

LC Paper No. CB(2)1299/12-13(04)

Ref : CB2/PL/HA

Panel on Home Affairs

Background brief prepared by the Legislative Council Secretariat for the meeting on 14 June 2013

Monitoring of Private Recreational Leases

Purpose

This paper provides background information on Private Recreational Leases ("PRLs") and highlights the views and concerns of members of the Panel on Home Affairs ("the Panel") about the subject.

Background

Organizations operating under PRLs

2. PRLs require the grantees to permit outside bodies to make use of their facilities to organize sports and recreational activities. According to information provided by the Administration in July 2011, there were a total of 73 PRLs which involved 51 organizations (see **Appendix I**). In addition to private sports clubs, non-profit-making organizations such as social and welfare organizations, uniformed groups, National Sports Associations ("NSAs"), district sports associations and civil service organizations were granted land by the Government under PRLs. Among the 73 PRLs, 55 of them expired between November 2011 and December 2012. Out of the 55 PRLs, 23 are held by private sports clubs.

3. According to the Administration, the land leases concerned will be renewed, under the existing policy, if (a) there have been no breaches of the prescribed lease conditions on the part of the grantees; (b) the grantees' sites are not required for other public uses; and (c) the grantees have upheld a non-discriminatory membership policy. The discriminatory nature of a membership policy refers mainly to such aspects as race, religion, age, gender or other forms of discrimination. The amount of fee levied does not fall under the scope of discrimination.

Review on PRLs

4. At the Panel meeting on 13 May 2011, the Administration briefed members on the conclusions of its review on the extent to which organizations operating under PRLs could be more open to outside bodies and contribute more to the development of sports in Hong Kong. Members discussed the Administration's proposal of revising the conditions of PRLs. Having regard to members' views expressed at the meeting, the Administration reverted to the Panel on the way for processing renewal of PRLs at the meeting on 8 July 2011. Members were advised that when renewing PRLs, the Administration would impose requirements for lessees to further open up their facilities, including, -

- (a) requiring the lessees of PRLs to open up their facilities for use by outside bodies up to 50 hours per month or more, instead of the condition of "no more than three sessions of three hours per week"; removing the condition that outside bodies were not allowed to use the facilities during weekends or public holidays; and introducing a new lease condition that would give outside bodies the option of booking sports facilities of lessees of PRLs directly, rather than having to go through a "competent authority" (viz. the Secretary for Home Affairs, Secretary for the Civil Service, Secretary for Education, Director of Social Welfare or Director of Leisure and Cultural Services);
- (b) requiring all private sports clubs operating under PRLs to put in place junior membership schemes that allowed young sportsmen and sports women below a certain age to join at significantly reduced rates of entry, and requiring such clubs to allow NSAs to book their facilities for training or competitions for a minimum of 10 hours per month;
- (c) requiring private sports clubs operating under PRLs which had high-quality facilities suitable for hosting major international sports events to allow NSAs to use their facilities for staging recognized international events; and
- (d) removing from all PRLs those lease conditions which might be considered obsolete.

5. Upon renewal, the Administration would require operators of premises under PRLs to publish information about their facilities on their websites. Such information would also be uploaded to the websites of the Home Affairs Bureau ("HAB") and the competent authorities concerned, and released to outside bodies. On monitoring of PRLs, the Administration would require PRL lessees to provide quarterly reports on their records of opening up to outside bodies. The Administration would conduct random checks and act on complaints and carry out appropriate follow up actions.

Deliberations of the Panel

6. The major views and concerns expressed by members at the Panel meetings on 13 May and 8 July 2011 are summarized below.

Need for conducting a comprehensive policy review of PRLs

7. Some members expressed dissatisfaction that the Administration had adopted a hands-off approach and paid no heed to whether the grantees had fulfilled their social responsibility of, or complied with the requirements for, making available their facilities for public use. These members pointed out that the lands granted to private clubs were public resources and it was unreasonable to request the public to ask for permission by such clubs to access their facilities. They were of the view that the Administration should conduct a comprehensive review of the policy of PRLs and formulate a long-term policy to open up in phases the facilities of private clubs operated under PRLs for public use. Some members were also of the view that PRLs should only be granted to organizations with a mission of providing community services. There was another view that if members of a private club operated under PRLs were unwilling to open up the facilities for public use, the Administration should consider requiring the club concerned to pay the market value for the land granted.

