

立法會
Legislative Council

LC Paper No. CB(2)1078/01-02
(These minutes have been seen
by the Administration)

Ref : CB2/PL/HA

LegCo Panel on Home Affairs

Minutes of meeting
held on Friday, 11 January 2002 at 10:45am
in the Chamber of the Legislative Council Building

- Members Present** :
- Hon IP Kwok-him, JP (Chairman)
 - Hon Andrew CHENG Kar-foo (Deputy Chairman)
 - Dr Hon David CHU Yu-lin, JP
 - Hon Albert HO Chun-yan
 - Hon NG Leung-sing, JP
 - Hon James TO Kun-sun
 - Hon Andrew WONG Wang-fat, JP
 - Hon Emily LAU Wai-hing, JP
 - Hon CHOY So-yuk
 - Dr Hon TANG Siu-tong, JP
 - Hon Henry WU King-cheong, BBS
 - Hon Tommy CHEUNG Yu-yan, JP
 - Hon Michael MAK Kwok-fung
 - Hon Albert CHAN Wai-yip
 - Hon WONG Sing-chi
 - Hon MA Fung-kwok
- Members Absent** :
- Hon Cyd HO Sau-lan
 - Hon LAU Wong-fat, GBS, JP
 - Hon Timothy FOK Tsun-ting, SBS, JP

**Public Officers:
Attending**

Home Affairs Bureau

Ms Eva TO
Principal Assistant Secretary for Home Affairs (Recreation
and Sport)

Mr LAM Yiu-tong
Principal Assistant Secretary for Home Affairs (Culture)²

Mr Francis LO } For item
Principal Assistant Secretary for Home Affairs (5) } IV only

Home Affairs Department

Mr Christopher WILLIAMS } For item
Assistant Director of Home Affairs (2) } IV only

Leisure and Cultural Services Department

Ms CHOI Suk-kuen, JP
Deputy Director of Leisure and Cultural Services (Culture)

Mr HO Wing-him, JP
Deputy Director of Leisure and Cultural Services (Leisure
Services)

Mrs Sophia WONG
Assistant Director of Leisure and Cultural Services
(Administration)

Mr CHUNG Ling-hoi, JP
Assistant Director of Leisure and Cultural Services
(Performing Arts)

Mr Johnny W M WOO, JP
Assistant Director of Leisure and Cultural Services (Leisure
Services)²

Mr Eddy YAU, JP
Assistant Director of Leisure and Cultural Services (Leisure
Services)³

Mr Michael MAK Kin-lam, JP
Assistant Director of Leisure and Cultural Services
(Libraries and Development)

Mr MAK Wah-hung, Daniel } For item
Chief Executive Officer of Leisure and Cultural Services } IV only
(Planning)

Ms Pamela CHAN } For item
Chief Executive Officer of Leisure and Cultural Services } IV only
(Planning)

Clerk in Attendance : Miss Flora TAI
Chief Assistant Secretary (2)2

Staff in Attendance : Miss Irene MAN
Senior Assistant Secretary (2)7

Action

I. Confirmation of minutes
[LC Paper Nos. CB(2)846/01-02 and CB(2)860/01-02]

The minutes of the special meeting held on 27 November and the minutes of the regular meeting held on 14 December 2001 were confirmed.

II. Information paper(s) issued since the last meeting

2. Members noted that no information paper had been issued since the last meeting.

III. Items for discussion at the next meeting
[Appendices I and II to LC Paper No. CB(2)848/01-02 and LC Paper No. CB(2)848/01-02(01)]

Action

3. The Chairman informed members that the Equal Opportunities Commission (EOC) had proposed to meet the Panel once a year on the work of EOC; and that the Administration had proposed to brief the Panel on a financial proposal about provision of office accommodation for EOC. Members welcomed the EOC's proposal and agreed that standing arrangements should be made for EOC to give a briefing on its work to the Panel once a year.

4. At the Chairman's suggestion, members agreed that the following items would be discussed at the next regular meeting scheduled for Friday, 8 February 2002 at 10:45 am -

- (a) Briefing by the Equal Opportunities Commission (EOC) on its work;
- (b) Office accommodation for EOC; and
- (c) Intermediary body for the collection of maintenance payments.

Members also agreed that representatives of the Women's Commission should be invited to join the discussion under item (c) above.

