APPENDIX 4



政府總部 民政事務局

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S/F(3) to HAB/CR 7/7/8 (RS) Pt. 4 3509 8071

2519 7404

15 January 2020

Mr Anthony CHU Clerk, Public Accounts Committee Legislative Council Legislative Council Complex 1 Legislative Council Road Central, Hong Kong

Dear Mr CHU,

Follow-up to Public Accounts Committee (PAC) Report No. 61 Direct land grants to private sports clubs at nil or nominal premium

I refer to your letter of 6 January 2020 regarding the renewal of Private Recreational Leases (PRLs). Our response to your enquiries on the renewal of the 16 PRLs that expired in 2011 and 2012 is set out as follows.

(a) "whether any additional conditions have been imposed in the new leases according to the recommendations made by the inter-departmental working group"

Of the recommendations made by the inter-departmental working group convened by the Home Affairs Bureau (HAB) to conduct the review of the PRL policy, three would give rise to additional conditions in PRLs namely: (a) requiring private sports clubs suitable for lease renewal to pay a concessionary premium to be set at one-third of the full market value land premium; (b) requiring private sports clubs to further open up their facilities to eligible outside bodies up to 30% of their total sports capacity and partner with sports organisations to organise sports programmes that can be open for enrolment by individual members of the public with a minimum sports programme hours of 240 per month; and (c) enhancing the monitoring of PRLs and the corporate governance of the lessees (in terms of debenture trading). According to the recommendations of the working group, the relevant additional conditions would be imposed as and when the PRLs are due for renewal. The 16 PRLs in question, last expired in 2011 and 2012, were approved for renewal of 15 years. We would add the above conditions should we decide to renew the leases before their expiry in 2026 and 2027.

(b) "whether the private sports clubs / sports and recreational sites concerned have complied with their lease conditions so far"

We conducted annual site inspections on the PRLs in question and checked the quarterly reports submitted by the private sports clubs concerned. So far, we have not identified non-compliance with the condition added in 2011 and 2012 regarding the opening up of sports facilities to eligible outside bodies for the 16 PRLs. We will continue to monitor the PRL sites through annual inspections and quarterly reports. The Government will also act on complaints and / or referrals regarding cases of non-compliance with lease conditions.

(c) "the latest status of the one remaining expired PRL"

The renewal application is being processed. The site in question is under a holding-over arrangement. This does not affect the opening up of the facilities of the site to eligible outside bodies.

Yours sincerely,

(Miss Dorothy CHEUNG) for Secretary for Home Affairs

c.c. Director of Lands (fax no. 2525 4960)Secretary for Financial Services and the Treasury (fax no. 2147 5239)Director of Audit (fax no. 2583 9063)