# 立法會 Legislative Council

Ref : CB2/PL/HA <u>LC Paper No. CB(2)676/15-16</u>

(These minutes have been seen

by the Administration)

#### **Panel on Home Affairs**

# Minutes of meeting held on Friday, 13 November 2015, at 8:30 am in Conference Room 3 of the Legislative Council Complex

Members : Hon Starry LEE Wai-king, JP (Chairman)
present Hon YIU Si-wing, BBS (Deputy Chairman)

Hon WONG Ting-kwong, SBS, JP

Hon Cyd HO Sau-lan, JP Dr Hon LAM Tai-fai, SBS, JP Hon IP Kwok-him, GBS, JP

Hon Claudia MO

Hon NG Leung-sing, SBS, JP Hon Steven HO Chun-yin, BBS Hon Frankie YICK Chi-ming, JP

Hon WU Chi-wai, MH

Hon MA Fung-kwok, SBS, JP

Hon CHAN Chi-chuen

Dr Hon Kenneth CHAN Ka-lok Hon CHAN Yuen-han, SBS, JP

Hon LEUNG Che-cheung, BBS, MH, JP

Hon Christopher CHEUNG Wah-fung, SBS, JP

Dr Hon Fernando CHEUNG Chiu-hung

Hon IP Kin-yuen

Hon TANG Ka-piu, JP

Hon Christopher CHUNG Shu-kun, BBS, MH, JP

Hon Tony TSE Wai-chuen, BBS

**Member absent**: Hon CHAN Han-pan, JP

**Public Officers**: <u>Items III and IV</u>

attending

Mr LAU Kong-wah, JP Secretary for Home Affairs - 2 -

Ms Angela LEE Chung-yan
Deputy Secretary for Home Affairs (3)

Ms Elaine MAK Tse-ling
Principal Assistant Secretary for Home Affairs
(Culture) 1

Ms Winsome CHOW Chief Executive Hong Kong Arts Development Council

#### Item V

Ms Florence HUI, SBS, JP Under Secretary for Home Affairs Home Affairs Bureau

Miss Charmaine WONG, JP Assistant Director of Home Affairs (2) Home Affairs Department

Ms Ella HO Chief Executive Officer (2) 2 Home Affairs Department

# **Attendance by** : <u>Item V</u> invitation

Hong Kong Council of Social Service

Mr Howard LING Ho-wan Chief Consultant

Fullness Social Enterprises Society

Mr KEE Chi-hing Chairman

Fullness Christian Social Enterprise

Mr LAI Kong Director

Hong Kong General Chamber of Social Enterprises Ltd

Mr YIU Hung-chi Honorary Treasurer Clerk in : Ms Joanne MAK

**attendance** Chief Council Secretary (2) 3

**Staff in**: Miss Karen LAI

attendance Senior Council Secretary (2) 6

Miss Connie AU

Council Secretary (2) 3

Mrs Fonny TSANG

Legislative Assistant (2) 3

Action

## I. Confirmation of minutes of meeting

[LC Paper No. CB(2)203/15-16]

The minutes of the meeting on 15 October 2015 were confirmed.

### II. Information papers issued since the last meeting

[LC Paper Nos. CB(2)79/15-16(01), CB(2)118/15-16(01) and (02), CB(2)215/15-16(01), CB(2)251/15-16(01), CB(2)267/15-16(01) and CB(2)268/15-16 (01)]

- 2. <u>Members</u> noted that the following papers had been issued after the last meeting -
  - (a) referral from Legislative Council ("LegCo") Members' meeting with North District Council ("DC") members on 14 May 2015 relating to the funding for district minor works and the manpower of the Works Section of District Offices ("the referral");
  - (b) letter dated 19 August 2015 from Hon Christopher CHUNG and the Administration's response;
  - (c) Administration's progress report on the outstanding leisure and cultural services projects of the former Municipal Councils;
  - (d) information paper entitled "Management of public open space under the Leisure and Cultural Services Department ("LCSD")" provided by the Administration;

- (e) letter dated 26 October 2015 from Hon TANG Ka-piu; and
- (f) letter dated 9 November 2015 from Dr Hon Kenneth CHAN.
- 3. Referring to the referral in item (a) above, the Chairman said that issues relating to the funding for district minor works and the manpower of the Works Section of District Offices should be covered when the subject "Enhancing district administration" (currently on the list of outstanding items for discussion) was discussed in future.