5. Members further agreed to include the following items into the list of discussion items for future meetings -

- (a) The work of the Hong Kong Sports Development Board (SDB) (as proposed by Mr Albert CHAN);
- (b) The roles and functions of the Leisure and Cultural Services Department, SDB, the Sports Federation and Olympic Committee of Hong Kong, China and various National Sports Associations in sports development (as proposed by Mr Albert CHAN); and
- (c) Policies on the development and promotion of culture and heritage in Hong Kong (as proposed by the Chairman).

6. At the Chairman's suggestion, members also agreed that the Panel should discuss the report on the sports policy review in advance of item (b) so that members would have an overall view of the strategic plan for sports development.

Action

IV. Provision of community facilities

[LC Paper No. CB(2)848/01-02(02)]

7. At the invitation of the Chairman, Principal Assistant Secretary for Home Affairs (Recreation and Sport) (PAS(HA)(RS)) briefed members on both the existing and planned provisions of the community facilities as set out in the Administration's paper. Members noted that the existing provision included sports and recreational facilities, such as indoor games halls (IGHs), sports centres and swimming pool complexes, as well as cultural facilities, such as civic centres and libraries. At present, 76 community halls (CHs) were under the management of the Home Affairs Department (HAD). As far as planned provision was concerned, the Leisure and Cultural Services Department (LCSD) planned the facilities with regard to criteria such as the speed of population in-take in new towns, the age distribution in different districts, the usage rates of existing facilities, and the criteria set out in the Hong Kong Planning Standards and Guidelines (HKPSG) which, however, should be applied with flexibility.

8. PAS(HA)(RS) advised that the Administration would take into account of the recommendations of the Consultancy Study on the Provision of Regional/District Cultural and Performance Facilities in Hong Kong (the Consultancy Study), which was expected to be completed by the first half of 2002, in planning the provision of civic centres.

9. PAS(HA)(RS) further said that in the long run, a more coordinated and integrated approach would be adopted for the provision of CH facilities, for example, multi-purpose venues to serve both community building and sports and recreational purposes would be provided to meet the needs of the local community. Pilot schemes were being carried out to test the practicability of such arrangement.

Community halls and civic centres

10. Mr Andrew CHENG considered the arrangement of providing multi-purpose venues to serve both community building and sports and recreational purposes a good trial and should apply to the planning of both CHs and civic centres. Mr CHENG asked and Principal Assistant Secretary for Home Affairs (Culture)2 (PAS(HA)(C)2) confirmed that the Consultancy Study also covered CHs. Meanwhile, LCSD, HAD, Education Department (ED) and Planning Department would also examine the consultants' advice on the feasibility of using IGHs and school halls as community venues to meet the needs of the local community.

11. As a Tai Po District Council member, Mr Andrew CHENG pointed out that the construction of a civic centre in Tai Po had been delayed for many years. He

Action

was concerned that the Consultancy Study might be used as a tactic to delay the construction. Mr CHENG suggested that while waiting for the findings of the Consultancy Study, the Administration should concurrently expedite the implementation of the policy to provide multi-purpose district-based facilities. He asked whether there was any concrete timeframe for implementation.

Adm

12. PAS(HA)(C)2 responded that there was no concrete timeframe at the present stage. He added that the Administration would be in a better position to assess whether an implementation timeframe could be drawn up when the findings of the Consultancy Study were available. At the Chairman's request, PAS(HA)(C)2 undertook to report to the Panel when an implementation timeframe was worked out.

13. Although it was the Administration's policy to facilitate the formation of owners' corporations (OCs) in private buildings, Miss CHOY So-yuk said that many old districts such as Wanchai, Aberdeen, North Point and Quarry Bay did not have any CHs and owners could hardly find a place to hold the OC meetings. She requested the Administration to take an active role in identifying the need for CH facilities in all districts, not just the new ones.

14. Principal Assistant Secretary for Home Affairs (5) (PAS(HA)5) responded that some CH facilities were currently under planning and some CH projects under construction. There were also four CH projects to be submitted to the Legislative Council (LegCo) for funding approval. At present, planning and construction of CHs was conducted having regard to HKPSG. In order to maximise land utilisation, CHs would usually form part of an integrated development, instead of being stand-alone developments. Addressing Miss CHOY's concerns over the lack of CHs in Wanchai and Eastern District, PAS(HA)5 informed members that two CHs were being constructed in Leighton Hill and Aldrich Bay respectively. The CH facilities under planning also covered regions such as Siu Sai Wan and Sai Wan Ho in the Eastern District.

