

CHAPTER 10

Leisure and Cultural Services Department

Audience building activities for performing arts

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AUDIENCE BUILDING ACTIVITIES FOR PERFORMING ARTS

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AUDIENCE BUILDING ACTIVITIES FOR PERFORMING ARTS

Executive Summary

1. Under “Programme 4: Performing Arts” of the Leisure and Cultural Services Department (LCSD)’s Controlling Officer’s Report, the LCSD aims to promote performing and film arts through audience building, venue management and presenting programmes. The six LCSD units responsible for the work are five offices/sections (i.e. Audience Building Office, Urban Venues Section, New Territories Venues Section, Cultural Presentations Section and Festivals Office) grouped under the Performing Arts Division (for all forms of performing arts including music activities), and the Music Office grouped under the Libraries and Development Division (for music activities only). Audience building is a crucial part of the work, aiming to promote appreciation of performing arts among the general public. Audience building activities include exhibitions, lectures, workshops, training courses and performances. In 2015-16, the six LCSD units organised some 4,700 audience building activities, with some one million participants. The direct costs of organising audience building activities for the Audience Building Office and the Music Office totalled \$87 million in 2015-16, while such costs could not be separated from the overall operation costs of the other four LCSD units. The Audit Commission (Audit) has recently conducted a review of the LCSD’s audience building activities for performing arts.

Planning of audience building activities

2. *Scope for improving planning of audience building activities.* The LCSD receives submissions of programme proposals by arts groups and other parties. The relevant LCSD units assess these proposals to select suitable ones (including audience building activities) to be included in their annual programme plans. Since January 2007, a Programme and Development Committee, comprising a non-official chairperson, an ex-officio member and 11 non-official members and supported by six panels of experts on different art forms, has been established to advise the LCSD on performing arts programme presentation strategies and annual programme plans including audience building. Audit noted that: (a) the LCSD’s annual overall programme plan on performing arts had incorporated only the

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activities of the five offices/sections under the Performing Arts Division but not the Music Office under the Libraries and Development Division; (b) while a Programme and Development Committee had been established to advise the LCSD on strategies for audience building, the Music Office, Urban Venues Section and New Territories Venues Section had not sought advice from the Committee in preparing their annual programme plans; and (c) the LCSD had not compiled management information regularly for audience building activities organised for each key art form and participants' feedback (paras. 1.7, 1.8, 2.3 to 2.8 and 2.11).

Audience building activities of the Audience Building Office

3. *Inadequacies in counting number of participants.* The Audience Building Office organises audience building activities at community and school levels in cooperation with arts groups and educational institutions. In 2015-16, it organised 1,008 audience building activities at a cost (staff costs and direct expenditures) of \$26.9 million. Of the 563 activities under its community schemes, 39% (222 activities) were conducted at LCSD venues. The arts groups commissioned to conduct the activities reported a total of some 155,000 participants. Many activities were free and conducted in public areas or venues open to the public. Many participants appeared to be just passing by or only stayed at the activities briefly. The LCSD had not issued guidelines on counting the number of participants. It also had not reviewed the head count methodology adopted by arts groups. Audit case studies showed that the arts groups concerned might not have counted the number of participants properly (paras. 3.2 to 3.7 and 3.10).

4. *Decrease in number of participants in school schemes.* In 2015-16, some 63,000 students participated in the audience building activities organised by the Audience Building Office under its school schemes, down 37% from 99,506 in 2011-12. Audit noted that the number of schools participating in the schemes were down 21% from 801 to 634 during the period. Reasons for schools not participating in the schemes included inconvenient event times. As at July 2016, of the 1,139 primary, secondary and special schools in Hong Kong, 93 (8%) schools had never participated in the schemes (paras. 3.15 to 3.18).

