

For information

Legislative Council Panel on Home Affairs
Advisory Committee on Arts Development

Purpose

Further to the information paper issued in November 2010, this paper updates Members on the work of the Advisory Committee on Arts Development (ACAD) and the new funding scheme to be set up under the advice of the Committee.

Establishment of the ACAD

2. In seeking support from this Council (LegCo) for the injection of funds into the Arts and Sport Development Fund (ASDF), we briefed this Panel in May 2010 that a new committee would be set up to advise the Secretary for Home Affairs (SHA) on, among other things, the use of the arts portion of the ASDF. The LegCo's Finance Committee approved our proposal in July 2010 and \$1.5 billion (i.e. \$3 billion shared equally between the arts and sport portions) has been injected into the arts portion of the ASDF.

3. As mentioned in the November 2010 paper¹, the ACAD was set up for the first term of two years from 1 November 2010 to 31 October 2012 with the appointment of 12 non-official Members (including the Chairman) and three ex-officio members. Prior to November 2010, there were three committees advising Home Affairs Bureau (HAB) on the performing arts, namely the Committee on Performing Arts, the Advisory Committee on the Arts Development Fund, and the Funding Committee for the Performing Arts whose terms expired in end October 2010. Neither of these committees dealt with visual arts. The purpose of establishing the ACAD was to rationalize the advisory committee structure of HAB and to provide an opportunity to incorporate other disciplines of the arts, particularly in the development of a new funding scheme.

¹ LC Paper No. CB(2)615/10-11(02)

4. Since its establishment, four Sub-committees have been established under the ACAD to take forward its different areas of work and make recommendations to the Committee as appropriate. Details are as follows:

(a) Sub-committee on the Arts Capacity Development Funding Scheme

5. The ACAD is tasked to advise SHA on the design and implementation of a new funding scheme entitled Arts Capacity Development Funding Scheme to fill the gaps of existing public funding sources and to encourage sponsorship of arts development. The Sub-committee on the Arts Capacity Development Funding Scheme is responsible for assessing applications under the Scheme and drawing up recommendations in respect of order of priority, appropriate funding level and conditions to be attached to the disbursement of grants. More information about the new funding scheme is set out in paragraphs 9 to 18.

(b) Sub-committee on Funding for the Performing Arts

6. The HAB provides regular recurrent funding to nine major performing arts groups², amounting to a total of around \$264 million in 2010/11. The Sub-committee on Funding for the Performing Arts advises on the funding policies for the performing arts and examines the funding applications from major performing groups. The Sub-committee met with representatives of the nine major performing groups in February 2011 and had useful exchanges. It also oversees a consultancy study which aims to review the objectives of public funding for the performing arts in Hong Kong and to draw up a sustainable funding mechanism to facilitate the flexible development of the sector. The study is scheduled for completion within 2011.

(c) Sub-committee on the Arts Development Fund

7. The Arts Development Fund (ADF) is a Government fund

² The nine groups include the Hong Kong Chinese Orchestra, the Hong Kong Dance Company, the Hong Kong Repertory Theatre, the Hong Kong Philharmonic Orchestra, the Hong Kong Sinfonietta, the Hong Kong Ballet, City Contemporary Dance Company, Chung Ying Theatre Company and Zuni Icosahedron.

providing financial support for local artists and arts groups to participate in representative cultural exchange events outside Hong Kong. It aims at strengthening cultural exchanges between Hong Kong and other places, promoting Hong Kong's culture and arts and enhancing the image of Hong Kong in the international arts community. The available resources of ADF stand at \$15.54 million as at 1 March 2011. The body that used to advise HAB on the usage of ADF was the Advisory Committee on the Arts Development Fund. In line with the ACAD's responsibility to advise on the promotion of cultural exchange to enhance the profile of Hong Kong's arts and culture in the Mainland and overseas, the function of advising on the ADF is subsumed under ACAD through the establishment of this Sub-committee.

(d) Sub-committee on Arts Education

8. Promotion of arts education is conducive to audience building and capacity building of arts groups in the long run. The Sub-committee on Arts Education advises on the provision of arts education in Hong Kong, including considering the recommendations put forth in a consultancy study on public arts education, which is close to completion, and advising on the implementation of enhancement measures accepted by the Government.