#### III. Items for discussion at the next meeting

[LC Paper Nos. CB(2)228/15-16(01) and (02)]

- 4. <u>Members</u> agreed to discuss the following items proposed by the Administration at the next regular meeting on 11 December at 8:30 am -
  - (a) Youth Hostel Scheme Construction of the Hong Kong Federation of Youth Groups youth hostel project and partial upgrade for carrying out pre-construction works of the Po Leung Kuk youth hostel project; and
  - (b) nomination of arts interests representatives for appointment to the Hong Kong Arts Development Council ("HKADC") in 2016.
- 5. The Secretary for Home Affairs ("SHA") said that the Administration had completed the drafting of the Fixed Penalty (Public Cleanliness Offences) (Amendment) Bill ("the Bill"). He said that given the amendments involved were relatively simple and that the Panel had already discussed the results of the public consultation exercise on measures to tackle shop front extensions and the proposed way forward in January 2015, the Administration proposed that it would introduce the Bill into the Council directly to strive for expeditious enactment of the Bill.
- 6. Mr IP Kwok-him expressed support for SHA's proposal. Noting that some members were absent, the Chairman requested the Clerk to issue a circular to seek members' views regarding SHA's proposal. She said that she would consider adding the subject to the agenda of the next meeting if members requested for discussion.

(<u>Post-meeting note</u>: members were consulted on SHA's proposal vide LC Paper No. CB(2)277/15-16. Seven members requested for discussion of the legislative proposals prior to the introduction of the Bill. With the concurrence of the Chairman, the item "Shop front extensions" was scheduled for discussion at the next regular meeting, and the item "Nomination of arts interests representatives for appointment to the Hong Kong Arts Development Council in 2016" was deferred to the regular meeting in January 2016. At the request of the Administration and with the concurrence of the Chairman, another item "Proposed extension of a supernumerary directorate post relating to the Kai Tak Multi-purpose Sports Complex Project" was also added to the agenda of the next meeting.)

- 7. Referring to the information paper entitled "Management of public open space under LCSD" (LC Paper No. CB(2)251/15-16(01)), Ms Claudia MO proposed to discuss it at the next meeting as there was wide public concern about the Avenue of Stars project. SHA said that the Administration had already provided a detailed reply to an oral question on Tsim Sha Tsui Waterfront Revitalization Plan at the Council meeting of 4 November 2015. As regards Ms MO's proposal, SHA considered it more appropriate to discuss the subject in the first quarter of 2016, i.e. upon completion of the ongoing public engagement exercise on Tsim Sha Tsui waterfront design and the consolidation of the views received. As no members raised objection, the Chairman directed that the subject was tentatively scheduled for discussion in the first quarter of 2016.
- 8. <u>The Chairman</u> invited members to note that the list of items for discussion had been updated further to the annual work plan meeting amongst her, the Deputy Chairman and SHA.
- IV. Development of arts space and a permanent office of Hong Kong Arts Development Council at ex-Aberdeen Fire Station site [LC Paper Nos. CB(2)228/15-16(03) and (04), CB(2)298/15-16(01) and CB(2)358/15-16(01) and (02)]
- 9. At the invitation of the Chairman, <u>SHA</u> briefed members on the salient points of the Administration's paper. <u>The Chairman</u> drew members' attention to Rule 83A of the Rules of Procedure.

