

Legislative Council Panel on Development

Proposed Funding Scheme to Support the Use of Vacant Government Sites by Non-Government Organisations



發展局
Development Bureau

2018-19 Budget

- There are **853 vacant government sites and school premises** available for application for short-term tenancies (STTs) by non-government organisations (NGOs).
- Some sites are in relatively remote locations with limited access, small in size and/or of an odd configuration.
- Others sites possess some potential for short-term uses but are subject to technical constraints. To make better use of these vacant sites, Financial Secretary announced in 2018-19 Budget that **\$1 billion** would be set aside to subsidise the **costs of basic works** of eligible projects.



+



Cost of Basic
Works

Technical
Advice



Sites Available for Application



<http://www.map.gov.hk/gih3/index.jsp?tab=320&lg=t>



Proposed Funding Scheme



Inclusive approach capitalising on community wisdom



Simple mechanism for submitting and approving funding applications

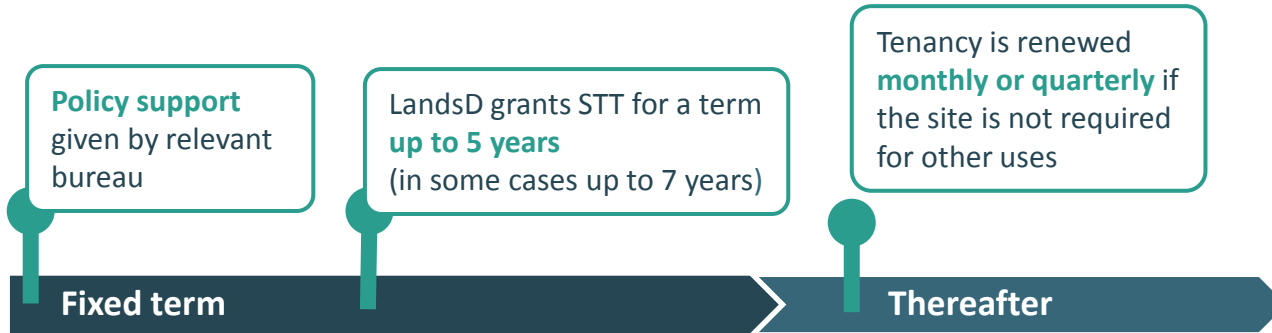


Tripartite collaboration among Government, NGO-applicants and professional bodies



Existing Mechanism for Handling Applications for Use of Vacant Government Sites

- NGOs submit STT applications for use of vacant government sites for short-term community purposes



Q : If there are more than one application for the same site with policy support, how would the applications be processed?

A : The case would be put to Development Bureau for steer.



Eligibility for Funding

1. NGO received in-principle approval from LandsD or relevant authorities for renting a vacant government site

2. Applicant should be :

– **non-profit making** in nature

- **Charitable institution or trust** exempted from tax under s.88 of Inland Revenue Ordinance;
- **Company** incorporated under Companies Ordinance as limited by guarantee **whose objects and powers do not include distribution of profits to members**;
- **Non-profit-making society** registered or body established under any legislation in Hong Kong

or

– takes the form of a **social enterprise**

Community purposes

Examples:

- Arts and culture, youth development, social welfare, support for minorities, animal rights initiatives, community farms, etc.



Funding Scope and Ceiling

Funding for each project is capped at

\$60 million

Including:

One-off, basic and essential restoration works

Slope upgrading, site formation, erection of temporary structures, provision of sewerage/drainage, pedestrian/vehicular access, renovation of dilapidated premises, installation of fire safety equipment or barrier-free facilities, etc.

Consultancy Services

Feasibility studies, detailed design, submission of building plans, quantity surveying services, tendering documentation

Insurance policies

Covering potential claims during surveys, investigations and renovation works

Excluding:

- Fitting out, furniture and equipment
- Operating or recurrent expenses (e.g. repair and maintenance)



Technical Support

- Positive response from **professional institutes** about nominating professionals to offer **pro bono advisory services** for NGOs in preparing applications and implementing projects at initial stage.