8. While concurring with the view that the Administration should conduct a comprehensive policy review of PRLs, some other members held the view that the issue of PRLs was a historical problem. These members pointed out that some private sports clubs operated under PRLs had been granted lands by the Administration for the purpose of promoting certain types of sports at the community level. Although these sports clubs were granted land for development by the Government under PRLs at no cost or a nominal premium, they had invested a lot in the development and management of sports and recreational facilities over the years and had contributed significantly to meeting the sporting and recreational needs of the community, such as hosting sports

events. They considered that the Administration should not adopt an "across-the-board" approach to deal with all PRLs. Sufficient time should be given to the Government to conduct a comprehensive analysis of PRLs, having regard to the nature and historical background of individual organizations operating premises under PRLs. There was a suggestion that pending the outcome of the review, PRLs due to expire in the near future should be renewed for another term of 10 years.

9. The Administration responded that most PRLs would be subject to renewal between end-2011 and 2012. Lessees of PRLs, including private sports clubs, were already aware of the Administration's requirements for them to further open up their facilities to outside bodies. These lessees were in general positive about accommodating the new arrangements.

Responding to members' call for a comprehensive review of PRLs, the 10. Administration advised that in the near future, it would focus on handling the renewal of leases that would expire before the end of 2012. Upon the completion of the lease renewal and the implementation of the opening-up arrangements, HAB would work with relevant policy bureaux and departments to conduct a further review of the policy on PRLs. Different factors including sports development, land use, public expectations, and the interests of PRL lessees, their members and other stakeholders would be taken into account in the review for formulating the way forward for PRLs. To allow sufficient time for the Administration to conduct a policy review, PRLs due to expire should be renewed with a reasonable term. At present, a new PRL was granted for a period of 21 years and a renewed lease 15 years. As private sports clubs had employed many staff and needed time to plan their development, the Administration considered it appropriate to renew the leases for another term of 15 years upon expiry. In order that the outcome of the long-term review would not be prejudiced by the upcoming lease renewal exercise, PRL lessees would be advised that there should be no expectation that their renewed leases would be further renewed upon expiry in 15 years, or that even if it would be further renewed, it might not continue to be renewed at nominal premium or on the same terms and conditions as contained in the renewed leases.

Lease conditions

11. As regards the Administration's proposed revision to the access requirement relating to private sports clubs' facilities under PRLs, some members considered it inadequate to require PRLs lessees to open up their facilities to outside bodies to 50 hours per month or more. They held the view that the Administration should require the private sports clubs to further open up their facilities having regard to their capacity and availability.

12. The Administration explained that private sports clubs operated under PRLs had contributed to Hong Kong's sports and recreational development. The proposed revised access requirement had struck a balance between the operational needs of private sports clubs and the public demand for using the facilities there. The revised condition of "50 hours per month or more" would facilitate outside bodies to conduct all-day training or hold competitions. The Administration would also require the private sports clubs operated under PRLs to accord priority to outside bodies in hiring certain designated sessions.

Publicity and monitoring of PRLs

13. Some members criticized the Administration for failing to make any publicity on the availability of sports facilities at private sports clubs operated under PRLs to outside bodies, as relevant information was not provided on the They urged the Administration to make it clear websites of these clubs. whether it was mandatory for these clubs to publicize such information. According to the Administration, publicity could be stepped up to make more outside bodies (like schools) aware of the availability of such facilities. In the past, it was the competent authorities that helped publicize the opening-up requirement to outside bodies under their respective purviews, and many of the PRL operators had accepted bookings of facilities made by schools. In future, the Administration would require the operators to publish information about the availability of facilities on their websites as soon as possible.

