\*\*\*\*\*\*\*\*\*\*

Following is a question by the Hon Tanya Chan and the reply by the Secretary for Home Affairs, Mr Tsang Tak-sing, in the Legislative Council today (December 14):

## Question:

Some members of private clubs have relayed to me that most of the private recreational leases ("PRLs") will expire by the end of this year, but so far the Government has not announced any renewal arrangement or specific arrangement relating to the policy that regulates PRLs. Regarding the latest development of the policy on PRLs, will the Government inform this Council:

- (a) whether the Government has conducted a review of the policy on PRLs; if it has, of the progress, methodology and outcome of the review; whether it can provide the review report and related information; whether it has amended the relevant policy in the light of the review outcome; if it has, of the details; whether such amendments apply to all private recreational venues ("PRVs"), particularly in respect of the renewal of those PRLs which will expire between the end of this year and early next year; if it has not amended the policy, of the reasons for that; in the process of reviewing the policy, how it ensures that PRVs are put to optimal use, and that the interests of the members of private clubs are fully protected while encouraging other organisations to borrow and use the venues; if it has not conducted any review so far, of the reasons for that;
- (b) given that most of the PRLs will expire this year or next year, of the latest development of the renewal arrangements for the various PRLs at present, including the respective numbers and details of those PRLs which are under negotiation for renewal, those PRLs of which renewal negotiation has not yet started and those PRLs which have already been renewed upon completion of negotiation; whether the Government will renew the PRLs in accordance with the policy which has been reviewed; if it will, of the details; if not, the reasons for that; whether the Government will modify the terms (including general and special terms) of the PRLs upon renewal; if it will, of the details of the modifications (including the content of and justification for the modifications); whether the Government will adopt different renewal arrangements in the light of the nature of the PRVs or their operators (e.g. private clubs or uniformed groups, etc.); if it will, of the details; and

(c) whether it knows the details of the cases of outside organisations borrowing PRVs from private clubs for organising activities in accordance with PRLs in the past five years (including the names of borrowers, details and nature of activities, facilities borrowed, borrowing duration in hours and borrowing dates, and the authorities which arranged the borrowing of PRVs), together with a table setting out such information in detail?

Reply:

President,

In Hong Kong, there is a long history of community organisations operating clubs on land leased under Private Recreational Leases (PRLs) to develop sports or recreational activities for their members. A PRL is a type of Government land lease, and the role of the Home Affairs Bureau (HAB) is to examine whether continuous policy support should be given to such PRLs from the perspective of sports development. My reply to the three parts of the question is as follows:

(a) Quite a number of PRLs were granted a long time ago and have since been renewed many times. In the past when there was an acute shortage of public sports facilities, sports clubs operated by organisations in the community helped to alleviate this shortage. The sites that some of these clubs have been using for years were originally considered to be in remote areas but these have gradually become prime locations as a result of urban development. In view of changes in the circumstances, we have re-examined the policy on PRLs in recent years in communication with the sports clubs and taking account of the views of stakeholders. In this connection, we briefed Members of the Legislative Council Panel on Home Affairs on May 13 and July 8 on our thinking. Having obtained the views from different parties and after careful consideration, we are of the view that holders of PRLs have contributed to the promotion of sports in Hong Kong through the provision of facilities and equipment, the promotion of sports events, the training of athletes and the hosting of major competitions. These organisations have invested substantial resources into their sports clubs over the years to achieve their present scale. To many Hong Kong people, going to these clubs for sports and recreational activities has become a part of their life. These clubs also help attract overseas professionals to work in Hong Kong.

In the light of historical development and present circumstances, HAB's major policy considerations in respect of the renewal of PRLs for sports clubs are as follows:

First, notwithstanding the substantial increase in government-built sports and recreational facilities, sports clubs operated by organisations in the community are still responding to the demand of many people in a society with diverse needs, and they merit policy support on the grounds of sports promotion. Therefore, unless the land concerned has been planned for other uses, we intend to support the renewal of the leases that will expire shortly.

Second, the prerequisite of our support for lease renewals is that the lessees shall support the major policy objectives of sports development in Hong Kong, i.e., promoting sports in the community, promoting elite sports development and promoting Hong Kong as a centre for international sports events. In this connection, private sports clubs should, having regard to their own circumstances, help promote Hong Kong's sports development by allowing greater access to their sports facilities by outside bodies, by nurturing young athletes and by providing venues for staging major sports events. It is of paramount importance that the public should be allowed more opportunities to use the clubs' facilities. The Government will step up monitoring and publicity efforts to facilitate more eligible outside bodies' use of the lessees' facilities for sports activities.

Third, in the long run, we consider it worthwhile to work with relevant policy bureaux and departments to conduct a full-scale review of the policy on PRLs, having regard to our overall development strategy. The proposed review should cover areas such as land use, sports development and the balance of different public needs. With the long-term policy review in mind, when handling lease renewals we will advise lessees that there should be no expectation that their leases would be further renewed upon expiry and that even if the leases are further renewed, they might not be renewed on the same terms and conditions as the renewed leases.

(b) In reply to part (b), as most of the current leases will expire between the end of this year and the end of next year, we informed all lessees in writing of the lease renewal arrangements and the greater access requirements in August this year. We conducted a briefing in September to explain the arrangements in detail to lessees, and advised them on how they should further open up their facilities to outside bodies. We also issued a questionnaire to help lessees formulate proposals for the implementation of the greater access requirements. In their proposals, lessees have also been asked to provide us with details of their publicity measures, charges and application procedures. We are now receiving the proposals submitted by the

lessees. We have also begun discussion with individual lessees on their proposals to ensure that they will comply with our greater access requirements. In addition to the greater access requirements, we will also consider modifying general and special conditions in individual PRLs in the light of the circumstances of each case. Given that the lease renewal exercise is still under way, details of the modifications are not yet finalised. Once the arrangements for opening up are finalised, the formal lease renewal exercise will commence. For the remaining small number of lessees whose PRLs will not expire before the end of 2012, we will also encourage them to allow outside bodies to use their facilities as far as practicable, whilst balancing the interests of their own members.

Given that more time will be needed for discussion with the lessees, the Director of Lands has issued "holding over" letters to lessees whose PRLs will expire before the end of 2012 to allow these lessees to hold over the sites concerned under the terms and conditions of the expired leases, and subject to the payment of the interim rent until the completion of the lease renewal exercise. At present, of the 55 cases, the Lands Department has completed the "holding over" arrangements in 15 cases, and the lessees' confirmation of the acceptance of the "holding over" arrangements is pending in eight cases, while 30 other cases are being processed. As for the remaining two cases, the lessees will continue to use the sites on a temporary basis by way of short-term tenancies since the two sites in question will be required for public purposes.

(c) For part (c), we note that a considerable number of outside bodies have directly approached the lessees in the past five years for the use of the lessees' facilities. During the same period, no outside bodies have sought the assistance of the competent authorities for the use of lessees' facilities.

As for the information on lessees' direct opening-up of facilities for the use of outside bodies, including the names of the user organisations, a Member has earlier made a request for access to such information. In our reply, we pointed out that since the requested information was provided by the lessees as third parties, it was necessary for us to follow the Code's requirements by seeking the consent of the lessees concerned for disclosure of the requested information. In compliance with the guidelines of the Code on Access to Information, we are now giving the lessees time to consider the request. We will follow up and submit the requested information to the Legislative Council after obtaining the consent to release this from the third parties concerned. Meanwhile, a summary of the use of private clubs' facilities by

outside bodies in the past three years is at Annex for reference.

Thank you, President.

Ends/Wednesday, December 14, 2011

NNNN