Arts Capacity Development Funding Scheme

Annual Provision

9. With an injection of \$1.5 billion to the arts portion of the enhanced ASDF, it is estimated that an annual provision of about \$60 million would be available for disbursement³. Out of the \$60 million, \$30 million are earmarked as an enhanced provision for the Hong Kong Arts Development Council (HKADC) to support schemes / projects under its purview, and \$30 million will be disbursed under the Arts Capacity Development Funding Scheme.

³ Based on the assumption of an average annual investment return rate of 4% per annum in the long run.

Goals

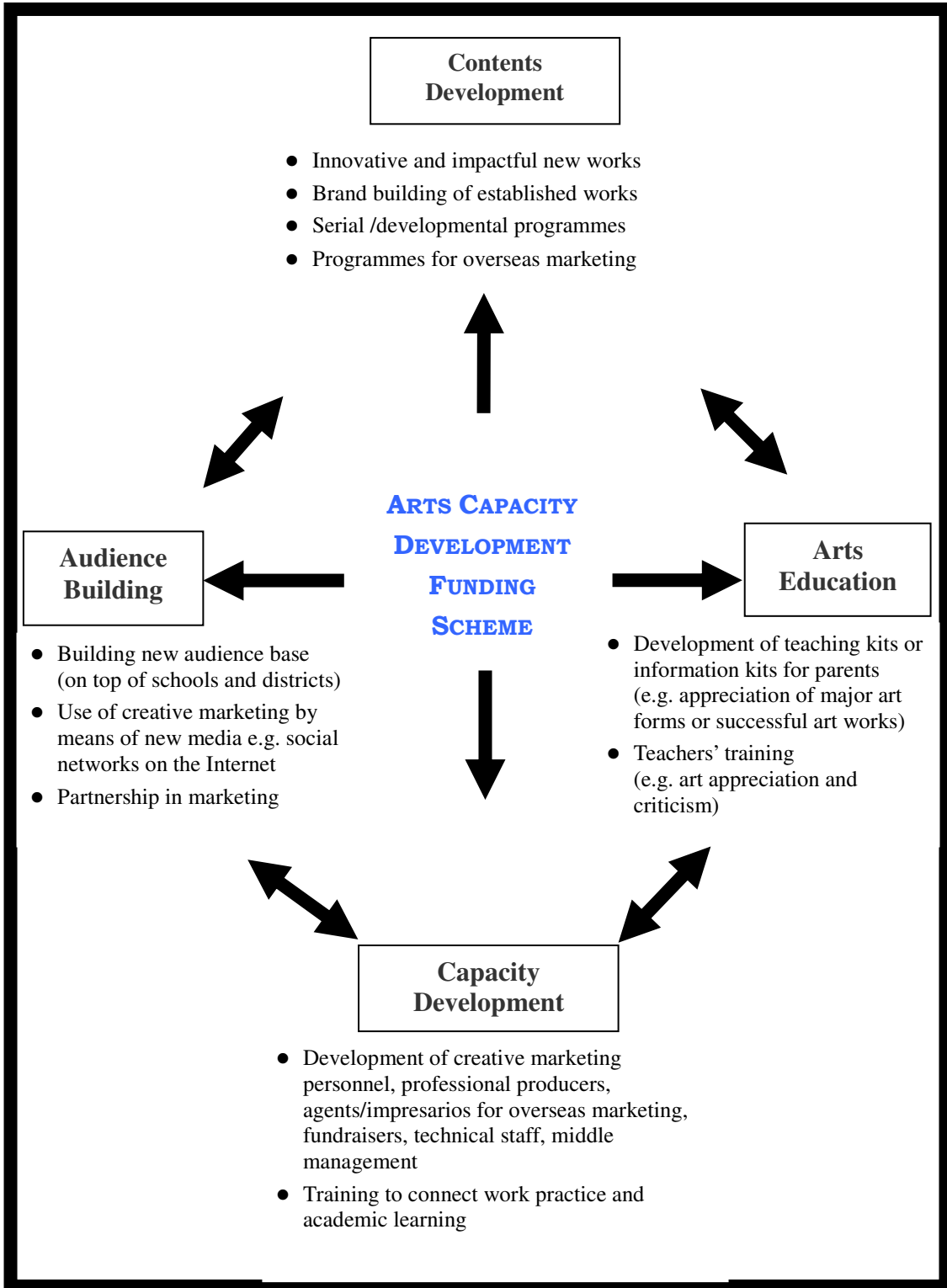
10. The Arts Capacity Development Funding Scheme seeks to enhance the artistic capacity of local artistic talents, in particular those in the performing and visual arts, by supporting promising artists and small to medium sized arts groups with a strategic funding arrangement. The Fund also seeks to cultivate a supportive culture for the arts in the community and to foster a tripartite partnership among the Government, arts groups and the private sector to promote arts and cultural development in Hong Kong.

