

(Translation)

**Joint Subcommittee to Monitor the Implementation of
The West Kowloon Cultural District Project**

Response to the letter dated 7 January 2011 from Hon Alan Leong

Resignation of the Chief Executive Officer (CEO)

Mr. Graham Sheffield resigned for health reasons. He was advised by his doctor to resign with immediate effect. We value CEO's and his teams' experience in arts and expertise. We will also support the newly appointed CEO to make full use of his experience and expertise to promote the development of the West Kowloon Cultural District (WKCD).

Financial Arrangement

2. There is a professional team established under the West Kowloon Cultural District Authority (the Authority) to oversee the financial matters. They have already reviewed appraisal reports submitted by the three Conceptual Plan Consultants (CPCs) in order to assess the preliminary financial viability of each option. The phasing arrangements for the arts and cultural facilities of the WKCD will have impact on the financial projections. As the CPCs have made different assumptions on the phasing arrangements for the development of arts and cultural facilities, their respective financial projections are therefore different. After the preferred conceptual plan option has been selected, the Project Consultant engaged by the Authority will conduct a detailed financial assessment on the Development Plan to be formulated on the basis of the preferred option.

3. The Authority is currently seeking views from stakeholders regarding the artistic positioning and technical features of the performing arts facilities. It is suggested in the related consultation document that there should be a medium-sized theatre (not a blackbox theatre) inside the M+ to serve as an experimental

theatre of M+. The purpose is not for reducing expenses but for the development and presentation of brand new art works that facilitate interaction between visual arts and performing arts. Taking into account stakeholders' views, the Authority will further establish the artistic positioning and technical features of the performing arts facilities.

4. The Authority manages its finances in a prudent manner in accordance with the West Kowloon Cultural District Authority Ordinance. The Authority provides a statement of accounts in its annual report to be tabled each year to the Legislative Council (LegCo), which includes information on the income and expenses for that financial year and the remuneration of the senior management. The annual reports are uploaded to the Authority's website for public inspection to ensure transparency.

5. The Authority will closely monitor changes in the development cost and formulate appropriate financial arrangements for the WKCD based on the finalized Development Plan, the pace of development of the core arts and cultural facilities, fluctuation in construction prices and inflation, etc.. The Authority will endeavour to contain the total capital costs within the upfront endowment of \$21.6 billion, and has no plan to seek additional funding from LegCo.

Appointment of Members of the Board

6. The Authority performs a wide range of functions, including planning of the WKCD site, construction and operation of various arts and cultural facilities, cultivation and nurturing of local talents in the arts and promotion of arts education to the local community, etc. Hence, taking into account the different need of the project at its different stages of development, individuals possessing various expertise and experience are appointed to the Board to form a team that work closely together to perform the functions of the Board. According to the West Kowloon Cultural District Authority Ordinance, a number of members of the Board have to have extensive knowledge or wide experience in or exposure to arts

and cultural activities and are of good standing in the field of arts and culture. Similar to the appointment of members of other statutory bodies, the Administration will consider the competence, expertise, experience, integrity and commitment to public duties etc. of respective candidates when appointing members to the Board of the Authority.

Human Resources

7. Consisting of professionals and experts in various areas, the core Management Team of the Authority has commenced various tasks under the WKCD project. According to the West Kowloon Cultural District Authority Ordinance, a Remuneration Committee is set up to make recommendations to the Board on the Authority's organization structure and establishment, including staff remuneration and benefits, in line with the Authority's overall goals and objectives. The Authority will create relevant positions according to the needs at different stages of the project's development and will make adjustments to staff remuneration and benefits at appropriate time to attract and retain talents.

Consultation Panel

8. In February 2009, the Authority established its Consultation Panel pursuant to section 20 of the West Kowloon Cultural District Authority Ordinance to gather public views on matters relevant to the functions of the Authority. Members of the Consultation Panel come from various fields and possess relevant knowledge and experience.

9. The major tasks for the Consultation Panel at this stage are to plan the consultation programme for the preparation of the Development Plan, as well as to review and report to the Board the progress of the consultation programme, so as to ensure that the consultation is conducted in an open and transparent manner. The Consultation Panel has held five meetings which were open to the public. Discussion papers and minutes of the Consultation Panel are uploaded to the

Authority's website for public perusal. The Consultation Panel have made a lot of constructive recommendations on the arrangements for the Stage 1 and Stage 2 Public Engagement Exercises, including how to enhance the transparency of the public engagement exercise. The list of stakeholders groups includes persons with disabilities, senior citizens, community groups and ethnic minority groups etc. The Chairman of the Consultation Panel has also set up a facebook group to collect public's views on the development of the WKCD.

10. Through various public engagement activities organised by members of the Consultation Panel at schools and the community, including guided tours for students, seminars and district forums, the Authority enhances the understanding of people from different walks of life and various sectors of the preparatory work for the WKCD.