#### Site selection, project scope and estimate

- 10. Mr Tony TSE enquired why Wong Chuk Hang was selected as the proposed site ("the Site") for the development of the arts space and arts facilities, as well as a permanent office of HKADC. SHA replied that the Site was very close to the existing ADC Artspace in Wong Chuk Hang and the future Wong Chuk Hang MTR station. Taking into account the needs of the arts sector and the views of Southern DC, the Administration considered that developing a new arts space at the Site would create a cluster effect to facilitate the development of artists and arts groups.
- 11. Referring to the submission (LC Paper No. CB(2)298/15-16(01)) from the International Association of Art Critics ("the Association"), Ms Claudia MO sought the Administration's response to the Association's view that the Site might not be suitable for developing the proposed project as the Association anticipated that with the future development in Wong Chuk Hang, other arts galleries would be "priced out of Wong Chuk Hang". It was doubtful whether a cluster effect could be achieved.
- 12. <u>SHA</u> reiterated that the Site had its advantages taking into account the development of arts and cultural activities in the Southern district and its proximity to the new MTR station. He explained that the provision of affordable arts space and arts facilities in Wong Chuk Hang would be all the more needed if it was anticipated that the rental level of buildings in the area would be on the rise. He added that the proposed project did not preclude the Administration from continuing to identify other suitable sites for developing more arts space.
- 13. Mr Tony TSE asked about the land sale conditions in respect of the approved total net operational floor area ("NOFA") of the arts space/art facilities and the permanent office of HKADC. Mr IP Kwok-him requested the Administration to provide details of the design and technical requirements of the Government for the developer to comply with in the design and construction stages for providing the arts and office facilities, such as whether office furniture and telecommunication facilities would have to be provided. Mr IP and Miss CHAN Yuen-han also enquired about the financial arrangements for the proposed project and its target completion date.
- 14. The Deputy Secretary for Home Affairs ("DSHA") said that the total construction floor area of the proposed project was about 6 440 square meter. However, the ultimate total construction floor area of the proposed project

was subject to the final design proposal of the future developer. The NOFA of the arts space/arts facilities and the permanent office of HKADC had to be not less than that stipulated in the Government's land sale conditions and the Technical Schedule, which was about 2 780 square meter (the NOFA of arts space/arts facilities and the permanent office of HKADC were about 1 880 square meter and 900 square meter respectively).

SHA said that the estimated project cost for providing the facilities was about \$348.6 million in money-of-the-day prices as set out in paragraph 8 of the Administration's paper. Subject to the Finance Committee's funding approval and the land sale programme, the future developer was expected to complete the building works of the whole development at the Site, including the arts and office facilities covered in the proposed project, in 2022. DSHA explained that the Government would, through land sale conditions, require the future developer of the Site to design, construct and fit out the arts space and arts facilities as well as the HKADC office, based on a Technical Schedule. The Technical Schedule, which would be appended to the land lease, would list out the design and technical requirements of the Government for the developer to comply with in the design and construction stages for providing the arts and office facilities. The Government would reimburse the developer for the actual cost of design and construction subject to a pre-determined financial ceiling. financial ceiling was established with reference to the design and construction costs of the facilities as if they were to be designed and constructed by the Government. SHA agreed to provide detailed information on the design and technical requirements in writing in due course.

Admin

(<u>Post-meeting note</u>: further questions were raised on this item by Mr Tony TSE in his letter dated 13 November 2015 to Panel Chairman. The letter and the Administration's written response were issued vide LC Paper Nos. CB(2)358/15-16(01) and (02) respectively.)

Arts facilities and leasing arrangements of the artist studios of the proposed project

16. Mr MA Fung-kwok declared that he was the former Chairman of HKADC. He expressed support for the proposed project. Noting that only 28 artist studios would be provided for leasing to artists, Mr MA asked about the Administration's plan to develop more arts space in the long term to cater for the large demands of the arts sector. He further asked whether

it was possible to allocate the floor space reserved for provision of the HKADC's permanent office to developing more arts space or identify another site in the vicinity for the provision of additional arts space, thereby developing an "artist village" in Wong Chuk Hang.