Design of the Funding Scheme

11. The details of the new funding scheme is still being worked out. The ACAD held three focus group meetings in January 2011 to gauge stakeholders' views on the design of the new funding scheme. While the details are being finalized, the major objectives and the likely key features of the funding scheme incorporating views received from artists and arts groups are set out below.

Major Objectives

12. In line with our multi-pronged approach to promote software development, the ACAD considers that capacity development is the prevailing need of the arts sector and should be the focus of the new funding scheme. The Arts Capacity Development Funding Scheme is also proposed to support applications that meet the four major objectives of arts development, viz. contents development, audience building, arts education and capacity development. Some examples of priorities under these objectives are shown in the following diagram -



Categories of Grants

Project Grants

13. Project Grants of \$1 to \$2 million are offered to artists and arts groups to support initiatives and projects of a scale that is bigger than those supported by the HKADC. We seek to support arts programmes / schemes that aim to fulfill one or more of the four major objectives but are not supported by other existing public funding sources.

Springboard Grants

14 Springboard Grants provide funding on a matching basis for the overall institutional development of an arts group. Setting the minimum level of pledged commercial sponsorship / income at \$1 million, the grantee will get funding support on a more than a dollar-to-dollar match and the support may be extendable for a second term. Applicants are required to submit plans on programmes and activities, manpower resources, marketing and fundraising, etc to demonstrate how the funding could be utilised to scale up the art group's capability and performance. This category of grant aims to provide a level of support which is higher than the 'subsistence level' grants that the HKADC is able to provide.

Eligibility

15. Individual arts practitioners, artist ensembles, arts groups (except the major performing groups which are receiving recurrent subvention from the Government and Cantonese Opera groups which can seek funding from the Cantonese Opera Development Fund) and joint applicants are eligible to apply for the Arts Capacity Development Funding Scheme. While applicants for Springboard Grants have to be registered non-profit making entities, this requirement does not apply to applicants for Project Grants so long as the nature of the programmes / schemes is non-profit-making.

Assessment Criteria

16. Applications will be assessed according to the following criteria -
a) artistic merit;

- b) creativity and originality;
- c) impact on arts sector and community;
- d) technical feasibility;
- e) financial viability; and
- f) track record and execution ability of applicants and participating arts practitioners.

Expert Advisers

17. To assist the Sub-committee on Arts Capacity Development Funding Scheme to assess the applications, a pool of expert advisers will be engaged as and when appropriate, to evaluate the artistic merit, impact on the art forms or arts circle, creativity and originality of the programme / scheme as well as the track record and execution ability of the applicants. Additional expert advisers may be identified on an ad-hoc basis for specific applications that require expertise outside the pool of expert advisers.

Evaluation Mechanism

18. Performance of the grantees is to be measured against qualitative and quantitative indicators. In addition to complying with generic reporting and appraisal requirements like submitting project delivery reports and audited financial reports, applicants are welcomed to propose additional performance indicators to evaluate their own performance. Interim reports will be required for Springboard grantees and programmes / schemes of a longer time frame.

Way Forward

19. We target to launch the Arts Capacity Development Funding Scheme in mid-2011. Guide to Application and other relevant documents will be published when the scheme is finalized, and briefings / workshops will be held to familiarize interested artists / arts groups with the requirements and application procedure.

Home Affairs Bureau
March 2011