15. Miss CHOY So-yuk pointed out that as Leighton Hill was located near Happy Valley rather than the centre of Wanchai, it would therefore be impracticable for residents living in Wanchai to hold their OC meetings at the CH in Leighton Hill. Given that there was no CH at all in North Point and Quarry Bay, she urged the Administration to ensure even provision of community facilities in different districts, especially the old ones and speed up the progress of construction.

16. PAS(HA)5 assured members that community facilities would be included at the planning stage for new districts. For old districts such as Wanchai, the Administration would consider providing community facilities having regard to

Action

Adm

the criteria/provisions set out in HKPSG where opportunities were identified (e.g. redevelopment). At the request of the Chairman, PAS(HA)5 undertook to provide information on the distribution and locations of the 76 CHs under the management of HAD.

17. Mr MA Fung-kwok asked whether the Administration would consider enhancing cooperation among government departments, such as ED, to provide community facilities in old districts by means of utilising school facilities. Mr MA added that schools would be willing to offer their facilities for community use if they could get resources in return.

18. Assistant Director of Home Affairs (2) (AD of HA(2)) responded that trial schemes with ED had been in operation to address the matter. For example, if the schools offered to provide their halls for community uses outside school hours, the Architectural Services Department would improve the venue by installing air conditioning so that both the schools and the community would benefit. Although he was not certain about when the result of the trial schemes would be available, he believed if the scheme turned out to be successful, it could provide a useful way to increase the provision of community facilities especially in older urban areas where development might not be possible for the time being.

19. Referring to paragraph 7 of the Administration's paper, Mr Henry WU enquired about the schedule for the implementation of the 64 capital works projects under the Accelerated Programme. PAS(HA)(RS) advised that the 64 capital works projects would start within the next five-year from 2002-03 to 2006-07 with 15 projects in the first year, 14 in the second, 19 in the third, 9 in the fourth and 7 in the fifth.

20. As some existing IGHs when suitably equipped could be used to serve CH purposes, the Chairman asked what improvement works would be required. AD of HA(2) responded that the Administration was running a pilot scheme in Cheung Chau where two IGHs were being used on a part-time basis as CHs by providing extra equipment, such as a portable stage. As the scheme had just started in January 2002, the Administration would review its effectiveness and consider applying to other under-utilised IGHs in due course.

21. The Chairman then asked about the usage rates of the IGHs which would be identified as under-utilised. AD of HA(2) pointed out that the utilisation of both CHs and IGHs fluctuated according to different time, for instance, the demand for IGHs would be higher in the evenings during weekends. As such, there should be room for community uses during office hours during weekdays.

Action

22. Addressing the Chairman's question on where else the pilot scheme would be carried out and whether District Councils (DCs) would be consulted, AD of HA(2) said that HAD would discuss with LCSD with a view to identifying more IGHs suitable for the scheme. He added that relevant DCs would be consulted accordingly.

Sport and recreational facilities

Swimming pools

23. Mr NG Leung-sing expressed support for the construction of new swimming pools and complexes. He enquired whether these new facilities would be weather-proof. Miss CHOY So-yuk echoed Mr NG's concerns. She urged the Administration to expedite the progress of providing more warm water swimming pools.

24. Deputy Director of Leisure and Cultural Services (Leisure Services) (DD of LCS(LS)) advised that the Administration had noted the change of usage patterns for swimmers in Hong Kong. There was a rising demand for indoor heated swimming pools to be open for use throughout the year. According to survey results, the usage rate for indoor heated pools was much higher than that of the outdoor ones. The Administration would review the policy on the provision of indoor heated pools and the intention was to include one indoor heated pool in each swimming complex in future, subject to resources being available.

25. Chief Executive Officer of Leisure and Cultural Services (Planning) supplemented that among the 64 capital works items under the Accelerated Programme, four swimming pools/complexes would be constructed, including the re-construction of the existing Victoria swimming pool on Hong Kong Island and the building of new pools in Tuen Mun and Tung Chung to meet the demand arising from the increase in population in-take. The Administration would strive to build more indoor heated pools in these districts.