14. On the Administration's proposal to allow outside bodies to directly approach lessees of PRLs to book their sports and recreational facilities, some members expressed concern about the role of the competent authorities in facilitating the public's access to such facilities. The Administration advised that while the above option would bring more convenience to outside bodies, the latter might continue to book the facilities of PRL lessees through the competent authorities.

Motion

15. At the Panel meeting on 8 July 2011, the Panel passed a motion moved by Hon Tanya CHAN urging the Government to renew PRLs for three to five years, and in the meantime, to consult the public including clubs operated under PRLs, and to review the terms and conditions of such leases for allowing greater access to the grantees' facilities by the general public before further renewing their leases.

Latest developments

16. In reply to a written question raised at the Council meeting of 27 March 2013, the Administration advised that its policy was to renew PRLs that expired in 2011 and 2012, on condition that lessees had complied with the renewal criteria to allow greater access to outside bodies, in line with the Government' policy objectives for sports development. When this round of PRL renewals was completed, the Administration would review the policy of PRLs.

17. According to the Administration's reply to an oral question raised at the Council meeting of 22 May 2013, HAB had advised all PRL lessees that the Administration would conduct a comprehensive review of the PRL policy and that lessees should not assume that their PRLs would be further renewed or be renewed under the same terms and conditions upon the expiry of the renewed lease. The Administration had so far approved 46 schemes submitted by PRL lessees to allow greater access to their sports facilities. Out of this, seven schemes had completed the lease renewal procedures (as at the end of April 2013), with details set out in **Appendix II**.

18. The Panel will discuss with the Administration the monitoring of PRLs at the Panel meeting on 14 June 2013.

Relevant papers

19. A list of the relevant papers on the Legislative Council's website is in Appendix III.

Council Business Division 2 <u>Legislative Council Secretariat</u> 10 June 2013

Appendix I

List of Organizations holding Private Recreational Leases

Serial	al Name of Holder Location and Lot No.			
No.				
1	Aberdeen Boat Club Limited	AIL 454, Shum Wan Road, Brick Hill		
2	Bishop of the Roman Catholic Church	Lot 1318, Cheung Chau		
	in Hong Kong			
3	Boys' and Girls' Club Association of Hong Kong	Lot 642 DD 257, Wong Yi Chau		
4	Chinese Recreation Club, Hong Kong	IL 8875, No. 123 Tung Lo Wan Road		
5	Clearwater Bay Golf & Country Club	Lot 227 DD 241, Po Toi O		
6	Club De Recreio	KIL 11098, No. 20 Gascoigne Road		
7	Community Sports Limited	Lot 2322 DD 96, Ma Tso Lung		
8	Craigengower Cricket Club	IL 8881, No. 188 Wong Nai Chung Road		
9	Directors of the Chinese Young Men's	Lot 147 SD5, Sai Kung		
	Christian Association of Hong Kong			
10	Directors of the Chinese Young Men's	Lot 75 DD 254, Sai Kung		
	Christian Association of Hong Kong			
11	Directors of the Chinese Young Men's	Sha Tin Town Lot No. 366, 2 On Chun Street		
	Christian Association of Hong Kong			
12	Directors of the Young Men's Christian	KIL 11105 and Extension, Off Gascoigne Road,		
	Association of Hong Kong	King's Park		
13	Duke of Edinburgh's Award Hong	Lot 602 R.P. DD16, Lam Tsuen		
	Kong			
14	Filipino Club	KIL 11096, No. 10 Wylie Road		
15	Hebe Haven Yacht Club Limited	Lot 1138 and Extension DD 217, Pak Sha Wan		
16	Hong Kong Buddhist Association	Lot 172 in DD4, Tung Chung		
17	Hong Kong Chinese Civil Servants'	KIL 11048, No. 8 Wylie Road		
	Association			
18	Hong Kong Country Club	RBL 1129, Wong Chuk Hang Road		
19	Hong Kong Cricket Club	IL 9019, No. 137 Wong Nai Chung Gap Road		
20	Hong Kong Football Club	IL 8846, No. 3 Sports Road, Happy Valley		
21	Hong Kong Girl Guides Association	IL 8894, Wong Nai Chung Gap Road		
22	Hong Kong Girl Guides Association	Lot 148 DD 250, Sai Kung		
23	Hong Kong Girl Guides Association	Lot 1707 DD 122, Yuen Long		
24	Hong Kong Girl Guides Association	Lot 2544 DD 92, Hang Tau Road, Kwu Tung		
		South, Sheung Shui		

