

13 February 2009

**Legislative Council Panel on Home Affairs
Hong Kong Centre for Youth Development**

Purpose

During the Legislative Council Panel on Home Affairs Meeting on 9 January 2009, members enquired about the objectives, construction works, progress, management and operation, leasing policies and the Management Advisory Committee of the Hong Kong Centre for Youth Development (HKCYD), and requested the Home Affairs Bureau (HAB) to respond to these enquiries during the Legislative Council Panel on Home Affairs Meeting on 13 February 2009. This paper serves as responses to the enquires raised.

Objectives of Establishing the HKCYD

2. In paragraph 112 of the 1998 Policy Address, the Chief Executive announced that "...To provide a focal point for youth development activities, the Chai Wan Community Centre will be re-developed into a facility specifically for this purpose..." Subsequently, at the Legislative Council Finance Committee Public Works Sub-committee meetings in April 1999, June 1999 and October 2001, where the construction work of the HKCYD was upgraded to Category A and when the construction of the HKCYD was approved, the relevant Finance Committee Public Works Sub-Committee papers PWSC(1999-2000)5, PWSC(1999-2000)56 and PWSC(2001-02)61 had stated that the objective of the Centre as "... to construct the Centre for Youth Development to serve as a centralized facility and a focal point for promoting youth development..."

3. In the paper submitted to Legislative Council Panel on Home Affairs CB(2)2324/03-04(02) by HAB on 14 July 2004, the objectives of establishing the HKCYD were further elaborated as "The main purpose of the Centre for Youth Development is to serve as a focal point for territory-wide youth development activities in Hong Kong. It would provide facilities and venues for promoting youth development and training. It would also provide the steer and support for non-governmental organizations (NGOs) involved in youth development work and for youth groups".

4. HAB has been adopting the above as the objectives for the establishment of the HKCYD.

Construction Works

5. When the Legislative Council Finance Committee Public Works Sub-Committee approved the budget for construction of the HKCYD in its October 2001 meeting (Legislative Council Finance Committee Public Works Sub-Committee paper PWSC(2001-02)61), facilities of the HKCYD includes the following:

- (a) a youth convention centre with multi-purpose auditorium, multi-purpose activities rooms and exhibition hall for seminars, performances and other activities;
- (b) an information technology centre with exhibition hall, multi-media laboratories and a server room;
- (c) a performing and visual arts centre with dance studios, art gallery and studio, video and audio production studios, musical studios and photography workshops;
- (d) a youth hostel with 150 guest rooms with bathrooms, communal pantries and laundry rooms to serve participants of international youth exchange and leadership training programmes as well as international conferences/events held in the CYD;
- (e) offices/multi-function rooms for non-governmental organizations (NGOs) promoting youth development; and
- (f) a cafeteria and shops to be run by youth entrepreneurs and commercial enterprises.

6. In the paper submitted by HAB for the Legislative Council Finance Committee meeting on 25 February 2005 (FCRI(2004-05)22) and the subsequent meeting on 18 March 2005, the Committee had discussed and approved the project scope as follows:

Floor	Major Facilities	Gross Floor Area / Capacity
Main Block: Basement & G/F	Auditorium	660 persons
Main Block: 1/F	Exhibition Platform	About 3 000 m ²
Main Block: 2/F	Multi-purpose Hall	About 400 persons
Main Block: 2M/F & 3/F	Retail Areas	About 3 400 m ²
Main Block: 4/F	Cafeteria	About 2 300 m ²

Floor	Major Facilities	Gross Floor Area / Capacity
Main Block: 5 - 9/F	Offices/ Multi-purpose Areas	About 11 500 m ²
Main Block: 10 - 12/F & Hostel Block	Youth Hostel	150 rooms

7. The facilities now provided at HKCYD are in accordance with those approved by the Legislative Council Finance Committee meeting on 18 March 2005 as set out above.