26. In response to the Chairman' enquiry on the feasibility to convert existing swimming pools to indoor heated pools, Assistant Director of Leisure and Cultural Services (Leisure Services)2 (AD of LCS(LS)2) advised that as the usage rate of outdoor heated pools was quite low, the Administration would actively consider converting existing outdoor pools to indoor ones through minor works. DD of LCS(LS) said that he hoped the Public Works Subcommittee/Finance Committee would consider favourably future proposals to build indoor heated pools and to convert outdoor heated pools to indoor. He pointed out that the conversion technically was not easy. Mr MA Fung-kwok suggested the Administration to make reference to the experience in some North American countries where

Action

outdoor swimming pools were covered with temporary blown-up canopies to keep the warm.

Table tennis rooms and conservatories

27. Referring to the list of recreation and sports facilities in Appendix I to the Administration's paper, Mr Henry WU considered that table tennis rooms should have been included as active facility in the list and more conservatories should be provided as passive facility to enhance the awareness of environmental protection. AD of LCS(LS)2 explained that rooms for playing table tennis had been provided in the existing 82 IGHs and LCSD would consider increasing the provision of table-tennis rooms if the demand increased.

Cultural facilities

Performing venues

28. Mr NG Leung-sing enquired about the scale of the performing arts venue under planning for staging world-class events, including the audience capacity, the types of performance to be staged and the related transportation facilities. Deputy Director of Leisure and Cultural Services (Culture) (DD of LCS(C)) advised that the West Kowloon Reclamation would be developed into a cultural and arts district of about 40 acres where a large performing venue, museums, entertainment facilities and commercial developments might be provided. As an open competition on the concept plan of the district was still being held, details of the exact scale of the performing venue was not yet known. However, the Administration would expect the venue to have a seating capacity of around 2 000 to 3 000 for staging world-class events, such as operas and musicals. Comprehensive planning for the transport facilities would be considered in the context of the overall development of the district.

29. Miss CHOY So-yuk suggested that the Administration should designate small-scale performing venues for certain kinds of performances on a permanent basis. It would be more convenient to the tourists who were interested in a particular kind of performing art. For instance, a performing venue could be designated for acrobatics only. She considered that the suggestion should be implemented when new performance venue was built.

30. In response, DD of LCS(C) said that the existing performing venues had been provided for public hiring purposes and it would be difficult for the Administration to specify the programmes to be held at those venues. Nevertheless, the Administration had received similar suggestion that Hong Kong should designate a venue, say specifically for Chinese opera, as a tourist attraction

Action

to promote local culture. DD of LCS(C) undertook to consider the suggestion, including whether particular characteristics should be developed for certain performing venues, and report to the Panel if there were concrete proposals in this regard.

31. Mr MA Fung-kwok said that he was the convenor of a working group on cultural facilities under the Culture and Heritage Commission. He observed that the public performing venues in Hong Kong offered first-class facilities but the standards of the performances staged there were quite variant. Mr MA considered that small-scale performance venues were in short supply in Hong Kong. He suggested that the Administration should consider providing more small-scale venues with facilities of general standard.

32. PAS(HA)(C)2 responded that the Administration noted Mr MA Fung-kwok's observation. Needs for cultural and performance facilities at regional/district level would be identified in the Consultancy Study which would also recommend provision of venues of the appropriate scale and standard.

Public library

33. The Chairman said that members of the Islands DC had expressed concern at the meeting with LegCo Members on 13 December 2001 that a library would not be open in Tung Chung until 2005. He asked how the Administration would cater for the need of new towns where a library was not yet provided. DD of LCS(C) advised that 13 new libraries would be built in the coming five years. Meanwhile, the Administration would consider setting up temporary libraries in new towns by renting units in commercial buildings or housing estates under the Housing Department. For example, a temporary district library within a commercial development had just been open in Tin Shui Wai at the end of 2001. At present, the Administration was looking for suitable venues in Tung Chung to make similar arrangements provided funding resources were available.

34. The Chairman enquired about the cost difference between setting up a temporary library by renting commercial units and building a permanent one. DD of LCS(C) responded that the project costs for building a public library and indoor recreation centre in Area 3 of Yuen Long and public library cum indoor recreation centre in Tin Shui Wai would be \$303 million and \$381 million respectively. On the other hand, the rental for the provision of a temporary library in Tin Shui Wai would cost some \$7 million a year, excluding the manpower cost. The Administration considered it worthwhile to provide temporary library facilities in new towns to meet public demands before permanent libraries were built.