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Audience building activities of the Music Office

5. The Music Office was established by the Government in 1977. In 1995, it was transferred to the former Municipal Councils. In 2000, upon dissolution of the Councils, it came under the LCSD's management, pending transfer to the Hong Kong Academy for Performing Arts as recommended by a consultancy study in 1999. In August 2015, the Government decided that the Music Office should continue to be managed under the LCSD as a long-term arrangement. Since its establishment in 1977, the objective of the Music Office has been to promote knowledge and appreciation of music in the community (paras. 4.2 to 4.5, 4.9 and 4.11).

6. *Need to evaluate cost-effectiveness.* The Music Office takes a three-pronged approach to audience building. Its extensive music training schemes (for young people aged 6 to 23) and outreach music interest courses (for people of all ages) actively train people to play and understand music while its other music activities (such as exhibitions and concerts) attract and provide opportunities for people to appreciate music. In 2015-16, the music training schemes incurred the highest cost of \$37.5 million (representing 62% of the Music Office's total cost of \$60.5 million). Because training under the music training schemes is provided on a yearly basis involving many training sessions (e.g. around 39 one-hour sessions for a trainee who received instrumental training), the music training schemes costed \$5,981 per person reached, compared to \$1,334 per person for the short-term outreach music interest courses and \$116 per person for other music activities. The Music Office's training and music activities were delivered by the Music Officer grade staff. However, Audit noted that the Music Officer grade staff had used only 36% of their work hours for delivering music training courses and other music activities, and 64% for administrative and other duties. On the other hand, the Music Office had increased the hiring of part-time instructors to deliver music training to augment music skills not available in the Music Office. Many training classes of the Music Office had a very small class size (e.g. only 1 trainee) compared with the specified standard class size (e.g. 5 to 10 trainees). This had also contributed to the higher cost of the training and audience building activities of the Music Office (paras. 4.13 to 4.15, 4.20 to 4.23, 4.25 and 4.26).

7. *Under-utilisation of music centres.* The Music Office had five music centres located at different districts, with sizes ranging from 643 to 1,916 square metres. Key training facilities of the music centres included a total of 40 training rooms and 5 rehearsal rooms. Audit estimated that the number of training sessions delivered each year under the Music Office's music training schemes and outreach

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music interest courses was equivalent to only 29% of the capacity of the 45 training facilities. For example, the training facilities in November 2015 were almost unused (utilisation rate of 3%) on weekdays before 4 p.m. and around 70% utilised after 4 p.m. and at weekends. As many arts groups were unable to secure venues for staging audience building activities, there might be scope for using these training facilities (paras. 3.9, 3.10 and 4.38 to 4.40).

8. *Way forward for the Music Office.* The LCSD did not have an overarching annual programme plan for promoting appreciation of performing arts (see para. 2(a) above). While the extensive music training schemes organised by the Music Office could be complementary to the other audience building activities of the LCSD, they were unique within the LCSD. With the Government's decision in August 2015 to continue to manage the Music Office under the LCSD as a long-term arrangement, the LCSD needs to determine the way forward for the Music Office in relation to other performing arts activities of the LCSD (paras. 4.9 and 4.46).

Audience building activities of Urban and New Territories Venues Sections

9. *Decrease in number of participants.* The Urban Venues Section and the New Territories Venues Section each manage seven performing arts venues. In addition, the two Sections organise free audience building activities, including performances at foyers and piazzas, and other venue activities (e.g. guided tours), and provide free use of venues to arts groups for organising audience building activities. While foyer and piazza activities had attracted the largest number of participants per activity, the LCSD had reduced the number of such activities considerably from 139 in 2014-15 to 78 in 2015-16 because of the need to prioritise its budgets. This resulted in an 18% drop in the total number of participants in the audience building activities of the two venues sections, from 399,000 in 2014-15 to 326,000 in 2015-16. Audit case study indicated that, when collaborating with non-governmental organisations and private sector partners, organising foyer and piazza activities attracted interested audience and did not always incur additional costs (paras. 5.2 and 5.5 to 5.8).

