

COMMUNITY SPORTS COMMITTEE

Alignment of Fees and Charges for Recreation and Sports Facilities and Services under the Management of the Leisure and Cultural Services Department

Purpose

This paper briefs Members on the proposal of the Leisure and Cultural Services Department (LCSD) to align the fees and charges for recreation and sports facilities and services in the urban areas and the New Territories under its management.

Background

2. In his Policy Address 2013, the Chief Executive announced the government's plan to amend the legislation to align the fees and charges for similar recreation and sports facilities and services in the urban areas and the New Territories at the lower of the levels. The existing levels of fees and charges for most of the recreation and sports facilities and services under the management of the LCSD were inherited from the two former Municipal Councils. We are now working on the alignment of the fees and charges with a view to submitting the draft subsidiary legislation to the Legislative Council (LegCo) for approval in the current legislative session and introducing the alignment within this year.

Proposed Arrangements for Fee Alignment

3. The LCSD provides a wide range of recreation and sports facilities and services, involving nearly 1 000 items of fees and charges, of which around 130 items require amendments to the relevant subsidiary legislation for their revision. The items related to fee-charging facilities and services include the admission fees for public swimming pools, hire charges for tennis courts, basketball courts, squash courts, football pitches, table tennis tables and badminton courts, as well as the camp fees for holiday

camps. Besides, revision of the licence fees for public bowling-alleys, public skating rinks and billiard establishments also require legislative amendments.

4. As a first step, we propose to handle the some 130 fees and charges which require legislative amendments according to the following principles:

- (a) where the fee or charge for a recreation and sports facility or service differs between the urban areas and the New Territories, the lower rate will prevail; and
- (b) to introduce non-peak hour rates to facilities in the urban areas by making reference to the charging mode of those facilities in the New Territories.

For example, the current admission fee for public swimming pools in the urban areas is \$19, while that in the New Territories is \$20 for the peak hours (i.e. Saturdays, Sundays and public holidays) and \$17 for the non-peak hours (i.e. Mondays to Fridays except public holidays). According to the principles of alignment stated above, the proposed admission fee for all public swimming pools will be revised to \$19 for the peak hours and \$17 for the non-peak hours.

5. We will submit the draft subsidiary legislation on the proposed revisions to the LegCo in the second quarter of this year. The new fees and charges will be implemented as soon as possible upon the approval of the draft subsidiary legislation by the LegCo and the re-setting of the fees and charges in the Leisure Link System (LLS).

6. The remaining some 850 items of fees and charges for recreation and sports facilities and programmes that are not made under any legislation will also be aligned on the principle stated in paragraph 4 above, i.e. the lower rate will prevail. The aligned fees and charges will be approved by the officers authorised under the authority delegated to the LCSD. These fees and charges involve a large number of items and categories, as well as cover a wide range of recreation and sports facilities (e.g. the hire charges for bowling greens and activity rooms of sports centres) and over 160 recreation and sports programmes (e.g. training courses and competitions). In view of this, the LCSD plans to implement the revised fees and charges in phases. In the first phase, the fees and charges of the facilities and programmes that are

directly comparable will be aligned. The revised fees and charges are expected to be brought into effect concurrently with those involving legislative amendments. In addition, since similar recreation and sports programmes organised by the former municipal councils in the urban areas and the New Territories are slightly different in terms of the numbers of participants and sessions, instructor-to-participant ratios and ball court-to-participant ratios, we will also standardise the arrangements for these programmes upon alignment of their fees and charges.

7. For the more complicated items of fees and charges that are not made under any legislation, such as those for commercial, non-designated and non-sporting uses of facilities, we will consider their alignment or adjustment upon completion of the first phase with a view to implementing the revised fees and charges in the second phase. When a comprehensive review on the structures and levels of the fees and charges for various recreation and sports facilities and services is due in future, we will take into account all relevant factors including the policy objectives of promoting sports development and “Sport for All”, cost recovery rates, usage rates of facilities, and affordability and acceptance of the public.

