

For information
13 November 2015

Legislative Council Panel on Home Affairs

**Management of Public Open Space under the
Leisure and Cultural Services Department**

Purpose

This paper briefs Members on the management of public open space under the Leisure and Cultural Services Department (LCSD).

Background

2. LCSD develops and manages a wide range of leisure and cultural facilities throughout Hong Kong for the enjoyment of members of the public and for the purposes of promoting arts and sports to the community. As far as public open space (PoS) is concerned, the department manages over 1 500 parks and playgrounds of varying sizes providing leisure and recreational facilities such as gardens, walking and jogging trails, promenades, children's playgrounds and sitting-out areas. The outdoor areas at the cultural venues managed by LCSD are also open and accessible to the public.

Management of Public Open Space

Ordinance and Regulation

3. The Public Health and Municipal Services Ordinance (PHMSO) (Cap.132) and its subsidiary legislation provide LCSD with the statutory authority to manage public pleasure grounds and the outdoor areas at cultural venues. Under this legal framework, we aim to provide quality venues and facilities which could meet the diverse needs of the public and ensure that activities in our facilities are conducted in a safe and orderly manner.

In-house Management cum Outsourcing of Services

4. For the majority of the PoS under the management of LCSD, the department undertakes the daily management of the venues concerned with the support from the service contractors for cleansing, security and horticultural maintenance, and from the relevant works departments for general repair and

maintenance of the facilities concerned. When procuring the above general upkeeping services (i.e. cleansing, security and horticultural maintenance), LCS D follows the relevant Government regulations and guidelines with due consideration of such principles as fairness, openness, cost-effectiveness, risk management and value for money. To ensure that the facilities are kept in good condition, LCS D conducts inspections of the venues and supervises the performance of the service contractors. Service fees are paid to the contractors by LCS D upon their satisfactory performance in accordance with the terms of the contracts.

Partnership Model

5. Apart from in-house management of the PoS, since its establishment in 2000, LCS D has entrusted the daily management of some of its PoS to non-governmental or private organisations under a partnership approach for a nominal consideration. In most cases, the initiating non-profit-making or private organisations put forward proposals to LCS D for funding the construction or refurbishment of the venues concerned and for assuming the day-to-day management responsibility of the venues, including cleansing, security, maintenance and catering services. On receipt of the proposal, LCS D will consider it carefully in consultation with the relevant government department(s)/bureau(x) and seek the views of the District Councils (DCs) concerned¹ to ensure transparency and openness, compliance with the Government's regulations and financial discipline, as well as in line with public interest. Projects operated under such partnership approach include the Nan Lian Garden, Harbour Road Garden and Avenue of Stars (AoS).

6. The management of the Nan Lian Garden, designed and built under the supervision of the Chi Lin Nunnery, was entrusted by the LCS D to the Nunnery upon its completion in 2006. An advisory committee has been set up to advise on the management of the Garden and the applications for organizing activities and programmes in the Garden. As regards Harbour Road Garden, its refurbishment and management are funded by China Resources Group (CRG). Since its reopening in 2012, the Garden is open for public use free of charge and LCS D pays a nominal consideration for entrusting its management to CRG. These revitalized PoS facilities continue to be regulated by the PHMSO with their ownership and management rights vested in LCS D.

¹ With the full implementation of DC review recommendations from January 2008 to enhance the role and functions of DCs, the 18 DCs have participated in the management of district leisure and sports facilities, such as parks, local open space and sitting-out areas. Proposals relating to the operation, management and maintenance of these facilities will be submitted to DCs for consideration and endorsement so as to better meet district needs and aspirations. DC members are also welcome to initiate ideas on new or innovative programmes relating to the prioritization of facility enhancement projects, as well as design and details of renovation and improvement projects.

7. Located on a bridge structure built by New World Development Company Limited (NWD) in 1982, the existing AoS was also developed by the Company with its own funds in 2003. LCSD has entrusted the Avenue of Stars Management Ltd. of NWD with the day-to-day management, repair and maintenance of AoS since 2004. AoS is open for public use free of charge and LCSD pays only a nominal consideration for the entrustment arrangement. LCSD retains the ownership of AoS and the facilities continue to be regulated by the PHMSO. LCSD also oversees the performance of NWD in the day-to-day management and operation of AoS through a Management Committee chaired by an officer of the LCSD and comprising representatives from government departments and stakeholder organizations including the Architectural Services Department, the Home Affairs Department, the Hong Kong Film Awards Association, the Tourism Commission and the Hong Kong Tourism Board. LCSD staff conducts regular site inspections on AoS to ensure the facilities are in good condition and under effective management. The operator has all along carried out the day-to-day management, repair and maintenance work properly. The operator also organises a wide array of music, dancing and exhibition activities on a regular basis to enhance the vibrancy of the promenade for the enjoyment of the public and tourists.