- 17. <u>SHA</u> said that to enhance provision of arts space, there would be collaboration between Tai Po DC and HKADC to convert a vacant school building in Tai Po into an arts centre catering for mainly performing arts activities. He explained that the current plan of providing a permanent office for HKADC at the Site would enable HKADC to develop in a stable environment, thereby enhancing its support for the arts community. It would also save HKADC the administrative work and costs arising from frequent office relocation and fitting-out works.
- 18. Mr CHAN Chi-chuen asked how the NOFA for arts space/arts facilities and the permanent office of HKADC were worked out, and how large the existing office of HKADC was. DSHA responded that the NOFA were worked out according to users' requirements, and the corresponding construction floor areas were assessed by the Architectural Services Department. The Chief Executive of HKADC ("CE/ADC") said that HKADC would need to relocate its office again in early 2016 and the space would be about 900 square meter in a commercial building on King's Road.
- 19. Mr Christopher CHEUNG expressed support for the proposed project. With reference to paragraph 5 of the Administration's paper, he enquired about the definition of "affordable rent" and how tenants of the artist studios would be selected. Dr LAM Tai-fai also enquired about tenant selection criteria and the composition of the selection panel. Mr CHAN Chi-chuen and Ms Claudia MO stressed that a fair and transparent selection mechanism should be put in place to select tenants.
- 20. <u>CE/ADC</u> said that HKADC would set up an assessment panel to vet tenancy applications. The panel would comprise representatives from different sectors of the local arts community. She advised that the selection of tenants would be mainly based on the applicants' artistic standards. As the proposed project was scheduled for completion in 2022, details of the composition of the assessment panel had yet to be worked out.
- 21. <u>CE/ADC</u> further said that in determining the rent level, HKADC would make reference to the rental of similar facilities in Hong Kong (such as the Jockey Club Creative Arts Centre ("JCCAC") in Shek Kip Mei) in

setting the affordable rent level for the artist studios. She informed members that the rental plus operation fee for each artist studio of the ADC Artspace for the first-term tenancy was \$8 per square feet, which was comparable to that of JCCAC. Besides, HKADC planned to make reference to existing arrangements of the ADC Artspace and implement an Emerging Artists Rental Subsidy Scheme for the artist studios of the proposed project in the future. It would support the development of emerging visual artists and media artists who had graduated for not more than three years by waiving them half of the amount of the rental for a period of not more than two years through HKADC's subsidy. Mr CHAN Chi-chuen, CE/ADC said that an appeal mechanism would be available regarding selection of tenants. At the request of members, SHA agreed to provide further information on the arrangements for operating the artist studios of the proposed project.

Admin

- 22. In response to the Deputy Chairman's enquiry, <u>CE/ADC</u> said that it was initially planned that a ratio of 50% established artists and 50% emerging artists (i.e. those who had graduated for not more than three years) would be adopted in leasing the artist studios under the proposed project. This would be conducive to facilitating the experience sharing between established artists and emerging artists and achieving synergy.
- 23. Mr Christopher CHUNG declared that he was an ex-member of HKADC and expressed support for the proposed project. He said that based on past experience of a similar arts space scheme at Shanghai Street, HKADC might need to consider how to tackle the situation that some artists were reluctant to move out from the studios upon completion of their Besides, he asked whether the artist studios under the proposed project could be used by the performing arts sector as well. CE/ADC responded that different from the arts space scheme in Shanghai Street, the proposed arts space covered a larger floor area providing 28 artist studios for renting on two-year tenancies. When assessing the applications for new tenancy term, the assessment panel would consider applicants' artistic standard and utilization of the studios. Existing tenants fulfilling the criteria might be selected to stay in the studios after assessment. Mr CHAN Chi-chuen suggested that the ceiling of the artist studios should be high enough to cater for different art forms (e.g. installation arts).
- 24. <u>The Deputy Chairman</u> and <u>Mr IP Kwok-him</u> expressed support for the project. <u>The Deputy Chairman</u> suggested that the Administration should seize the advantage of the vicinity of the Ocean Park and promote therein to

visitors the arts space/arts facilities under this proposed project as a tourist attraction. **SHA** agreed to consider their views.