Cultural policy and Software development

11. Hong Kong is a free, diversified and open society. To facilitate cultural development, the Government is committed to upholding the freedom of cultural and artistic creation and expression, as well as providing an environment that supports the development of culture and the arts, both contemporary and traditional.

12. The Government and its partners are strengthening Hong Kong's cultural software through a multi-pronged approach, i.e. arts programme development, manpower training, promotion of arts education, audience building, and cultural exchanges. In the current financial year, the Government's expenditure in arts and culture exceeds \$2.8 billion (around 1% of the Government's total expenditure), which excludes capital works expenditure for construction of venues. In addition, we have reserved \$486 million for 2010-11 to 2014-15 to strengthen local cultural software development and manpower training through a series of measures. Specific measures include:

- (a) launching training programme for arts administrators to provide more internship and training opportunities for people engaging in arts administration;
- (b) increasing financial support to local major performing arts groups on top of their regular subvention to assist the groups in organizing audience building and educational outreach programmes at schools and the community, and in brand building through advancing cultural exchanges;
- (c) supporting students to participate in cultural and arts activities and stepping up the promotion of public art, organizing more popular arts and cultural activities to bring arts to the community;
- (d) providing additional resources to the Hong Kong Arts Festival for programme enrichment, supporting the production by local arts groups and artists as well as their exchanges with world-renowned performers; and
- (e) providing additional funding to various Cantonese Opera preservation, promotion and development projects and supporting budding Cantonese Opera talents.

13. In addition, we have injected \$1.5 billion into the arts portion of the Arts and Sport Development Fund as seed money and will use the annual investment returns to increase the funding to the Hong Kong Arts Development Council to promote the development of small to medium sized arts groups, to nurture budding artists and to promote arts appreciation and participation in the community.

14. In parallel, the Home Affairs Bureau has commissioned a consultant since March last year to conduct a study on funding for performing arts. Through examining the development of local performing arts sector and relevant overseas experience, the study aims to review the objectives of public funding for the performing arts in Hong Kong and to draw up a comprehensive proposal on a sustainable funding mechanism to facilitate the flexible development of the

performing arts sector. The consultant will seek views from arts groups and other stakeholders during the process through interviews, focus group discussions and other means.

15. Manpower training is vital to strengthening our cultural and arts team. In this regard, we have launched a new pilot Cultural Internship Scheme from 2009-10 to 2012-13 to sponsor local art administrators to undertake relevant programmes in the Mainland or overseas such as the UK Clore Leadership Programme. At the same time, the Authority is collaborating with various arts organizations and educational institutes to take forward a series of manpower training programmes, including setting up scholarships for cultural leadership training programmes to broaden the horizons of arts and cultural talents.

16. Regarding audience building, we will start with our young people and nurture their interests and abilities in the arts and culture. Arts education is one of the eight key learning areas of the school curriculum. Apart from music and visual arts, schools provide learning opportunities of various art forms, e.g. drama and dance, and through other subjects to provide relevant knowledge, cultural context and values to enrich arts education. In order to strengthen the students' interests and abilities in the arts and culture, the new senior secondary curriculum, which was introduced in 2009, provides various avenues for students to pursue arts education. For example, senior secondary students have the opportunity to participate in "Aesthetic Development" activities and can advance their arts and creativity development through taking music, visual Arts and applied learning courses.

17. We have been actively promoting arts and culture to the public. The Community Cultural Ambassador Scheme organized by the Leisure and Cultural Services Department supports local performing arts practitioners in conducting outreach/ promotional arts activities in various venues. We will organize more popular arts and cultural activities and step up the promotion of public art to

enhance the public's exposure to and appreciation of the arts, making arts part of life. We have launched various public and community arts programmes, including "ArtAlive@Park", "Park Déco" and "Art@Government Buildings" to provide more opportunities and exhibition space for local artists by showcasing the artworks of budding artists and students and installing facilities with arts flavor.

18. In order to develop local and overseas cultural markets, we will continue to promote cultural exchanges and support arts groups to perform, exhibit and undertake exchange in various places, and thus showcasing Hong Kong's creativity and building our cultural brand. Specific measures taken include entering into relevant cultural cooperation frameworks with various jurisdictions to create a conducive cultural exchange environment; deepening and widening cultural cooperation and exchanges between Hong Kong and Taiwan through the platform of Hong Kong-Taiwan Cultural Cooperation Committee; and launching new brand-building programmes and key exhibitions jointly with the Greater Pearl River Delta (GPRD) area through the GPRD Cultural Cooperation Meeting.

19. The establishment of the WKCD will provide room for the long-term development of arts and culture, enhance the public's quality of living and showcase Hong Kong's unique culture featuring the East and the West. Before the opening of the arts and cultural facilities in the District, the Authority will embark on a series of programmes in collaboration with educational institutions, arts groups and community organizations to link WKCD with the community and to groom talents for WKCD and the local arts sector. The Authority will also set up a Creative Learning Unit later this year to foster partnership with arts group and facilitate collaboration.

Homes Affairs Bureau

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