

**LegCo Panel on Home Affairs
11 April 2003**

**Priority of Provision of Sports, Recreational and
Cultural Facilities**

Purpose

This paper reports on the priority for provision of new sports, recreational and cultural facilities in Hong Kong.

Background

2. Members had discussed on a number of occasions the findings and recommendations of the consultancy studies on the provision of regional/district cultural and performance facilities and on the future development of public libraries. They also noted that the report on a separate consultancy study on museums is being finalized. On the other hand, a number of large-scale territory-wide cultural and sports projects were being planned. Members had expressed concern about the implementation of the consultancies' recommendations and the position of various proposed facilities. They requested to be briefed on the priority for the provision of these facilities in Hong Kong and how this would be affected by the prevailing financial situation.

Provision of New Leisure and Cultural Services (LCS) facilities

3. Provision has been made in the financial year of 2003/04 to implement 26 projects, subject to the funding approval of the Public Works Subcommittee and the Finance Committee. This would entail a capital funding of \$2,498M and an annual recurrent costs of about \$42.07 M which will be fully reflected by 2007/8. A list of the 26 priority projects is at the *Annex*.

4. The priority list was compiled based on the following criteria and aims to:

- (a) relieve the serious shortage of such facilities in new towns such as Tung Chung and Tseung Kwan O which have seen significant population growth in recent years;
- (b) ensure a fair and even distribution of these facilities throughout the territory;
- (c) increase the provision of facilities which are in heavy demand, such as indoor heated swimming pools and soccer pitches;
- (d) commence projects which are at an advanced planning stage where tendering or detailed design is already in progress; and
- (e) ensure LCSD has the financial capability to operate the facilities in the long term.

Private Sector Involvement (PSI)

5. In order to speed up the delivery of these projects, and in line with the policy of "big market and small government", we have been examining the possibility of involving the private sector in implementing some of these projects. This new approach would also tap into the private sector's expertise and innovative ideas to enhance the quality of these services. The private sector would be invited to participate in **eleven** projects.

6. The Private Sector Involvement scheme could be in the form of:

- (a) Design-Build (DB) approach, where a private developer would be funded by government for designing and building a project. The project constructed under this approach is expected to be completed earlier than that under the conventional approach.
- (b) Design-Build-Operate (DBO) approach, where a private developer would be funded by government for designing and building, as well as to operate the facilities thereafter. Under this approach, there is also the option of the project being financed by the developer.
- (c) Private Sector Finance (PSF) approach, where a private developer will pay for the development and running of the facility. We will

specify the core facilities to be provided, invite private sector to fund the development and management of the facilities which will be open to the public. To make the projects commercially viable, we will allow **commercial development** in these projects.

7. We have selected **nine** projects from the 26 priority projects (see para. 3) for private sector involvement under the DB/DBO approach described in para. 6 (a) & (b) above. These projects include the provision of indoor heated swimming pools in Lai Chi Kok, Yuen Long and Sha Tin, indoor recreation center-cum library in Tung Chung, district open space and sports ground in North District, Tsuen Wan and Tung Chung. We will announce more details of these PSI projects in two to three months' time, and invite the private sector to submit Expression of Interest on them shortly thereafter. Depending on the number of projects taken up by the private sector, we shall consider deploying the savings thus achieved to finance additional LCS projects.

8. We have selected the following **two** projects as pilot scheme for the Private Sector Finance approach described under para. 6 (c) above:

- A leisure and cultural centre in Kwun Tong (with a civic centre, indoor-heated pool and ten-pin bowling as the core facilities); and
- A town park and indoor recreation centre in Tseung Kwan O (with ice sports as one of the core facilities).

9. The proposed provision of a leisure and cultural centre in Kwun Tong is in line with the recommendations of the recent consultancy study which has accorded high priority for the provision of a Cross District Community Cultural Centre in Kwun Tong to serve the large population in the area.

10. The provision of a town park and indoor recreation centre in Tseung Kwan O will help relieve the demand for such facilities in the growing new town.

Other major facilities under planning

11. In addition, the government has plans to develop 40 hectares of

land at the West Kowloon Reclamation into an integrated arts, cultural and entertainment district, the “West Kowloon Cultural District”. An Invitation for Proposals to develop the whole area is expected to be launched in the third quarter of 2003. The private sector would be invited to submit proposals on the provision and management of the arts and cultural facilities there.

12. The feasibility study on the technical and financial aspects of constructing a multi-purpose stadium in South East Kowloon is expected to be completed by mid 2003. The recommendations will be examined and relevant sectors will be consulted before a decision is made.

Consultancy Study on Performance, Library and Museum Facilities

13. For the Consultancy Study on Cultural and Performance Facilities, public consultation on the recommendations has just been completed. The government will take into account the views of the public and other factors including financial implications in working out the way forward.

14. The Consultancy Study on Museums focuses on the mode of governance of Hong Kong’s existing public museums and the Hong Kong Film Archive. The Study is not concerned with the provision of new museum facilities. The Consultant is finalizing his report which will be submitted soon to the government.