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10. *Scope for using minor facilities for audience building activities.* The 14 LCSD performing arts venues have a total of 72 minor facilities (e.g. rehearsal rooms), with a total seating capacity of 5,400 people. During 2011-12 to 2015-16, the utilisation of these minor facilities in urban venues were between 37% and 42%, and the utilisation of the New Territories venues were between 61% and 63%. As many arts groups were unable to secure venues for staging audience building activities, there might be scope for using these minor facilities (paras. 3.9, 3.10 and 5.11 to 5.13).

11. *Opportunities in building audience through Venue Partnership Scheme.* The Venue Partnership Scheme was implemented by the LCSD at most of its performing arts venues and aims to foster a partnership between the performing arts venues and performing arts groups with the objectives of enhancing the artistic image and character of the venue and its partner, enlarging the audience base, optimising usage of facilities, developing venue-based marketing strategies, facilitating arts sponsorship, and encouraging community involvement. Under the Venue Partnership Scheme, arts groups may apply for the priority use of performing arts venues of the LCSD. Audit found that: (a) 2 of the 14 LCSD performing arts venues had not been open for partnership application; and (b) the LCSD had not taken action to recruit partners for 2 other venues to replace those who had withdrawn (paras. 5.16, 5.17 and 5.21).

Audit recommendations

12. **Audit recommendations are made in the respective sections of this Audit Report. Only the key ones are highlighted in this Executive Summary. Audit has recommended that the Director of Leisure and Cultural Services should:**

Planning of audience building activities

- (a) **make good use of the expertise of the Programme and Development Committee in preparing annual programme plans of the Music Office and the Urban and New Territories Venues Sections (para. 2.12(a));**
- (b) **prepare an overarching annual programme plan on performing arts covering all relevant offices/sections (para. 2.12(b));**

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- (c) compile management information on audience building activities organised for each key art form and on participants' feedback on the activities regularly (para. 2.12(c) and (d));

Audience building activities of the Audience Building Office

- (d) provide arts groups clear guidelines on counting the number of participants in audience building activities under community schemes, and ensure compliance with the guidelines (para. 3.13(a));
- (e) explore ways to help arts groups in securing venues for audience building activities under community schemes, including assigning more LCSD venues for their use (para. 3.13(c));
- (f) review the adequacy of the school schemes in catering for the needs of schools and students, and take measures to improve the participation of schools and students in school schemes (para. 3.20);

Audience building activities of the Music Office

- (g) in formulating long-term strategies and plans for the Music Office, review the allocation of resources to different types of activities to ensure that its objective is achieved cost-effectively (para. 4.28(a));
- (h) review the skill mix and the actual duties performed by the Music Officer grade staff, and consider rationalising/enhancing the Music Office workforce as appropriate (para. 4.28(b) and (c));
- (i) consider setting minimum class sizes for the Music Office's training courses, and establishing a mechanism for consolidating/cancelling classes falling short of minimum sizes (para. 4.28(d));
- (j) take measures to improve the utilisation of the five music centres of the Music Office (e.g. using them for audience building activities of other LCSD units) (para. 4.42(b));
- (k) review the role of the Music Office in relation to other LCSD performing arts promotion activities, with a view to better aligning the work of the Music Office with that of the LCSD and attaining synergy in promoting appreciation of performing arts more cost-effectively (para. 4.50(a));

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Audience building activities of Urban and New Territories Venues Sections

- (l) **review the impact of reducing foyer and piazza activities on audience building, and explore areas where the cost-effectiveness of foyer and piazza activities could be further improved (para. 5.9);**
- (m) **explore measures to improve the utilisation of minor facilities of performing arts venues, including assigning suitable facilities for use in audience building activities (para. 5.14); and**
- (n) **take measures to improve the implementation of the Venue Partnership Scheme (para. 5.22).**

Response from the Government

13. The Director of Leisure and Cultural Services generally accepts the audit recommendations.

PART 1: INTRODUCTION

1.1 This PART describes the background to the audit and outlines the audit objectives and scope.

Background

1.2 The Home Affairs Bureau (HAB) is responsible for drawing up policies on the arts and culture. The policy objectives are to:

- (a) provide opportunities for wide participation in the arts and culture;
- (b) provide opportunities for those with potentials to develop their artistic talents;
- (c) create an environment conducive to the diversified and balanced development of the arts and culture;
- (d) support the preservation and promotion of traditional cultures while encouraging artistic creation and innovation; and
- (e) develop Hong Kong into a prominent hub of cultural exchanges.

