

Subcommittee on West Kowloon Cultural District Development

Follow-up to meeting on 21 February 2005

The Administration is requested to provide the following in writing:

- (a) reports and findings of all studies, researches and surveys that the Government has made reference to in arriving at the decision to develop the 40-hectare of land in West Kowloon as a world class integrated arts, cultural and entertainment district;
- (b) to what extent and in what aspects the WKCD project as proposed by the Government has adhered to the guiding principles specified in the Efficiency Unit's publication entitled "Serving the Community By Using the Private Sector – An introductory guide to Public Private Partnerships (PPPs)" (the Introductory Guide); please specify by reference to the procedures and procurement flowchart set out in Annexes A and B to the Introductory Guide respectively. Please explain if there are any deviations, and if so, why. Whether and how the Government has made reference to other PPP guidelines;
- (c) with reference to Chapter 8 of the Introductory Guide, whether the Administration has conducted any Public Sector Comparator (PSC) for the West Kowloon Cultural District (WKCD) development. If the answer is "yes", please provide the PSC. If the answer is "no", please explain why;
- (d) comparison between using the conventional procurement approach and the PPP approach in terms of value for money. Please elaborate the differences in respect of the estimated capital and recurrent costs for as well as the estimated revenue from the WKCD development;
- (e) with reference to Chapter 14 of the Introductory Guide, information on the Government's consideration on land issues in the WKCD development, in particular ownership of land/facilities and disposal of land granted;
- (f) results of financial analysis made by the Government before adopting the PPP approach as against the conventional procurement approach, as well as the decision to use 30-year as the operation period and 1.81 as the baseline plot ratio; and
- (g) information on the role played by the Town Planning Board in relation to the WKCD development.