

立法會
Legislative Council

Paper No. WKCD-100
(These minutes have been
seen
by the Administration)

Ref : CB1/HS/2/04

**Subcommittee on
West Kowloon Cultural District Development**

**Minutes of second meeting held on
Monday, 21 February 2005, at 10:45 am
in Conference Room A of the Legislative Council Building**

- Members present** : Hon Alan LEONG Kah-kit, SC (Chairman)
Hon James TO Kun-sun (Deputy Chairman)
Hon James TIEN Pei-chun, GBS, JP
Hon Albert HO Chun-yan
Ir Dr Hon Raymond HO Chung-tai, S.B.St.J., JP
Hon Margaret NG
Hon CHAN Kam-lam, JP
Hon SIN Chung-kai, JP
Hon Jasper TSANG Yok-sing, GBS, JP
Hon Emily LAU Wai-hing, JP
Hon Timothy FOK Tsun-ting, GBS, JP
Hon Abraham SHEK Lai-him, JP
Hon Tommy CHEUNG Yu-yan, JP
Hon Albert CHAN Wai-yip
Hon Audrey EU Yuet-mee, SC, JP
Hon LEE Wing-tat
Dr Hon KWOK Ka-ki
Hon Ronny TONG Ka-wah, SC
Hon CHIM Pui-chung
Hon Patrick LAU Sau-shing, SBS, JP
Hon Albert Jinghan CHENG
- Members absent** : Dr Hon LUI Ming-wah, JP
Hon Mrs Selina CHOW LIANG Shuk-ye, GBS, JP
Hon LAU Wong-fat, GBS, JP
Hon CHOY So-yuk
Hon LEUNG Kwok-hung
Hon CHEUNG Hok-ming, SBS, JP

Hon KWONG Chi-kin

- Public officers attending** : Mr SUEN Ming-yeung, Michael, GBS, JP
Secretary for Housing, Planning and Lands
- Mrs Rita LAU, JP
Permanent Secretary for Housing, Planning and
Lands (Planning and Lands)
- Mr Bosco FUNG, JP
Director of Planning
- Miss AU King-chi, JP
Deputy Secretary for Housing, Planning and Lands
(Planning and Lands)³
- Mr KWAN Pak-lam, JP
Project Manager/Kowloon
Civil Engineering and Development Department
- Ms CHIU Yuen-chu, Lolly, JP
Deputy Secretary for Home Affairs
- Mr Vincent FUNG
Principal Assistant Secretary for Home Affairs
(Culture) 1
- Clerk in attendance** : Miss Odelia LEUNG
Chief Council Secretary (1)⁴
- Staff in attendance** : Ms Pauline NG
Assistant Secretary General 1
- Ms Bernice WONG
Assistant Legal Adviser 1
- Ms Alice AU
Senior Council Secretary (1)⁵
- Mr Anthony CHU
Council Secretary (1)²
- Miss Michelle NIEN
Legislative Assistant (1)³
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I Confirmation of minutes

- (Paper No. WKCD-87 -- Minutes of meeting on 4 February 2005
Paper No. WKCD-88 -- List of relevant papers)

The minutes of the meeting held on 4 February 2005 were confirmed.

2. Members noted the list of relevant papers (Paper No. WKCD-88).

II Work plan and procedure for the Subcommittee

- (Paper No. WKCD-90 -- Paper prepared by the Legislative Council Secretariat on "Proposed Work Plan"
Paper No. WKCD-89 -- Points to note on the Procedures of the Subcommittee on West Kowloon Cultural District Development)

3. The Subcommittee deliberated (Index of proceedings attached at the **Annex**).

Points to note on the Procedures of the Subcommittee

4. The Subcommittee noted the paper on "Points to note on the Procedures of the Subcommittee on West Kowloon Cultural District Development" (Paper No. WKCD-89) which set out the relevant procedures applicable to subcommittees formed under the House Committee with reference to the Rules of Procedure and the House Rules.

Proposed work plan

5. The Chairman invited members to take note of the paper prepared by the Secretariat on "Proposed Work Plan" (Paper No. WKCD-90).

6. At members' suggestion, representatives of the Administration were invited to join the discussion.

7. Ms Emily LAU was agreeable to the proposed work plan, and sought assurance from the Administration that it would fully co-operate with the Subcommittee in its work. Mr Albert CHAN was concerned that the Administration might go ahead with the WKCD proposal without taking into account the Subcommittee's work. Mr Ronny TONG opined that the Administration should provide the Subcommittee with the opinions collected during public consultation before briefing the Subcommittee on the outcome.