1.3 Operating under the HAB's auspices are three key agencies in the promotion of the arts and culture, namely, the Leisure and Cultural Services Department (LCSD), the Hong Kong Arts Development Council (Note 1) and the Hong Kong Academy for Performing Arts (Note 2).

Note 1: *The Hong Kong Arts Development Council was established in 1995 under the Hong Kong Arts Development Council Ordinance (Cap. 472) to support the broad development of the arts in Hong Kong. Its major roles include grant allocation, policy and planning, advocacy, promotion and development, and programme planning.*

Note 2: *The Hong Kong Academy for Performing Arts was established in 1984 under The Hong Kong Academy for Performing Arts Ordinance (Cap. 1135). It is a tertiary institution in performing arts.*

Introduction

1.4 In a consultancy study of June 2009 commissioned by the HAB, it was recognised that the arts could cultivate growth in individuals and creative industries could become a key driver of economic growth and regeneration. Socially, the arts helped nurture a shared identity and build community cohesion.

Programme for promotion of performing arts

1.5 Under “Programme 4: Performing Arts” of the LCSD’s Controlling Officer’s Report (referred to as “Performing Arts Programme” hereinafter), the LCSD aims to promote performing and film arts through the provision of facilities and the presentation of programmes, which include:

- (a) maintaining a high standard of service in civic centres to meet the needs of the arts community and the public;
- (b) presenting cultural and entertainment programmes for the development of the performing and film arts; and
- (c) organising audience building activities at schools and in the community to promote appreciation of the performing arts.

1.6 The LCSD units responsible for promoting performing arts under the Performing Arts Programme are the various offices/sections of the Performing Arts Division, and the Music Office of the Libraries and Development Division. An extract of the organisation chart of the LCSD is at Appendix A. For 2016-17, the estimated financial provision for the entire Performing Arts Programme is \$1,139 million, involving about 970 civil service staff of the LCSD.

1.7 Since January 2007, a Programme and Development Committee, comprising a non-official chairperson, an ex-officio member and 11 non-official members, has been established to advise the LCSD on strategies for programmes of the performing arts, including programmes of audience building activities. The Committee, among other duties:

- (a) considers the LCSD’s long-term programme presentation strategies, and the strategies for supporting budding and small-scale performing arts groups;

- (b) endorses the LCSD's annual programme plans; and
- (c) reviews the progress of programme plans.

1.8 The Programme and Development Committee is supported by six Art Form Panels, comprising the Chinese Traditional Performing Arts, Community, Dance and Multi-arts, Festivals, Music and Theatre (see Appendix B for their terms of reference). Panel members include experts on different art forms. Among the six Art Form Panels, the Community Panel is the main Panel giving advice on audience building.

Audience building activities for performing arts

1.9 A crucial part of the work under the LCSD's Performing Arts Programme is organising audience building activities to promote appreciation of the performing arts (see para. 1.5(c)). The activities, including exhibitions, lectures, workshops, training courses and performances, are organised by six LCSD units. Some of the six units are also responsible for other work under the LCSD's Performing Arts Programme. The six units comprise:

- (a) ***Audience Building Office (under Performing Arts Division)***. The Office organises a number of community schemes and school schemes to promote knowledge and appreciation of the performing arts at community and school levels. Some activities under the schemes are free while some are fee-charging;
- (b) ***Music Office (under Libraries and Development Division)***. The Office promotes knowledge and appreciation of music in the community, especially among young people, through the provision of instrumental and ensemble training and the organisation of various music activities. The instrumental music training scheme, with trainees between the age of 6 and 23, offers beginners to grade 8 level training in 30 musical instruments. Running 19 youth orchestras/bands/choirs for young trainees, the Office sends its orchestras, bands, or choirs on overseas concert tour each year to widen the horizon of local young musicians. The Office's annual summer music camp aims to enhance the performance skills of young musicians through intensive training by eminent musicians from the Mainland and overseas. Regular concerts in

