot basis to help the Government identify those measures that can be considered for incorporation into its regular assistance and service programmes.

Under the existing mechanism, bureaux would consider proposals on new assistance programmes according to their policy areas. If any new programmes are considered suitable to be implemented under the CCF, bureaux should submit proposals of these new programmes to the CCF Task Force and the Commission on Poverty (CoP) for deliberations. The relevant bureaux would be responsible for implementing the approved programmes. The CCF Task Force, chaired by the Secretary for Labour and Welfare, comprises CoP members, co-opted members and representatives from relevant bureaux, etc. It advises the CoP on CCF's various arrangements (including investment, finance and administrative operations, etc.), as well as formulating assistance programmes, coordinating and overseeing the implementation of assistance programmes and evaluating their effectiveness, etc. The CCF Secretariat, which is set up under the Home Affairs Bureau (HAB), provides secretariat support service to the CCF.

Regarding the two rounds of the "One-off Living Subsidy for Low-income Households Not Living in Public Housing and Not Receiving Comprehensive Social Security Assistance" Programmes (One-off Living Subsidy Programmes), the CCF Task Force, having considered the implementation arrangements, submitted the proposal to the CoP for deliberations and approval. The

Programmes are implemented by the CCF Secretariat. They are not related to any policy portfolio under the HAB.

Having consulted the Labour and Welfare Bureau (LWB) and the Transport and Housing Bureau (THB), a consolidated reply to the question raised by the Hon Vincent Cheng is provided as follows:

(1) The CoP endorsed the launch of the One-off Living Subsidy Programmes under the CCF to relieve the financial pressure on low-income households. The application period of second round of the One-off Living Subsidy Programmes started on January 4, 2021 and closed on May 31, 2021. As at May 26, 2021, over 110 000 applications were received. As it takes time for the service units to carry out initial processing of applications, the actual number of applications received by the CCF Secretariat has yet to be confirmed. The estimated expenditure of the second round of the One-off Living Subsidy Programme is \$1,813.15 million, which is expected to benefit around 177 800 households.

(2) The preliminary relevant statistics of the first round of the One-off Living Subsidy Programme as at 26 May, 2021 are at Annex.

(3) Applicant households are not required to provide information on whether they are on the waiting list of public rental housing (PRH) when making applications for the One-off Living Subsidy Programmes, as such information is not an eligibility criterion under the said Programmes. Therefore, the CCF Secretariat does not have any information on whether the applicant households will meet the eligibility criteria under the Cash Allowance Trial Scheme.

Under the three-year Cash Allowance Trial Scheme, cash allowance will be provided to eligible PRH General Applicant (GA) households (i.e. families with two or more persons and elderly one-person applicants) who are not living in public housing, not receiving the Comprehensive Social Security Assistance (CSSA) and have been waiting for PRH for more than three years without being given the first PRH flat offer. The THB estimates that upon launch of the Cash Allowance Trial Scheme, around 90 000 GA households may be eligible to apply for the cash allowance.

(4) Having regard to the COVID-19 pandemic and the latest employment condition, the Government has, on a time-limited basis, substantially reduced the working hour requirements of the Working Family Allowance (WFA) Scheme for non-single-parent households, viz. the working hour requirement for Basic Allowance is reduced from 144 to 72 hours per month and the working hour requirement for Medium Allowance is reduced from 168 to 132 hours per month. This arrangement is for one year, and applicable to the claim months from June 2021 to May 2022. For the purpose of financial planning, it is roughly estimated that about 24 000 additional households will benefit from this arrangement.

The objectives of and eligibility criteria for different cash assistance schemes vary. As far as the WFA Office is concerned, it does not maintain information on whether a WFA recipient is also receiving allowances not

related to WFA.

(5) The Chief Executive (CE) announced in the 2019 Policy Address the initiative to offer relief for low-income households not living in PRH and not receiving CSSA, including people on the PRH waiting list, by providing a cash allowance. As it took time to devise a scheme to provide the cash allowance, the CE invited the CCF to launch two rounds of "one-off living subsidy" for the above low-income households who were missed out from the relief measures announced by the Financial Secretary. This would allow time for the Government to complete the relevant study towards the end of 2020. Against such a background, the CCF has launched two rounds of the One-off Living Subsidy Programmes.

At present, the CCF has no plan to launch the One-off Living Subsidy Programme again. In fact, the Government will launch a three-year Cash Allowance Trial Scheme in late June 2021 to provide cash allowance to eligible PRH GA households who are not living in public housing, not receiving the CSSA and have been waiting for PRH for more than three years without being given the first PRH flat offer.