Tsim Sha Tsui Waterfront Revitalisation Plan

8. In response to the constant demands of the Yau Tsim Mong District Council (YTMDC) to improve the facilities on the AoS, which have aged after years of intensive use, NWD has put forward to the Government the Tsim Sha Tsui (TST) Waterfront Revitalization Plan (the Revitalization Plan) in 2012. The Revitalization Plan aims to transform the TST waterfront area into an even more attractive and vibrant public space for the enjoyment of local communities and visitors by beautifying and upgrading its facilities, enhancing the cultural and artistic ambience, and increasing its connectivity with surrounding areas. The scope of the project includes three venues, namely Salisbury Garden, AoS and TST East Promenade.

9. NWD agrees to fund the improvement works in the three areas so as to provide a more energetic TST waterfront with a richer cultural ambience for local communities and visitors. In addition, NWD will set up a non-profit-making organisation (NPO) to manage the revitalized waterfront and will bear all the management, maintenance and event costs incurred for a period of 20 years. The proposal was supported by YTMDC, the Task Force on Harbourfront Developments in Kowloon, Tsuen Wan and Kwai Tsing (the Task Force) under the Harbourfront Commission, as well as the film and tourism sectors. The Revitalization Plan has been openly discussed on various occasions by YTMDC

and the Task Force, and the consultation has all along followed the principles of openness, fairness and transparency.

10. As mentioned above, NWD has actively responded to YTMDC's request for improvements to AoS by proposing the Revitalization Plan. NWD, with a wealth of experience in the construction and management of facilities, has undertaken to adopt a creative and flexible management approach in developing a more vibrant waterfront. The Government considers that the Revitalization Plan will expedite the enhancement of the cultural facilities and the public open space, and will improve the connectivity between the Hung Hom waterfront and the cluster of cultural facilities in TST (comprising the Hong Kong Cultural Centre, the Hong Kong Space Museum and the Hong Kong Museum of Art under renovation). Given that the construction costs will not be paid out from public funds, that the future operation will be taken up by a NPO on a non-profit-making basis, and the revitalization proposal has the support of YTMDC and the Harbourfront Commission, the Government considers that the proposal is in the public interest and acceptable. Upon completion of the project, the land covered by the Revitalization Plan will continue to be wholly owned by LCSD and managed in accordance with the relevant legislation. LCSD will set up a management committee, to be chaired by a directorate officer from LCSD and comprising representatives from related government departments, to oversee the operation and performance of the non-profit-making organization. As with the Nan Lin Garden, an advisory committee will also be formed by inviting experts, district and community personalities to advise on the management issues and enhance public participation

11. It should be noted that the Revitalization Plan is not a commercial project : first, LCSD will entrust its day-to-day operation to a NPO to be set up under NWD, and the revenues generated from the operation will be used for the management and maintenance of the waterfront facilities. Secondly, at the expiry of the management contract, the NPO is required to return the full amount of surplus, if any, to the Government. In case of a deficit, it will be borne by the organization. Thirdly, the TST waterfront, upon completion of the Revitalization Plan, will continue to be owned and managed by LCSD in accordance with relevant legislation and all the facilities will be open for free use by the public. Hence, it is fair to say that the Revitalization Plan is neither a property development nor commercial project. Indeed, the participating party stands no chance of yielding any reasonable return to recoup its capital investment and operating deficit.

12. Upon the advice of the Task Force to deepen understanding of the Revitalisation Plan, LCSD has taken the lead to launch a Public Engagement Exercise (PE) in two phases:

- Phase 1 (September to November 2015) -- To gauge views on the updated design of the facilities; and
- Phase 2 (January to June 2016) -- To gather community views on the future operational arrangements of the revitalised Promenade.

Way Forward

13. LCSD will continue to manage the PoS under its purview (including those under in-house management, outsourcing of services and partnership model) in accordance with the PHMSO and its subsidiary legislation to ensure the provision of quality facilities for public enjoyment. In considering any partnership proposal received, the department will have due regard to the needs of the users, the views of the DCs concerned as well as the overall benefits the proposal can bring to the community.

Advice Sought

14. Members are invited to note the content of this paper.

Leisure and Cultural Services Department
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