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schools are organised by the Office to familiarise students with Chinese and Western orchestral instruments and to stimulate their interest in fine music. Instrumental music training courses are fee-charging and ensemble training courses are free. For other music activities, some are free while others are fee-charging;

- (c) *Urban Venues Section and New Territories Venues Section (under Performing Arts Division)*. The two venues sections are responsible for managing the LCSD's performing arts venues (see para. 1.5(a)). They also organise free audience building activities at the venues or provide arts groups with free use of the venues for organising such activities. The activities include performances and workshops; and
- (d) *Cultural Presentations Section and Festivals Office (under Performing Arts Division)*. The main duties of the two units are presenting fee-paying cultural programmes (see para. 1.5(b)). The Cultural Presentations Section presents cultural programmes on a year-round basis. The Festivals Office presents two arts festivals annually (i.e. the International Arts Carnival in summer and a thematic arts festival in autumn). In presenting cultural programmes, the two units also organise free ancillary audience building activities (e.g. pre-performance talks and post-performance discussions).

1.10 In 2015-16, the six LCSD units organised a total of 4,682 audience building activities, with some one million participants. The direct costs (including staff costs and direct expenditures) of the Audience Building Office and the Music Office in 2015-16 were \$26.9 million and \$60.5 million respectively (Note 3).

Audit review

1.11 In 2010, the Audit Commission (Audit) conducted a review of the LCSD's management of performing arts venues (see para. 1.5(a)). The results were included in Chapter 7 of the Director of Audit's Report No. 55 of October 2010.

Note 3: *For the other four LCSD units, they conducted cultural programmes as well as audience building activities under the Performing Arts Programme. The audience building activities were built-in features in the cultural programmes. The direct costs of audience building activities therefore could not be separated from the overall programme production costs of the cultural programmes.*

1.12 In May 2016, Audit commenced a review of the LCSD's audience building activities for performing arts. The audit has focused on the following areas:

- (a) planning of audience building activities (PART 2);
- (b) audience building activities of the Audience Building Office (PART 3);
- (c) audience building activities of the Music Office (PART 4); and
- (d) audience building activities of Urban and New Territories Venues Sections (PART 5).

Audit has found room for improvement in the above areas and has made a number of recommendations to address the issues.

General response from the Government

1.13 The Director of Leisure and Cultural Services generally accepts the audit recommendations. She has said that:

- (a) the LCSD is grateful to Audit for working with it to explore opportunities to improve the value for money of audience building activities; and
- (b) the LCSD has generally found the audit recommendations fruitful. The LCSD will make every endeavour to address the issues and follow up to enhance the overall cost-effectiveness of its audience building activities.

Acknowledgement

1.14 Audit would like to acknowledge with gratitude the full cooperation of the staff of the LCSD during the course of the audit review.

PART 2: PLANNING OF AUDIENCE BUILDING ACTIVITIES

2.1 This PART examines the LCSD's planning of audience building activities for performing arts. Table 1 shows the activities organised during 2011-12 to 2015-16.

Table 1
LCSD audience building activities
(2011-12 to 2015-16)

