

**Subcommittee on West Kowloon Cultural District Development
Need for Venue of Cultural and Performing Groups**

Q1. Many cultural and performing groups have expressed concern about the difficulty in finding suitable venues for rehearsal and performance. Has Government conducted any surveys and/or studies in this regard? If the answer is “yes”, please provide the details of the surveys and/or studies. If the answer is “no”, please explain why and how Government assesses the need for cultural and performance venues.

A1: A number of studies and surveys have been conducted in the past relating to provision of cultural facilities in the territory. These studies provided the basis for Government’s assessment of the needs for additional cultural facilities at the territory-wide and the regional/district level:

1. “Cultural Facilities: A Study on Their Requirements and the Formulation of New Planning Standards and Guidelines” commissioned by the Planning Department (1999)

The Planning Department identified in the report the need for the following cultural facilities:

- commercial cultural facilities for major international performances which are also significant tourist attractions;
- purpose-designed medium scale performing venues of 600 to 1,000 seats;
- private sector provision of small scale performance studio venues with 100 to 300 seats.

The report also pointed out that the demand for cultural facilities was primarily driven by public policies on the arts and led by the supply of facilities.

It also proposed that a “cultural district” framework be adopted as the horizontal agglomeration of cultural facilities, arts activities and the supporting services, entertainment, hotel and retail / restaurant facilities would provide the critical mass to encourage greater participation by residents and visitors.

2. “Study on the Feasibility of a New Performance Venue for Hong Kong” commissioned by the former Hong Kong Tourist Association (1999)

The former Hong Kong Tourist Association (HKTA) conducted a survey back in 1996, in which about 1.3 million respondents expressed interest in the arts and cultural programmes, entertainment and major events. The HKTA reported the findings to the then Legislative Council in 1998 and proposed that more large-scale performance venues should be provided in the territory.

The study report released in 1999 by HKTA identified the need for two performance facilities:

- A 1,500 to 2,200-seat theatre for sophisticated performances, such as musicals, theatre shows, cultural performances, dances and plays.
- A semi-outdoor open venue accommodating 6,000 – 8,000 audiences for a wide range of events, such as concerts, cultural performances, circuses, acrobatic shows, festivals and exhibitions.

3. “The Consultancy Study on the Provision of Regional / District Cultural and Performance Facilities in Hong Kong” commissioned by the Home Affairs Bureau and Leisure and Cultural Services Department (2002)

The Consultant has indicated that there is a lack of a large-scale venue for long commercial runs and a lack of medium and small-scale spaces in Hong Kong. It is recommended that consideration should be given to the provision of the following facilities in the West Kowloon Arts, Cultural and Entertainment District :

- A large-scale venue (1 700 + seats) for long commercial runs
- A medium-scale theatre (500-900 seats)
- A dedicated medium-scale concert hall
- Other small-scale performing spaces
- Rehearsal spaces/workshops

Q2. Is there any Government policy on provision of venues for cultural and performing groups for rehearsal and performance? How would the West Kowloon Cultural District development tie in with the Government policy?

A2. The policy on provision of venues for cultural and performance groups is in line with the overall government policy on arts and culture, which is, inter alia, we encourage pluralism and diversity, act as a facilitator, and provide various kinds of support, including venues. Specifically, we would wish to provide venues to various groups in a fair and equitable manner.

Meanwhile, the arts and cultural sector has clearly expressed that :

- (a) there is a severe shortage of high quality performance venues of different sizes; and
- (b) they would wish to see the provision of new venues not under the operation of the government.

In fact, previous consultancy studies have indicated that public policies play an important role on arts and culture development of Hong Kong. The history of arts development in Hong Kong has indeed been driven by public policies on the arts and led by the supply of facilities. As mentioned above, it is our policy to facilitate the development of arts and culture in Hong Kong, hence there is a need to have more good facilities suitable for cultural and performing groups to present their work.

According to the usage pattern of the existing LCSD cultural venues, there is a great demand for small- to medium-scale theatres. In addition, there is also an evident need for a theatre suitable for staging large-scale operas, musicals and other stage performances. Therefore, in deciding the capacity and the technical facilities of all theatres in the Theatre Complex and the large-scale Performance Venue within the West Kowloon Cultural District, the Government has taken into account the existing capacities of other theatres in the territory, its experience in operating similar facilities, and the views from the arts and cultural sector.

Q3. What is the existing policy on charging of fees for use of performance venues by cultural and performing groups? Is there any subsidy by Government in this respect? If so, please provide the amount of subsidy for each cultural and performance group for the past three years.