#### Subvention to HKADC

- 25. Mr Christopher CHUNG enquired whether subvention to HKADC would be reduced after providing a permanent office for HKADC at the Site. DSHA responded that at present, HKADC's expenditure on office rental was met by Government subvention to HKADC. She informed members that with a permanent office provided for HKADC at the Site, the subvention for HKADC would not be reduced, and HKADC would then be required to pay rent to the Government for its permanent office at the Site. Ms Claudia MO asked whether HKADC would only pay a nominal fee as rental for its permanent office. DSHA replied that the rent would be set according to the market rate but it would be met by Government recurrent subvention. Besides, additional funding would be provided to HKADC for management of the arts space and arts facilities.
- 26. Members noted that the Administration planned to consult the Public Works Subcommittee ("PWSC") on the proposed project in December 2015. The Chairman sought members' views and no members raised objection to the Administration's submission of the funding proposal to PWSC for consideration. The Chairman requested the Administration to provide the supplementary information requested by members as early as possible.

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# V. Enhancement Measures of Enhancing Self-Reliance Through District Partnership Programme ("ESRP")

[LC Paper Nos. CB(2)228/15-16(05) and (06), CB(2)262/15-16(01), and CB(2)228/15-16(07) and (08)]

27. At the invitation of the Chairman, the Under Secretary for Home Affairs ("USHA") briefed members on the salient points of the Administration's paper.

# Presentation of views by deputations

- 28. The Panel received views from four deputations. A record of their views and the submissions received are in **Appendix**.
- 29. Responding to deputations' views, <u>USHA</u> said that the Administration

had implemented a wide range of measures to monitor the operation of social enterprises ("SEs") under ESRP. The Administration would make sustained efforts in this regard. She also welcomed the development of various certification schemes in the SE sector to provide objective evaluation criteria on the social benefits of SEs.

#### Discussion

Development of the SE sector

- 30. Noting that the grants offered under ESRP amounted to \$207 million, Mr MA Fung-kwok asked about the total assets value of the SEs funded by ESRP and whether the Administration had conducted any study to compare the performance between the SEs funded by the Government and those wholly funded by private companies. USHA undertook to provide the requisite information in writing later. She said that compared with the SEs set up by non-charities, the SEs set up by charities, which had more experience in assisting the socially disadvantaged, might perform better in this aspect.
- 31. Mr NG Leung-sing supported the measures to encourage the participation of business sector in pursuing social objectives while doing business and to promote the self-reliance of the socially disadvantaged. With better cross-sector collaboration, the community could become better integrated and developed. He suggested that job applicants who were able-bodied Comprehensive Social Security Assistance ("CSSA") recipients should be given priority for consideration under ESRP in order to encourage them to quit CSSA. Mr CHAN Chi-chuen enquired whether job opportunities would be provided by ESRP-funded SEs for sexual minorities.
- 32. <u>USHA</u> replied that as the business fields of SEs had become more diversified, job opportunities had been created for different target groups according to the service nature and had not been limited to CSSA recipients or any particular disadvantaged groups. She further said that the scope of beneficiaries of ESRP was defined with reference to the definition of the "socially disadvantaged" adopted by the Commission on Poverty.
- 33. Referring to the Audit Commission's Report on Promoting the Development of Social Enterprises, <u>Dr Fernando CHEUNG</u> expressed concern about the time required for processing applications for funding under ESRP (on average of eight months). <u>USHA</u> explained that the "eight

Admin

months" had included the time required for vetting the applications (which took three to four months), and the time required for signing the funding agreement which had to cater for the necessary time taken by the grantees to complete all the necessary preparatory work (such as leasing premises and shop renovation, etc) for the endorsed SE projects which was beyond the control of the Administration. She further explained that the processing time of three to four months for vetting the applications was reasonable having regard to the need to allow applicants to fine-tune their proposals after receiving questions/comments from ESRP. However, there was a need to strike a balance between ensuring the quality of the endorsed applications and the shortening of processing time. <u>USHA</u> added that since 2014, the vetting process had already been shortened by 21 days and the Administration would continue to explore room for streamlining the relevant procedures.