8. Taking note of the Subcommittee's work plan, the Secretary for Housing, Planning and Lands assured members that the Government would work closely with the Subcommittee to tie in with the proposed time frame. The

Administration would also endeavour to provide information as requested by members in a timely manner. Taking into account the on-going public consultation and the Administration's current timetable on the West Kowloon Cultural District (WKCD) development, he said that no major decision on the project would be made before the end of May 2005. He added that the Administration would brief members on views and opinions collected during the current public consultation exercise. The Administration would not make any major decision before members' views were canvassed in this regard.

9. Mr CHAN Kam-lam noted that the Subcommittee would tackle the question of whether the proposed WKCD project was the best way to use the 40-hectare land in West Kowloon as late as end-April. He considered the question a fundamental issue which ought to be dealt with at the earliest stage. Without establishing this premise, it would make all the ensuing discussions futile and meaningless. Similar view was expressed by Mr Patrick LAU.

10. Ms Margaret NG and Ms Audrey EU were of the view that without looking into the shortfall and long-term needs in the development of arts and culture in Hong Kong, it was difficult to assess whether the cultural facilities as proposed in the Government's present WKCD proposal were appropriate. The question was related to whether the proposed facilities ought to be developed in West Kowloon, rather than whether WKCD should be developed. They considered it more logical to first study the Government's approach in taking forward the WKCD development as a Public Private Partnership (PPP) project, as well as the shortfall and long-term needs in the development of arts and culture in Hong Kong, before deciding on the appropriateness of the facilities to be built in West Kowloon.

11. Mr James TIEN said that while he had no strong view on the point raised by Mr CHAN Kam-lam, it was the clear stance of the Liberal Party that it supported the WKCD development but opposed to the canopy and the single-package development approach.

12. Mr James TO stated that the Democratic Party was in support of the WKCD development but opposed to the canopy and the single-package development approach. While agreeing to the work plan in principle, he was concerned that the Subcommittee might not have enough time to cover such a wide scope of study, especially when arts policy was involved. In this respect, he urged the Administration to fully co-operate with the Subcommittee by providing as much information as available at the earliest stage. Mr TO also pointed out that the Subcommittee might also need to consider whether and how to further consult the public at a later stage.

13. Dr KWOK Ka-ki expressed agreement to the proposed work plan and reiterated that there was general community support for WKCD. However, the public was gravely concerned about how the development was being taken forward and what arts and cultural facilities would be provided.

14. After deliberation, Mr CHAN Kam-lam confirmed that he had no objection to the proposed work plan. Members agreed that the Subcommittee would conduct its study in two phases and that a report would be made to the House Committee upon completion of each phase of work. Phase I of the study would be completed by the end of 2004-05 session and Phase II by the end of 2005. Members further agreed that the work plan would only serve as a guide. The sequence and timeframe in studying the various issues as set out in the work plan might vary as circumstances warranted.

III Meeting with the Administration

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| (Paper No. WKCD-81 | -- | List of information to be provided by the Administration |
| Paper No. WKCD-91 | -- | Paper provided by the Administration |
| Paper No. WKCD-83 | -- | Publication of the Efficiency Unit entitled "Serving the Community by using the private sector: An introductory guide to Public Private Partnerships" |
| Paper No. WKCD-92 | -- | Chinese translation of Annex B to the Efficiency Unit's publication entitled "Serving the Community by using the private sector: An introductory guide to Public Private Partnerships") |

15. Members raised questions on the papers provided by the Administration and the Efficiency Unit's publication entitled "Serving the Community by using the private sector: An introductory guide to Public Private Partnerships" (the Introductory Guide). The Administration responded.

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16. To facilitate members' consideration, the Administration was requested to provide information on the following before the next meeting:

- (a) reports and findings of all studies, researches and surveys that the Government had made reference to in arriving at the decision to develop the 40-hectare of land in West Kowloon as a world class integrated arts, cultural and entertainment district;
- (b) to what extent and in what aspects the WKCD project as proposed by the Government had adhered to the guiding principles specified in the Introductory Guide, and whether there were any deviations. If there were deviations, reasons for such deviations and the principles that the Government had followed in these deviations;
- (c) with reference to Chapter 8 of the Introductory Guide, whether the Administration had conducted any Public Sector Comparator for

the WKCD development;

- (d) comparison between using the conventional procurement approach and the PPP approach in terms of value for money;
- (e) with reference to Chapter 14 of the Introductory Guide, information on the Government's consideration on land issues in the WKCD development, in particular ownership of land/facilities and disposal of land granted;
- (f) results of financial analysis made by the Government before adopting the PPP approach as against the conventional procurement approach, as well as the decision to use 30-year as the operation period and 1.81 as the baseline plot ratio; and
- (g) role played by the Town Planning Board in relation to the WKCD development.