LCSD office/section	2011-12	2012-13	2013-14	2014-15	2015-16
<i>No. of activities organised</i>					
Audience Building Office	1,105 (26%)	1,113 (25%)	1,148 (25%)	1,067 (24%)	1,008 (22%)
Music Office					
Music training courses (Note)	361 (9%)	388 (8%)	397 (8%)	416 (9%)	402 (9%)
Other music activities	1,102 (27%)	1,123 (25%)	1,147 (25%)	1,153 (25%)	1,164 (25%)
Urban and New Territories Venues Sections	770 (18%)	1,128 (25%)	1,137 (24%)	1,080 (24%)	1,389 (29%)
Cultural Presentations Section and Festivals Office	817 (20%)	787 (17%)	844 (18%)	794 (18%)	719 (15%)
Total	4,155 (100%)	4,539 (100%)	4,673 (100%)	4,510 (100%)	4,682 (100%)
<i>No. of participants ('000)</i>					
Audience Building Office	276 (26%)	279 (24%)	291 (25%)	286 (24%)	264 (26%)
Music Office					
Music training courses (Note)	8 (1%)	8 (1%)	9 (1%)	9 (1%)	9 (1%)
Other music activities	159 (15%)	185 (16%)	161 (14%)	178 (15%)	168 (16%)
Urban and New Territories Venues Sections	326 (30%)	407 (35%)	380 (32%)	399 (33%)	326 (32%)
Cultural Presentations Section and Festivals Office	306 (28%)	271 (24%)	330 (28%)	326 (27%)	262 (25%)
Total	1,075 (100%)	1,150 (100%)	1,171 (100%)	1,198 (100%)	1,029 (100%)

Source: LCSD records

Note: According to the LCSD, the Music Office's music training courses are both audience building activities and music education programmes offered to the public (in the LCSD's Controlling Officer's Report, information about the music training courses is reported separately — see para. 4.11).

Procedures for planning audience building activities

- 2.2 The LCSD's audience building activities comprise:
- (a) the audience building activities for all forms of performing arts (including music) organised by the Audience Building Office, Urban Venues Section, New Territories Venues Section, Cultural Presentations Section and Festivals Office under the Performing Arts Division; and
 - (b) music training courses and other music activities organised by the Music Office under the Libraries and Development Division.

The audience building activities include exhibitions, lectures, workshops, training courses and performances.

2.3 The LCSD receives submissions of programme proposals (including audience building activities and cultural and entertainment programmes) by arts groups and other parties. The relevant LCSD units assess these proposals to select suitable ones to be included in their annual programme plans. For the Audience Building Office, Cultural Presentations Section and Festivals Office, they are required to seek the advice of the relevant Art Form Panels and/or the Programme and Development Committee (see paras. 1.7 and 1.8) in assessing programme proposals and preparing annual programme plans. All LCSD units are required to submit their annual programme plans to the Director of Leisure and Cultural Services for approval. Flowcharts showing the procedures for preparing annual programme plans are at Appendix C.

Scope for improving consultation on annual programme plans

2.4 Audit noted that, in preparing their 2015-16 annual programme plans, the Audience Building Office, Cultural Presentations Section and Festivals Office had sought advice from the Programme and Development Committee and its panels. However, the Music Office, Urban Venues Section and New Territories Venues Section had not done so. For the Urban Venues Section and New Territories Venues Section, audience building activities conducted under their Venue

Planning of audience building activities

Partnership Scheme (Note 4) were included in an annual programme plan, which had been submitted to a separate committee for endorsement (i.e. the Committee on Venue Partnership). Table 2 shows the details.

Table 2
Consultation procedure for preparing annual programme plans
(2015-16)

Office/section	Art Form Panel consulted	Programme and Development Committee	
		Consulted	Endorsement sought
Audience Building Office	Community Panel	✓	✓
Cultural Presentations Section	Chinese Traditional Performing Arts, Dance and Multi-arts, Music, and Theatre Panels	✓	✓
Festivals Office	Festivals Panel	✓	✓
Music Office	None	×	×
Urban and New Territories Venues Sections (Note)	None	×	×

Source: Audit analysis of LCSD records

Note: For audience building activities conducted under the Venue Partnership Scheme (see para. 5.2(c)), the related annual programme plan was endorsed by the Committee on Venue Partnership (see Note to Appendix C).