Action

V. Scheme for contracting out cultural, arts, recreational and sports services and venue management
[LC Paper No. CB(2)848/01-02(06)]

35. DD of LCS(C) briefed members on the salient points of the scheme for contracting out cultural, arts, recreational and sports services and venue management. She stressed that the objectives of outsourcing services were to raise service standards and increase the usage rates of facilities. LCSD would avoid creating redundancy of manpower in planning outsourcing activities. It would also ensure that outsourcing would not affect the quality and development of leisure and cultural programmes.

36. Since the standard of services of the IGH in Butterfly Beach could be maintained yet the cost had been lowered by 30% after outsourcing, DD of LCS(LS) said that LCSD had outsourced the management of five more IGHs and car parks to enhance cost-effectiveness. Nevertheless, staff implication would remain the department's major concern in planning any future outsourcing schemes.

Staff implication of the outsourcing schemes

37. Mr NG Leung-sing appreciated that the outsourcing schemes had helped enhance the service quality and cost effectiveness. Referring to paragraph 7 of the Administration's paper, he enquired how the high subscription rate to the Voluntary Retirement Scheme (VRS) could enable the implementation of outsourcing schemes and whether the staff joining VRS were not capable of manning new facilities.

38. DD of LCS(LS) responded that as over 1 000 LCSD staff had joined VRS in the past two years, outsourcing was useful to recruit manpower of the private sector to man the new facilities without affecting the implementation of VRS. He also clarified that there was no relationship between a staff's capability and his choice of joining VRS.

39. Mr Albert CHAN was not satisfied that the Administration was outsourcing its services on a piecemeal basis and not in a transparent manner. He also said that the pace of outsourcing was too fast and was worried that the pilot Programme Partnership Scheme in developing cultural programmes would become another form of outsourcing. In his opinion, outsourcing might easily lead to private corporations' monopolisation of the market for their subsidiaries had taken hold of many service contracts. Mr CHAN urged that the Administration should review the current outsourcing schemes and stop any further outsourcing schemes. Mr

Action

CHAN stressed that as a responsible employer, the Government should not only focus on cost effectiveness.

40. Mr Albert CHAN asked whether a minimum wage level would be specified in the service contracts. DD of LCS(LS) said that the pace of outsourcing by LCSD had been proceeding in a measured manner, ensuring that there would be no forced staff redundancy. He said that the question of whether to set minimum wages in outsourcing contracts was well debated in the Council in the last two years and Government's position was clear. In line with Government policy, the proposed wage levels of staff employed by contractors were a factor in assessing the merit of the tenders. These tender offers would also be binding on the contractors upon award of service contracts.

41. Mr Albert CHAN queried that the tender system was in favour of big corporations and wondered how the wage level of lower-rank employees could be protected. DD of LCS(LS) responded that the tenders for the service contracts were invited in a fair and open manner. LCSD would award the service contracts by considering various factors like service quality and cost as stipulated in the tender submissions. Regarding employee wages, the Administration would compare the wage levels as specified in the tender submissions to the midpoint salary of the trade concerned to assess whether they were of a reasonable level.

42. In reply to Mr Albert CHAN's question whether all employees recruited by the service contractors of LCSD would be entitled to the midpoint salary of their trade, DD of LCS(LS) clarified that it was not the Government's policy to ensure that midpoint salary would be offered to all employees of the service contractors. However, LCSD would make reference to the medium wage in the sector when giving score to different tenders in this regard.

43. Mr Albert CHAN requested the Administration to provide information on the changes in the number and rank of staff between the former municipal services departments and LCSD in every year during the period from 1999 to 2002, as well as the forecast of future changes. He also requested the Administration to provide information on the impact of outsourcing on staff deployment and their promotion prospects; and on the existing wage levels of staff of various ranks in the service contracts awarded. DD of LCS(LS) undertook to provide the information as far as possible. However, he pointed out that as any information in tender documents, including wage levels offered by individual contractors, was commercial secret, he would explore whether the information could be analyzed and presented as statistics. Mr CHAN further requested the Administration to report to the Panel on the progress of the outsourcing scheme in due course.