Serial	Name of Holder	Location and Lot No.	
No.			
25	Hong Kong Girl Guides Association	Kowloon Inland Lot No. 10734 at the junction of	
		Gascoigne Road and Wylie Road	
26	Hong Kong Golf Club	RBL 1117, Deep Water Bay	
27	Hong Kong Golf Club	Lot 942 RP in DD 94, Sheung Shui	
28	Hong Kong Gun Club	TWTL 399, Chuen Lung, Tsuen Wan	
29	Hong Kong Jockey Club	IL 8847, No. 1 Sports Road and Wong Nai Chung Road	
30	Hong Kong Jockey Club	STTL 13, Sha Tin	
31	Hong Kong Model Engineering Club Limited	Lot 2416 in DD 118, Tai Tong, Yuen Long	
32	Hong Kong Playground Association	Lot 667 DD 2, Mui Wo	
33	Hong Kong Red Cross	Lot 142 in DD 319, Shek Pik, Lantau Island	
34	Hong Kong Sea Cadet Corps (Area Committee)	NKIL 6001, Diamond Hill	
	Hong Kong Sea Cadet Corps (Lau Wah Sum & Samuel Derek Oates as Trustees for the Area Committee)	Lot 611 DD 256, Sai Kung	
36	Hong Kong Softball Association	KIL 11088, Tin Kwong Road	
37	Hong Kong Young Women's Christian Association	Lot 727 DD 332, San Shek Wan, Lantau	
38	Hong Kong Youth Hostels Association	Lot 188 DD 337, Lantau	
39	Hong Kong Youth Hostels Association	Lot 235 in DD Ngong Ping	
40	Hong Kong Youth Hostels Association	TPTL 133, Tai Mei Tuk	
41	Hong Kong, China Rowing Association (formerly known as Hong Kong Amateur Rowing Association Limited)	STTL 220, Yuen Wo Road, Sha Tin	
42	India Club, Kowloon	KIL 11095, No. 24 Gascoigne Road	
43	Indian Recreation Club	IL 8900, No. 63 Caroline Hill Road, So Kon Po	
44	Jardine's Lookout Residents' Association	IL 8895, No. 2 Creasy Road, Jardine's Lookout	
45	Kowloon Bowling Green Club	KIL 11065, No. 123 Austin Road	
46	Kowloon Cricket Club	KIL 11052, No. 10 Cox's Road	
47	Kowloon Tong Club	NKIL 5989, Waterloo Road, Kowloon Tong	
48	Kowloon Tsai Home Owners	NKIL 5961, No. 10A Cambridge Road, Kowloon	
	Association	Tong	