A3. Fees and charges for the use of Leisure and Cultural Services Department (LCSD) performing arts facilities are set at an affordable level to enable users to pursue their artistic or community-building goals. Apart from hiring out the facilities and contracting out the catering outlets and shops in certain venues, the LCSD performing arts venues have limited sources for earning income. Most of these venues (with the exception of the Hong Kong Coliseum) are operated at a subsidy ranging from 32% to 79% in 2003/04. Different scales of hire charges are set for different venues reflecting their locations, seating capacity, scope, scale and quality of facilities provided, marketability and public demand. To maximize usage, LCSD offers incentive schemes to encourage hiring at non-peak hours and consecutive bookings.

To encourage the communities' own endeavours in arts and cultural activities, a Rental Subsidy/ Reduction Scheme has been adopted to enable non-profit organizations to hire the facilities with discounts ranging from 50% to 80% of the hire charges. The proposed activities, except for rehearsals, should be open for public participation.

As for the use of facilities by local performing groups, the following policies are in operation:

- (a) For arts organizations subvented by LCSD (i.e. HK Philharmonic Orchestra, HK Repertory Theatre, HK Chinese Orchestra, HK Dance Company and HK Arts Festival), they are required to pay full hire charges based on a no-hidden-subsidy approach.
- (b) For other non-profit organizations using LCSD performing arts facilities, they are offered a rental subsidy/ reduction of hire charges as described above. Total revenue foregone and number of bookings benefited from the rental subsidy/reduction scheme in the past 3 years are at **Appendix 1**.

- (c) If artists are presented or sponsored by LCSD, their venue charges are waived, but the expenditure incurred would be accounted for as notional venue charges for monitoring the total production cost of a programme. Such notional sum incurred in the past 3 years are at **Appendix 2**.

- (d) To promote arts development at the district level, LCSD also provides support to district arts organizations by offering free venues for arts-related activities. The number of such supports and the related notional venue charges incurred in the past 3 years are at **Appendix 3**.

**LCSD Cultural Venues – Rental Subsidy/ Reduction Scheme
in Support of Arts and Community Groups**

Venues	No of bookings and Revenue Forgone under Rental Subsidy/Reduction Scheme					
	2001/02		2002/03		2003/04	
	No of bookings	Revenue Forgone (HK\$)	No of bookings	Revenue Forgone (HK\$)	No of bookings	Revenue Forgone (HK\$)
1. Hong Kong City Hall	400	6,989,745	364	4,980,505	325	6,231,691
2. Hong Kong Cultural Centre	278	5,071,152	290	5,898,000	301	6,187,000
3. Hong Kong Coliseum	0	0	0	0	0	0
4. Queen Elizabeth Stadium	40	579,546	25	562,541	32	519,280
5. Ko Shan Theatre	205	1,552,755	158	1,719,248	202	1,659,695
6. Ngau Chi Wan Civic Centre	147	670,540	166	819,352	129	726,150
7. Sai Wan Ho Civic Centre	182	835,250	151	595,980	147	963,695
8. Sheung Wan Civic Centre	246	777,095	265	690,115	300	747,547
9. Tsuen Wan Town Hall	94	1,177,059	110	1,813,349	87	1,223,656
10. Tuen Mun Town Hall	83	1,139,737	117	1,142,144	109	1,210,212
11. North District Town Hall	49	260,170	42	340,342	63	585,004

Venues	No of bookings and Revenue Forgone under Rental Subsidy/Reduction Scheme					
	2001/02		2002/03		2003/04	
	No of bookings	Revenue Forgone (HK\$)	No of bookings	Revenue Forgone (HK\$)	No of bookings	Revenue Forgone (HK\$)
12. Tai Po Civic Centre	70	376,279	38	204,543	32	197,093
13. Sha Tin Town Hall	122	2,033,037	133	2,521,848	158	2,708,675
14. Kwai Tsing Theatre	131	2,698,329	122	1,982,262	105	3,012,919
15. Yuen Long Theatre	85	1,348,453	75	934,773	106	1,166,637
Total	2,132	25,509,147	2,056	24,205,002	2,096	27,139,254

Appendix 2

Notional Venue Charges Incurred in Presenting/ Sponsoring Artists and Arts Programmes

Year	Notional venue charges incurred in presenting / sponsoring artists and arts programmes	Total no. of Programmes
2001/02	\$43.9 m	405
2002/03	\$44.5 m	427
2003/04	\$39.9 m	414

Venue Support to District Arts Organisations

Year	Notional Hire Charges for District Arts Organisations	Total no. of bookings
2001/02	\$5.4 m	155
2002/03	\$5.9 m	332
2003/04	\$7 m	252