Adm

Action

Sports and recreational facilities

IGHs

44. Mr Henry WU enquired about the names of the six outsourced IGHs and their distinctions from other IGHs managed by LCSD. DD of LCS(LS) advised that the six IGHs were located in Chun Wah Road, Cheung Sha Wan, Chuk Yuen, Quarry Bay, Hong Kong Island East and Butterfly Beach. DD of LCS(LS) added that staff in the six outsourced IGHs were uniforms of their individual management companies.

45. Addressing the queries raised by Mr Henry WU and Dr TANG Siu-tong on the manning of the outsourced IGHs and the complaint channel, AD of LCS(LS)2 advised that one full-time LCSD staff stationed in each of the six IGHs would oversee the operations. Members of the public could direct their complaints on the management of the venues to the management companies concerned. If they found the management companies' replies unsatisfactory, they could escalate their complaints to the district manager of LCSD. The phone number of the district manager was posted in the venues. Given cost consideration, Dr TANG expressed reservation whether a full-time LCSD staff should be stationed in each outsourced IGH.

Football pitches

46. Mr Albert CHAN considered that the maintenance standard of football pitches had been lowered ever since the management was outsourced. In response, Assistant Director of Leisure and Cultural Services (Leisure Services)3 (AD of LCS(LS)3) explained that in order to meet the demand, the restriction on the number of football games to be held on a pitch in each month had been relaxed, the condition of the turf might have deteriorated. LCSD was considering replacing some of their natural turf pitches with artificial turf to cater for the heavy demand.

47. Mr Albert CHAN did not agree that the present poor condition of some outdoor football pitches was related to usage rate. He considered that it was the problem of poor maintenance. DD of LCS(LS) said that according to his understanding, no outdoor football pitches had been contracted out. He undertook to follow up the matter.

Shark prevention nets

48. As the contract value for the maintenance and inspection for shark prevention nets was over \$36 million, Mr Tommy CHEUNG requested the

Action

Administration to assess the frequency of shark occurrence in different beaches and to review the need to keep the nets there.

49. DD of LCS(LS) advised that sharks did not have a regular pattern of movement in terms of location and season. At present, most of the nets were installed in the beaches in Hong Kong South and New Territories East and no accident had happened since then. The maintenance cost was high because the contractor was required to inspect the nets frequently on a regular basis and in a comprehensive manner. He informed members that shark prevention nets would not be kept throughout the year in some beaches. He also undertook to consider the necessity of maintaining the existing number of nets in the long run.

Adm

50. The Chairman said that some residents in Lantau had expressed concern whether they were safe from shark's attack when they swam in winter times. He requested the Administration to provide information on the details of the beaches where shark prevention nets would not be kept in the winter. DD of LCS(LS) undertook to provide the information after the meeting. He added that members' suggestion on retaining the nets in certain beaches in winter time would be welcome.

Cultural facilities

Programme Partnership Scheme

51. Mr MA Fung-kwok asked whether the Programme Partnership Scheme had been started. DD of LCS(C) responded that LCSD had just launched the pilot Programme Partnership Scheme at two venues, namely Yuen Long Theatre and North District Town Hall where experienced local arts organisations and individual artists were invited to submit proposals on cultural programmes to be organised. In the year 2002-03, LCSD expected to strengthen the co-operation with those arts organisations selected as its partners by offering them performing venues and facilities at no charge together with a subsidy based on their proposals. In return, the arts organisations should plan and organise cultural programmes for a specified period and these programmes should match the artistic identity and development of the venues. LCSD would not specify in the tender the details of the activities to be held for it would be entirely up to the initiatives of individual organisations. Should the cultural programmes yield revenue, the organisations would be free to use the money to cover the expenses of their activities. Mr MA further asked and DD of LCS(C) replied that the specified period might take up 40 to 50% of the time for the venue to be used.

52. DD of LCS(C) said that at present, LCSD was assessing the proposals received and would identify suitable partners shortly. These proposals would

Action

include specific recommendations, such as the means to promote the activities and whether the activities were free of charge etc. LCSD would assess the effectiveness of the Scheme by conducting an opinion survey in due course and decide whether the Scheme should be implemented in other performing venues.

53. Mr MA Fung-kowk asked about the criteria to assess the suitability of individual arts organisations. DD of LCS(C) responded that the considerations would include the following:

- (a) the qualifications and achievements in art, such as the past performance records, and administrative and financial capabilities to organise the activities;
- (b) the experience in promoting arts education and related activities, and the relationship with community organisations;
- (c) the artistic value, creativity and types of the activities proposed and the qualifications of the artists who would participate in those activities;
- (d) whether the activities could cater for the need of the community and strengthen the community's ability in arts appreciation; and
- (e) the suitability of the image designed for the venue and the ability to increase its usage rate and estimate the number and level of prospective audience.