Serial	ial Name of Holder Location and Lot No.		
No.			
49	Mong Kok District Cultural,	KIL 11165, J/O Ivy Street & Beech Street	
	Recreational & Sports Association		
	Limited		
50	Municipal Services Staff Recreation	KIL 11097, No. 4 Wylie Path	
	Club Limited		
51	Outward Bound Trust of Hong Kong Limited	Lot 590 DD 256, Tai Mong Tsai	
52	Pakistan Association of Hong Kong	KIL 11094, No. 150 Princess Margaret Road	
	Limited		
53	Po Leung Kuk	Lot 613 DD 257, Pak Tam Chung	
54	Po Leung Kuk	Lot 2411 DD 118 and Extension, Tai Tong	
55	Reach Networks Hong Kong Limited	IL 8597 RP, No. 108 Caroline Hill Road, So Kon	
	(formerly known as The Post Office and	Ро	
	Cable & Wireless Recreation Club		
	Limited)		
56	Royal Hong Kong Yacht Club	ML 709, Kellett Island	
57	Royal Hong Kong Yacht Club	RBL 1181, Middle Island	
58	Royal Hong Kong Yacht Club	Lot 341 and Extension DD 212, Che Keng Tuk	
59	Scout Association of Hong Kong	IL 8961, Mansion Street, North Point	
60	Scout Association of Hong Kong	NKIL 5956, Rutland Quadrant, Kowloon Tong	
61	Scout Association of Hong Kong	Lot 1131 DD 217, Pak Sha Wan	
62	Scout Association of Hong Kong	Lot 154 DD 195, Sha Tin	
63	Scout Association of Hong Kong	Lot 131 in DD 60, Au Tau, Yuen Long	
64	Scout Association of Hong Kong	TPTL 190, Tung Tsz, Tai Po	
65	Scout Association of Hong Kong and	KCTL 391, Wo Yip Hop Road, Kwai Chung	
	The Hong Kong Girl Guides		
	Association		
66	Scout Association of Hong Kong and	STTL 272, Shui Chuen Au Street, Sha Tin	
	The Hong Kong Girl Guides		
	Association		
67	South China Athletic Association	IL 8850, No. 88 Caroline Hill Road, So Kon Po	
68	South China Athletic Association	KIL 11071, No. 6 Wylie Path	
69	Tai Po Sports Association Limited	TPTL 6 and Extension, Area 4, Tai Po	
70	Tung Wah Group of Hospitals	Lot 2321 DD 96, Ma Tso Lung	
71	Victoria Recreation Club	Lot 316 DD 252, Sai Kung	

Serial	Name of Holder	Location and Lot No.	
No.			
72	Yau Yat Chuen Garden City Club	NKIL 6042, 7 Cassia Road, Yau Yat Chuen	
	Limited		
73	Yuen Long District Sports Association	YLTL 520	
	Limited	(formerly known as YLTL 160), Yuen Long	

(Source: Annex to LC Paper No. CB(2)2314/10-11(01))

Schemes to implement greater access requirements at sites **Operated under Private Recreational Leases renewed**

	Lease locations	Schemes to implement the greater access requirements			
Lessees		Facilities	Total opening hours per month	Opening hours to eligible outside bodies ¹	Opening hours to national sports associations
Filipino Club	Wylie Road, Kowloon	Lawn bowling green and table tennis room	320	240	80
Hong Kong Girl Guides Association	Ping Shan, Yuen Long	Campsite facilities (including residential camp and day camp) ²	1 355	1 029	326
Kowloon Bowling Green Club	Austin Road, Kowloon	Lawn bowling green, tennis court and swimming pool	161	96	65
Kowloon Cricket Club	Cox's Road, Kowloon	Badminton court, bowling alley, law bowling green, grass pitch, squash court, swimming pool, tennis court and cricket ground	3 320	1 168	2 152
Municipal Services Staff Recreation Club	Wylie Path, Kowloon	Tennis court and table tennis room	612	516	96
Pakistan Association of Hong Kong Limited	Princess Margaret Road, Kowloon	Cricket and hockey training ground and squash court	284	244	40
South China Athletic Association	Wylie Path, Kowloon	Tennis court	382		382

¹ Eligible outside bodies refer to schools, social and welfare organisations, national sports associations, uniformed groups and government departments. ² The figures of campsite facilities denote the number of places available for residential camp/day camp.

Appendix III

Committee	Date of Meeting	Papers
Council meeting	13.11.2002	Question No. 5 Official Record of Proceedings
		Pages 1096 – 1109 in Hanzard
	23.6.2010	Question No. 4
		Official Record of Proceedings
		Pages 9639 – 9653 in Hansard
Panel on Home Affairs	13.5.2011	Agenda
	(Item IV)	Minutes
Panel on Home Affairs	8.7.2011	Agenda
	(Item IV)	Minutes
Council meeting	27.3.2013	Written question raised by
		Hon SIN Chung-kai on "Private
		recreational leases"
Council meeting	22.5.2013	Oral question raised by Hon WU
		Chi-wai on "Private recreational
		leases"

Relevant papers on monitoring of Private Recreational Leases

Council Business Division 2 Legislative Council Secretariat 10 June 2013