IV Any other business

17. Members agreed that the next meeting of the Subcommittee would be held on Wednesday, 16 March 2005, at 8:30 am to continue discussion with the Administration. Taking into account the previous views submitted by the Hong Kong Institute of Surveyors on PPP, members agreed that representatives of the Institute be invited to attend the meeting to further elaborate their views. The Efficiency Unit would also be invited to attend the meeting to explain the guidelines adopted by the Government in taking forward PPP projects.

18. Members agreed that the fourth to sixth meetings of the Subcommittee would be held on 23 March, 8 and 22 April 2005 respectively.

19. The meeting ended at 12:45 pm.

**Proceedings of the second meeting of the
Subcommittee on West Kowloon Cultural District Development
on Monday, 21 February 2005, at 10:45 am
in Conference Room A of the Legislative Council Building**

Time marker	Speaker	Subject(s)	Action required
000000 – 000358	Chairman	<ul style="list-style-type: none"> - Confirmation of minutes of the meeting held on 4 February 2005 (Paper No. WKCD-87) - List of relevant documents (Paper No. WKCD-88) 	
000359 – 000822	Chairman Ms Audrey EU Clerk	Points to note on the Procedures of the Subcommittee (Paper No. WKCD-89)	
000823 – 012050	Ms Margaret NG Chairman Ms Emily LAU Administration Ms Audrey EU Mr CHAN Kam-lam Ms Emily LAU Deputy Chairman Mr Patrick LAU Mr Ronny TONG Mr Albert CHAN Ms Margaret NG Dr KWOK Ka-ki Mr James TIEN	Deliberation on the proposed work plan (Paper No. WKCD-90) <ul style="list-style-type: none"> - the Administration's co-operation with the Subcommittee - timing of the Administration's briefing to the Subcommittee on the opinions collected during public consultation - whether the proposed WKCD project was the best way forward to use the 40-hectare land in West Kowloon - shortage of time to complete study - need to further consult public views 	The Administration undertook not to make any major decision on the WKCD development before the end of May 2005. The Administration would brief members on the opinions collected during public consultation. The Subcommittee to conduct its study in two phases with report made to the House Committee upon completion of each phase of work by end of 2004-05 session and end of 2005 respectively.

Time marker	Speaker	Subject(s)	Action required
012051 – 012429	Administration	Presentation of the Administration's paper (Paper No. WKCD-91)	
012430 – 013305	Deputy Chairman Administration	<ul style="list-style-type: none"> - The Administration's decision process on the proposed mode and approach for the development of WKCD - Considerations in the planning of proposed facilities in WKCD 	The Administration to provide information as per paragraph 16(a) of the minutes.
013306 – 014123	Mr LEE Wing-tat Administration	<ul style="list-style-type: none"> - Planning development control over the 30-year operation period - Role of Town Planning Board 	
014124 – 015215	Ms Margaret NG Administration Chairman	<ul style="list-style-type: none"> - Compliance or otherwise of the WKCD project as proposed by the Government with the Efficiency Unit's Introductory Guide to Public Private Partnerships (the Introductory Guide) - the Administration's explanation that: <ul style="list-style-type: none"> (a) the Introductory Guide had yet to be published when planning for the WKCD development was being undertaken; (b) the Invitation for Proposals process for the development of WKCD was well in line with the underlying key principles of the Introductory Guide; and (c) in keeping with the policies on accountability and transparency, the Government had consulted the Legislative Council throughout the process. 	The Administration to provide information as per paragraph 16(b), (c) and (d) of the minutes.
015216 – 015542	Ms Audrey EU Administration	Value for money studies on the WKCD development including <i>inter alia</i> the preparation of Public Sector Comparator	The Administration to provide information as per paragraph 16(f) of the minutes.

Time marker	Speaker	Subject(s)	Action required
015543 –015823	Chairman Mr Albert HO Mr Albert CHENG	- Financial analysis models for WKCD - Role of Town Planning Board	The Administration to provide information as per paragraph 16(e) and (g) of the minutes.
015824 – 020037	Chairman	Date of next meeting Schedule of future meetings	

Council Business Division 1
Legislative Council Secretariat
11 March 2005