Assessment Mechanism

- Development Bureau will chair an **inter-departmental Assessment Committee** to vet applications and oversee implementation of the funding scheme
- Assessment principles:
 - Proposed works are **within scope** of the funding scheme
 - Proposed budget is **within funding cap** for each project
 - Project is in line with the principles of **economy, efficiency and effectiveness**
 - **Experience and capability** of the applicant
 - **Timeframe** required in implementing the project



Monitoring and Control

Funding Agreement



Apart from the STT, applicants will sign a **funding agreement**.

Progress Reports and Audited Statements



Applicants will submit regular progress reports and audited statements. Government may cease a project or request refund in case of unsatisfactory progress

Fund Disbursement



Grant will be disbursed by installments on a reimbursement basis.



Development Bureau will submit an annual report to LegCo Panel on Development



Flowchart

STT Application (Existing Mechanism)

Funding Application

NGO applies to LandsD or other relevant authority for **short-term use of site**

NGO receives **in-principle approval for renting** the site

NGO submits **funding application for proposed works** to the Inter-departmental Assessment Committee

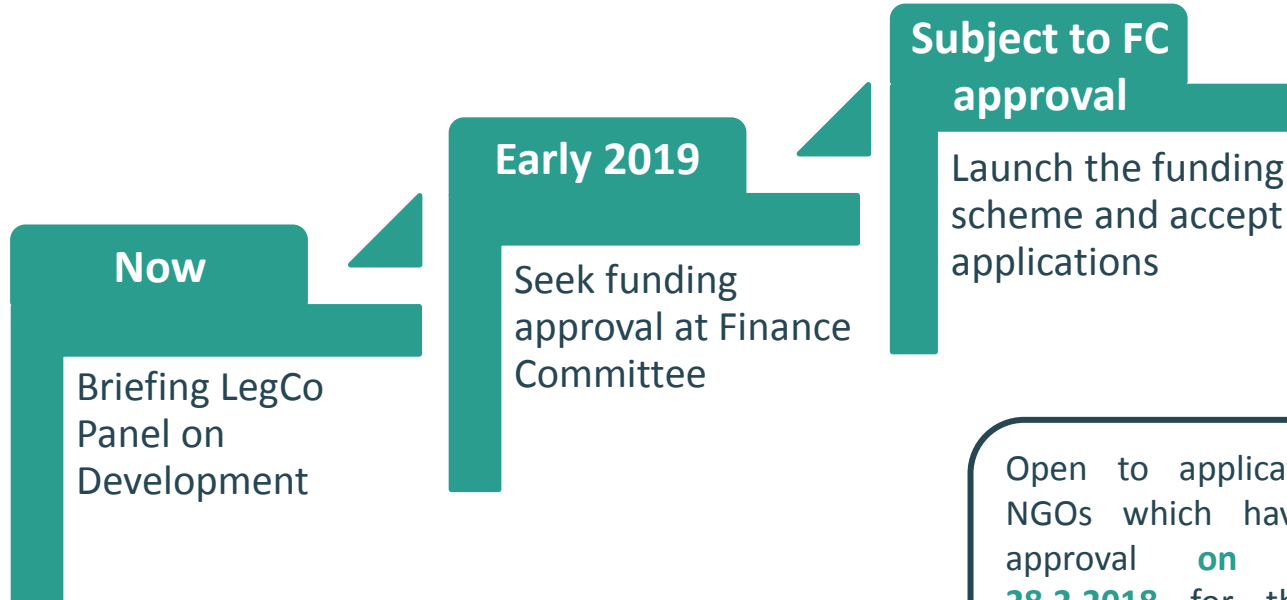
Assessment Committee gives funding approval and signs **funding agreement** with the NGO

The NGO implements the approved works and submits **regular progress reports and financial statements**

The NGO submits **audited statements** upon completion of works



Implementation Timetable



Open to applications from NGOs which have secured approval **on or after 28.2.2018** for the use of vacant sites and where works have yet to commence



End