Alignment of the Definition of Peak and Non-peak Hours in the Urban Areas and the New Territories

8. At present, the definitions of peak and non-peak hours for various facilities in the urban areas and the New Territories are also slightly different. For example, as for the land-based leisure facilities (such as badminton courts and tennis courts), the peak hours in the urban areas are from 5 p.m. to 11 p.m. from Monday to Friday, and the whole day on Saturdays, Sundays and public holidays, whereas the peak hours in the New Territories are from 6 p.m. to 11 p.m. from Monday to Friday, from 1 p.m. to 11 p.m. on Saturdays, and the whole day on Sundays and public holidays. The differences are that both the periods from 5 p.m. to 6 p.m. on weekdays and from opening to 1 p.m. on Saturdays are defined as peak hours in the urban areas, but those periods are counted as non-peak hours for facilities in the New Territories. This may reflect the relatively low demand for facilities during 5 p.m. to 6 p.m. on weekdays and Saturday mornings in the New Territories in the past. However, the life patterns of the public have changed over the recent years. For example, the working hours on weekdays are extended to facilitate the implementation of the five-day week. To cope with the actual situation, we suggest that in allocation of facilities, the period from

5 p.m. to 6 p.m. on weekdays should be regarded as non-peak hours and the whole day on Saturdays should be regarded as peak hours. In other words, the peak hours will be from 6 p.m. to 11 p.m. on weekdays and the whole day on Saturdays, Sundays and public holidays^{Note 1}. As for the current alignment of fees and charges, having taken into account the principle of adopting the lower of the existing levels of fees and charges as proposed in paragraph 4(a) above and that Saturday mornings are currently defined as non-peak hours in the New Territories, to avoid an increase in fees and charges after re-defining Saturday mornings as peak hours, we proposed that Saturday mornings should be defined as a “special rate period” within the peak hours. Take the fees and charges for badminton courts and tennis courts after the alignment as examples. The fees and charges for peak and non-peak hours are as follows:

	Current Rate (\$)		Proposed New Rate (\$)		
	Peak Hours	Non-peak Hours	Peak Hours (From 6 p.m. to 11 p.m. on weekdays; whole day on Saturdays, Sundays and public holidays)		Non-peak Hours (From opening to 6 p.m. on weekdays (except public holidays))
			Normal Rate (6 p.m. to 11 p.m. on weekdays; whole day on Saturdays, Sundays and public holidays)	Special Rate (From opening to 1 p.m. on Saturdays (except public holidays))	
Air-conditioned Badminton Court					
Urban Areas	59	59	59	51	51
New Territories	66	51			
Tennis Court without Floodlighting					
Urban Areas	42	42	42	34	34
New Territories	52	34			

When conducting a comprehensive review on the structures and levels of fees and charges for various recreation and sports facilities and services in future,

^{Note 1} : In actual operation, during peak hours, only one-third of the total available hours of the month for the same type of facility at the same venue may be allowed for booking by organisations, and two-thirds of the available hours may be allowed for booking by individual hirers. During non-peak hours, the quota for booking by organisations may be relaxed and determined by the venue managers concerned according to the usage patterns of individual facilities. In general, not more than two-thirds of the total number of courts may be booked by organisations.

we will also take into consideration the charging arrangements for peak and non-peak hours, Saturday mornings in particular, with a view to further rationalising the items of fees and charges.

Public Consultation

9. We plan to consult the chairmen and vice-chairmen of the District Councils on the proposed alignment of fees and charges in mid-March 2013 and the LegCo Panel on Home Affairs in mid-April 2013. The draft subsidiary legislation will be submitted to the LegCo in May 2013. Upon its approval by the LegCo and the completion of the re-setting of the fees and charges in the LLS, we will implement the alignment of fees and charges included in the first phase of the exercise within this year.

Legislative Procedure and Effective Date of the New Fees and Charges

10. According to Sections 124J(1) and 124L(1) of the Public Health and Municipal Services Ordinance (Cap. 132), approval by the LegCo of the draft subsidiary legislation on the revision of fees and charges is required for the admission fees for public swimming pools, hiring charges for tennis courts, basketball courts, squash courts, football pitches, table-tennis tables and badminton courts, and camp fees for holiday camps, as well as the licence fees for public bowling-alleys, public skating rinks and billiard establishments.

Advice Sought

11. Members are invited to note the content of the paper and comment on the proposed alignment of fees and charges.

Leisure and Cultural Services Department
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