34. <u>Dr Fernando CHEUNG</u> suggested that more representatives from the grass-root level should be appointed to the Advisory Committee of ESRP. <u>USHA</u> agreed to consider the suggestion.

#### Profit sharing

- 35. Dr Fernando CHEUNG supported the participation of the business sector in the development of SEs but expressed grave concern about the new measure of allowing profit sharing under ESRP as he considered that this might defeat the original purpose of ESRP. He queried how the Administration could monitor implementation of the new measure given that the existing monitoring of SEs was loose. He opposed introducing profit sharing especially when a sound certification system for SEs had yet to be put in place. Mr WU Chi-wan shared Dr CHEUNG's concern. He pointed out that if the monitoring system was made very stringent, this would be unfavourable to SEs run by small-scale non-governmental organizations ("NGOs"). Mr WU opposed the proposal to extend the eligibility to private companies beyond s.88 organizations as this would trigger the need for introducing a stringent monitoring mechanism for the ESRP-funded SEs.
- 36. <u>USHA</u> explained that the Administration would allow the ESRP-funded SEs to distribute profits to the shareholders or the parent organizations, where appropriate, from the annual distributable profits provided that two conditions were met by the concerned SEs. Firstly, the grantee needed to make an upfront investment of not less than 50% of the

required setup costs of the SE. Secondly, the percentage of dividends would be capped at 35% of the annual distributable profits of the SE. This measure aimed to encourage greater participation of the private sector in SE development and to meet the aspirations of the SE sector and the global SE development trends. Mr CHAN Chi-chuen enquired about the arrangements for transfer of shares under ESRP. USHA said that transfer of shares would be allowed after the end of the three-year funding period and the subsequent three-year monitoring period.

- 37. Ms Claudia MO appreciated the good intention behind the enhancement measures to encourage wider participation of the business sector which would inject new momentum in the development of SEs. However, she expressed concern that the profit sharing measure might deviate from the public's general impression that SEs were charities and non-profit-making. She shared the concern expressed by one of the deputations, i.e. profit sharing might drive the relevant SEs to become commercial in nature and they would no longer be pursuing their original social objectives. She commented that it was necessary to tighten the monitoring mechanism after opening ESRP to the private companies. She suggested that the Administration should consider appointing a registrar to be responsible for examining and inspecting SEs.
- 38. <u>USHA</u> said that SE by its very nature was an enterprise with double bottom lines, that is, pusuing social objectives while maintaining business sustainability in the long run. Past experience indicated that there was room for improvement in the business management of SEs. This was one of the rationale behind the enhancement measures of ESRP. Regarding Ms MO's registrar proposal, the ESRP Advisory Committee had already performed the role of registrar by giving advice to the applicants regarding their business plans and social objectives during the process of vetting applications. As one of the deputations had said, ESRP had performed the role of registrar for its funded SEs very well. As for the SEs in Hong Kong as a whole, the Administration did not see the need to appoint a registrar at the present stage having considered that there were 527 SEs only.
- 39. Mr LEUNG Che-cheung considered that the enhancement measures of ESRP to encourage the engagement of the business sector including profit sharing were creative and would gain support from the community. He also considered it most important for the Administration to put in place a stringent monitoring mechanism if profit sharing was to be introduced and

he requested the Administration to provide more information in this regard. He also asked whether the earmarked funding of \$150 million would be adequate for implementing the proposed new phase of ESRP.