54. Dr TANG Siu-tong enquired how the programme quality could be maintained after the implementation of the pilot Programme Partnership Scheme in Yuen Long Theatre and North District Town Hall. DD of LCS(C) explained that the Scheme aimed at giving more room for the selected arts organisations to design and develop the promotion of the activities. However, as the details of the organisations' proposals had to be approved by LCSD, the Administration would play an overall monitoring role to ensure the programme quality.

New ticketing service

55. Mr Tommy CHEUNG expressed support for the outsourcing policy. He hoped that outsourcing schemes could reduce the cost and improve the service quality. He emphasised that the new ticketing service must be user-friendly and affordable to users of the venues. He enquired about the schedule for the implementation of the new ticketing service.

Action

56. DD of LCS(C) pointed out that the existing URBTIX ticketing services had been in place for many years. A new and improved ticketing system was needed to cope with the present demand. In November 2001, LCSD conducted a Request For Information to invite the industry to give proposals on developing a new ticketing service, specifically on the backend computer and the network system. The industry was expected to respond by the middle of January 2002. Tender submissions would be invited in late 2002 and the new ticketing system was expected to be in place in 2003. Cost would be a major consideration in evaluating tender submissions.

57. Mr Tommy CHUNG said that LCSD should consider using ticketing systems which were already available in the market. DD of LCS(C) responded that in order to reduce cost, LCSD would welcome contractors to offer a ready-made ticketing system. She emphasised that LCSD planned to outsource the services on backend computer only but not other frontline ticketing services at the present stage.

Assessment on the merits of outsourcing

58. Mr MA Fung-kwok enquired about the extent of the cost-effectiveness enhanced after outsourcing and how the quality of the outsourced service would be assessed.

59. DD of LCS(LS) advised that a survey was conducted for the IGH in Butterfly Beach (one of the six outsourced IGHs) before and after outsourcing. The result showed that both the service quality and the usage rate of the IGH had not changed much. However, the cost of all the six outsourced IGHs was lowered by some 10 to 30%. At present, the management of the other 5 IGHs had only been outsourced for about six months and the Administration would conduct an opinion survey on the service quality when they had been outsourced for a year. By that time, the Administration would also review whether the contractors had been able to increase the type of services provided by making the best use of the facilities of the venues.

60. Dr TANG Siu-tong asked whether outsourced IGHs would be used for purposes other than the intended one. DD of LCS(LS) explained that flexibility would be allowed for the contractors to make use of the facilities of the venues to develop new services with a view to increasing the usage rate, on the condition that provision of the new services did not go against the purposes of providing such facilities.

61. Although LCSD had got its own information technology (IT) division as well as horticulture and amenities section, Mr Andrew CHENG observed that it

Action

still used over \$390 million and \$160 million in outsourcing IT maintenance and horticultural maintenance respectively. Besides, services like laundry, printing and repair of furniture were also outsourced at a cost of over \$80 million. Mr CHENG asked how the Administration could justify that the services would be better delivered by service contractors instead of LCSD itself.

62. DD of LCS(LS) advised that the three criteria to assess and ensure the effectiveness of outsourced services were as follows:

- (a) The cost of outsourced services should be lower than that operated by the Administration. Although the existing service contracts amounted to over \$1,500 million, the cost would be even higher if the services were provided by LCSD;
- (b) The contractor would be required to comply with the performance requirements specified in the service contracts; and
- (c) Opinion surveys among users would be conducted.

63. Mr Andrew CHENG stressed that he did not object to outsourcing altogether but was only concerned about the cost-effectiveness. To justify the outsourcing schemes, he requested the Administration to provide a comparison between the cost of outsourcing the services and that of providing the same services by LCSD; and the change in efficiency before and after outsourcing.

Adm

64. The Chairman asked whether the Administration would launch another round of outsourcing schemes and if yes, how many staff would be affected. DD of LSC(LS) replied that the Administration had no immediate plan to launch further outsourcing schemes on the recreation and sports services front. He assured members that the Administration would consult the Panel if any concrete plan was devised.

VI. Any other business

65. There being no other business, the meeting ended at 1:05 p.m.