8. The usable floor area of the multi-purpose areas at 5/F to 9/F totals around 6,950 m². A dance studio of around 230 m² has been furnished at 6/F and a Civic Education and Youth Resource Centre of around 1,100 m² will be provided at 7/F. Areas at other floors could be partitioned into different units to cater for different youth development needs. Facilities that can be provided may include creative media studios, editing studios, music practice rooms, galleries and art studios, photography and dark rooms, interest class rooms, adventure-based training facilities, etc. The multi-purpose areas could also be used for offices of youth groups, class rooms/training rooms or conference rooms.

9. The Terms of Reference of the MAC include to advise on the overall strategy and objectives of HKCYD, the themes and contents of youth development programmes; the use, allocation, leasing and charging arrangements of various facilities; and the allocation and renting of premises. In addition to consulting youth groups, HAB would also collect the views of the public, especially youth, through questionnaires and webpage, on the facilities and activities at the HKCYD, so as to flexibly utilize the multi-purpose areas.

Progress

10. With the agreement of The Legislative Council Finance Committee that the construction of the superstructure works should proceed at its 18 March 2005 meeting, the superstructure works for the Centre commenced in June 2005. Upon the completion of the superstructure works, the HKCYD was handed over to HAB in November 2008.

Management and Operation

11. During the Legislative Council Finance Committee meeting in March 2005, members agreed on the relaxation of the restriction that the HKCYD should operate as a limited company and on a self-financing basis. The Government would directly take up the responsibility of managing and operating the HKCYD by funding the necessary recurrent expenditure, and HAB would strive to achieve full cost recovery by making every effort to operate the HKCYD in a cost-effective manner. In the event that the HKCYD incurs an operating deficit, HAB would cover the deficit through internal redeployment of resources or public donations. According to the financial analysis by IBM Business Consulting Services in September 2004, the estimated annual expenditure provision required would be around \$48.83 million, and the estimated annual income would be around \$43.59 million.

12. According to the discussions during the Legislative Council Finance Committee meeting in March 2005, HAB would engage management and services contractors through open tenders for the day-to-day management and operation of the HKCYD premises and its various facilities. The Government would collect all incomes generated. The invitation of tenders for the management and operation services contractor has commenced in December 2008 with the deadline of 6 February 2009. Our target is to award the contract within the first quarter of 2009. Up until 2 February 2009, a total of 22 companies/organizations have collected the tender documents, among which 4 are youth organizations. We would evaluate the submitted tender documents according to the Government Stores and Procurement Regulations.

Leasing Policies

13. As the Government would directly take up the responsibility of managing and operating the HKCYD by funding the necessary recurrent expenditure, HAB would strive to achieve full cost recovery by making every effort to operate the HKCYD in a cost-effective manner. The rental charges for venue and facilities would in principle be determined having regard to the operating costs and market rental values. We understand that youth groups may not be able to bear the full market rental. Therefore HAB would consider introducing rental concessions for youth groups. The Management Advisory Committee (MAC) is now considering the leasing and charging policies, as well as the rental charges and rental concessions of the facilities of HKCYD.

14. As the objective of establishing the HKCYD is to serve as a focal point for territory-wide youth development activities in Hong Kong, HAB considers that priority should be given to activities related to youth development in the use of the facilities of HKCYD. These projects would include activities which target at youth, activities presented by youth groups, activities organized by youth audience, or offices for youth groups. The activities suggested by members of the Legislative Council Panel on Home Affairs, i.e. activities by uniformed groups and co-operation with local universities/educational institutions for job training, are activities that can be supported by the HKCYD.

Management Advisory Committee

15. The MAC will tender advice to the Government on the overall strategy and objectives of HKCYD; themes and contents of youth development programmes; the use, allocation, leasing and charging arrangements of various facilities; evaluating the effectiveness on the use of the HKCYD in promoting youth development programmes and the performance of the operator. Due to the diversity of the facilities and services provided by the HKCYD, and the MAC has to advise on the overall strategy, objectives and management of the HKCYD, HAB has appointed the Chairmen of the Commission on Youth and the Committee on the Promotion of Civic Education, a representative nominated by the Eastern District Council, as well as persons from different sectors, such as youth, business, academia and arts, as members of the MAC. Most of the members have rich experience in youth development work through active participation in youth development activities or strong connections with youth groups.

Home Affairs Bureau
February 2009