- 40. <u>USHA</u> replied that the Administration had proposed a range of measures to monitor the operation of SEs including a six-year monitoring period, conducting visits and provision of audit reports, etc. She said that the earmarked funding would be adequate as the measures would tap funding from the private sector to propel the development of the SE sector as well.
- 41. <u>Miss CHAN Yuen-han</u> expressed support for the positive social impact of ESRP and agreed with the direction of encouraging the engagement of commercial sector in the development of SE, especially capitalizing their business experience in SE management. She, however, expressed reservations on the relaxation of eligibility requirements as set out in paragraphs 14 and 15 of the Administration's paper. She considered that private investors who aspired to pursue social missions could establish SEs by their own funding instead of applying for public funding under ESRP.
- 42. <u>USHA</u> advised that while the private sector could provide funding, they were not familiar with the operation of the social welfare sector. On the other hand, some NGOs which aspired to pursue social missions lacked funding. She said that the enhancement measures on relaxing eligibility requirements were intended to benefit a wider range of SE operations by enabling the stakeholders in the SE sector and the business sector to cooperate.
- 43. The Deputy Chairman welcomed the enhancement measures to allow more companies with capabilities in running business and pursuing social objectives to apply for ESRP, so as to enhance the development of SEs. He suggested that the Administration should decide on the amount of funding for a grantee by taking into account the number of job placements the application would offer.
- 44. <u>USHA</u> said that in addition to the primary objective of creating job opportunities for the socially disadvantaged, the focus of ESRP would be extended to include the provision of products or services to meet the specific needs of the socially disadvantaged. <u>The Deputy Chairman</u> further suggested that the Administration should consider setting up a committee on the development of certification systems, which should comprise

representatives from the business sector. <u>USHA</u> agreed to give thought to the suggestion such as encouraging the SE sector's certification systems to include representatives from the business sector.

45. Expressing support for the proposed enhancement measures, Mr Frankie YICK agreed with the Administration that the enhancement measures could serve the purpose of tapping funding from the private sector to help create wider space for the SE sector to grow. He said that while the private sector was able to see the right kinds of products or services that could be provided to meet the specific needs of the social disadvantaged, they might lack the manpower to take forward the business. He considered that if a NGO engaged in the business venture in partnership with a private company under the new pilot scheme and ran it successfully, the NGO would also benefit financially under the current proposal on profit sharing.

(The Chairman directed that the meeting be extended for 15 minutes.)

46. In view of the strong views expressed by some members that the Administration should re-consider some of the enhancement measures such as introducing profit sharing, the Chairman requested the Administration to take into account members' concerns and views and refine the relevant proposals where appropriate. USHA said that members' views would be duly considered. In response to members' enquiry, the Assistant Director of Home Affairs (2) said that the provisions for implementation of Phase I and II of ESRP were approved by LegCo in the context of the Draft Estimates.

## VI. Any other business

47. There being no other business, the meeting ended at 10:50 am.

Council Business Division 2 <u>Legislative Council Secretariat</u> 15 January 2016

#### **Panel on Home Affairs**

# Meeting on Friday, 13 November 2015, at 8:30 am "Enhancement Measures of Enhancing Self-Reliance Through District Partnership Programme ("ESRP")"

# **Summary of views**

No.	Name of deputation	Submission / Major views and concerns
1.	Hong Kong Council of Social Service	• In recent years, more companies of the private sector showed interest in investing in social enterprises ("SEs") to provide products and services to meet the specific needs of the socially disadvantaged.
		• The proposed enhancement measures of ESRP could provide financial incentives to encourage the private sector to participate in the development of SEs.
		• In the long run, SEs would be able to sustain and operate on a self-financing basis.
2.	Fullness Social Enterprises Society	• LC Paper No. CB(2)262/15-16(01)
3.	Fullness Christian Social Enterprise	• In addition to providing job opportunities, SEs pursued other meaningful social objectives as well.
		• The Home Affairs Department should develop a monitoring system to ensure that the funded SEs complied with the requirements under ESRP in assisting the socially disadvantaged groups.
4.	Hong Kong General Chamber of Social Enterprises Ltd	• LC Paper No. CB(2)228/15-16(07)

Council Business Division 2 <u>Legislative Council Secretariat</u> 15 January 2016