15. We will, however, take into account the recommendations in the relevant consultancy studies and the views of the public, as well as those of the District Councils, in processing the various proposed capital projects.

26 Priority Projects

Item No.	District	Project Title	Facilities	Project Estimates (\$M)	Recurrent Consequences (\$M)	Estimated Works Start Date	Anticipated Completion Date
(a) 8 Priority projects upgraded to Cat A between 2002 RAE in September 2002 and March 2003							
1	TP	030LS Football Pitch in Area 5, Tai Po	Soccer pitches	43.00	1.30	Dec-02	Aug-04
2	TP	294LS District Open Space in Area 5, Tai Po	Parks and playgrounds	34.30	0.50	Dec-02	Aug-04
3	YL	183LS Local Open Space in Area 15, Tin Shui Wai	Parks and playgrounds	44.00	0.74	Dec-02	Nov-04
4	YL	177LS Local Open Space in Ping Shan, Yuen Long	Soccer pitches	31.80	0.63	Feb-03	Oct-04
5	KT	397CR Improvements to Lok Wah Playground, Kwun Tong	Improvement	44.90	0.50	Feb-03	Dec-04
6	Is	283LS District Open Space in Area 7, Tung Chung	Soccer pitches	58.70	1.30	Feb-03	Apr-05
7	S	038CX Stanley Complex (IRC, library and an Integrated Hall)	IRC Library Integrated Hall (HAD)	173.80	5.13	May-03	Jan-06
8	WTS	303CR Hammer Hill Road Park, Diamond Hill	Parks and playgrounds	177.00	5.50	Mid-03	Mid-06
(b) 18 priority projects awaiting upgrading to Cat A							
9	KC	458CR Sheung Lok Street Rest Garden (Site B), Kowloon City	Parks and playgrounds	18.10	0.15	Feb-03 (Under review)	Jul-04 (Under review)
10	TM	154LS District Open Space in Area 18 Tuen Mun	Parks and playgrounds	35.40	0.96	May-03	Jun-05
11	TW	174LS Additional Open Space to Tsuen Wan Town Hall	Parks and playgrounds	36.00	0.11	Sep-03	End-05
12	YL	182LS Indoor Recreation Centre Area 17 Tin Shui Wai	IRC	120.00	1.80	Sep-03	Jul-06
13	ST	(Non ex-PMC Project) Renovation of the Wu Kwai Sha Youth Village of YMCA, Ma On Shan	Improvement	27.00	0.00	Oct-03	Apr-04
14	YTM	121CR Cherry Street Park	Soccer pitches	101.00	1.70	Nov-03	Aug-05
15	TM	315LS Improvements to Butterfly Beach Area 44 (Ferry Pier) Tuen Mun	Improvement	45.00	0.12	Dec-04	Sep-06
16	E	365CR Improvement to Victoria Park - Swimming Pool Complex	Swimming pools	105.00	0.00	Dec-05	Apr-08
17	E	469CR Improvement works to Lei Yue Mun Park and Holiday Village	Improvement	93.00	0.09	To be confirmed	To be confirmed

26 Priority Projects

Item No.	District	Project Title	Facilities	Project Estimates (\$M)	Recurrent Consequences (\$M)	Estimated Works Start Date	Anticipated Completion Date
18	SSP	Provision of a Cover to the Secondary Outdoor Heated Pool in Lai Chi Kok Swimming Complex	Improvement	20.00	0.15	Proposed Project for Private Sector Involvement	
19	YL	Provision of a Cover to the Outdoor Heated Pool in Yuen Long	Improvement	20.00	0.15	Proposed Project for Private Sector Involvement	
20	Territory-wide	(<i>Non ex-PMC Project</i>) Renovation for Libraries	Improvement	239.00	0.00	Proposed Project for Private Sector Involvement	
21	SK	298LS Sports Ground, Town Park and Indoor Recreation Centre in Area 45, Tseung Kwan O (TKO) (Phase I - Sports Ground)	Soccer pitches	392.00	4.00	Proposed Project for Private Sector Involvement	
22	TW	300LS District Open Space Area 35 Tsuen Wan -Remaining Works	Parks and playgrounds	96.00	0.50	Proposed Project for Private Sector Involvement	
23	N	137LS District Open Space Area 39 Fanling/Sheung Shui	Soccer pitches	43.00	0.70	Proposed Project for Private Sector Involvement	
24	Is	282LS District Open Space Area 2 Tung Chung Lantau	Parks and playgrounds	38.00	0.34	Proposed Project for Private Sector Involvement	
25	ST	211LS Hin Tin Public Swimming Pool Phase II, Sha Tin	Swimming pools	190.00	5.75	Proposed Project for Private Sector Involvement	
26	Is	22MF Indoor Recreation Centre (Type C) cum Library Area 17 Tung Chung Lantau (IRC, library and Community Hall)	IRC Library Community Hall (HAD)	272.00	9.95	Proposed Project for Private Sector Involvement	

Total (\$M) 2,498.00 42.07