Note 4: *The two venues sections organised free audience building activities at the LCSD's performing arts venues, or provided arts groups with free use of the venues for organising such activities. The arts groups included those who were partners under the Venue Partnership Scheme (see para. 5.2(c)).*

Planning of audience building activities

According to an LCSD circular issued in 2006, for free entertainment and foyer programmes, expert advisors of the appropriate art form are not to be consulted. However, Audit noted that while the audience building activities of the Urban Venues Section and New Territories Venues Section were free, the activities accounted for a significant proportion (29% in 2015-16 — see Table 1 in para. 2.1) of the LCSD audience building activities.

2.5 The role of the Programme and Development Committee established in 2007 is to advise the LCSD on strategies for programmes of the performing arts, including programmes of audience building activities. Its panels include experts on different art forms. In Audit's view, since the programmes organised by the Music Office, Urban Venues Section and New Territories Venues Section are part of the LCSD's programmes of the performing arts, the LCSD should make good use of the expertise of the Programme and Development Committee and its panels in preparing annual programme plans of the Music Office and the two venues sections.

Lack of an overarching annual programme plan

2.6 Taking account of the annual programme plans of individual offices/sections, the LCSD prepares an annual overall programme plan on performing arts. However, Audit noted that the overall programme plan incorporated only the activities of the Performing Arts Division (i.e. activities of the Audience Building Office, Cultural Presentations Section, Festivals Office, Urban Venues Section and New Territories Venues Section). Activities of the Music Office, which is under the Libraries and Development Division (but not the Performing Arts Division), were not included in the overall programme plan.

2.7 Audit considers that there is merit for the LCSD to prepare an overarching annual programme plan on performing arts covering all relevant offices/sections including the Music Office. This will help senior management assess whether efforts of different offices/sections are well coordinated to produce optimal results. For example, since the Audience Building Office and the Music Office both organise audience building activities for music, their efforts need to be well coordinated to ensure optimal use of resources (see Case 1).

Planning of audience building activities

Case 1

Music training offered by two different LCSD offices (2015-16)

1. In accordance with the overall programme plan of the Performing Arts Division for 2015-16, the Audience Building Office provided training for students under the School Performing Arts in Practice Scheme. The Scheme included an orchestra training project for students, as follows:

- (a) an arts group was commissioned to provide instrumental music training to primary school students who had not received music training before;
- (b) the project lasted for a school year. Upon completion of the project, students were expected to be able to perform solos, ensembles or with an orchestra. Project activities included class training, finale rehearsals and in-school finale performances; and
- (c) 117 students from two primary schools participated in the project.

According to the LCSD, the project targeted primary schools without orchestras and less privileged students without music knowledge.

2. Meanwhile, the Music Office was organising an instrumental music training scheme, targeting people aged 6 to 23. There were 4,808 trainees in 2015-16 (see para. 4.13(a)(i)). During the year, the Music Office had used only 36% of its staff work hours in delivering training and music activities (see para. 4.21).

Audit comments

3. There may be room for better coordinating the efforts of the two offices to ensure optimal use of resources for music training.

Source: Audit analysis of LCSD records

2.8 Audit also noted that the LCSD had not compiled information about audience building activities organised for each key art form. Analysis of activities of various offices/sections by art forms is key management information, which could help gain insight into areas where audience building activities need more

effort. It could also help identify possible areas where the utilisation of resources can be improved.

Need to collect more planning data

2.9 Table 1 in paragraph 2.1 shows that, during 2011-12 to 2015-16, the total number of participants in LCSD audience building activities generally remained stable (some one million a year). However, comparing with its peak of 1.198 million participants in 2014-15, the number decreased by 14% to 1.029 million participants in 2015-16. Table 3 shows that the average number of participants per activity declined by 15% from 259 in 2011-12 to 220 in 2015-16. Upon enquiry, the LCSD informed Audit in August 2016 that it had ascertained the underlying reasons for the drop in the average number of participants. One of the reasons was the reduction in foyer and piazza activities organised by the Urban and New Territories Venues Sections. Audit noted that among the audience building activities of the Urban and New Territories Venues Sections, foyer and piazza activities had the largest number of participants per activity (see paras. 5.5 to 5.7).

Table 3

**Number of participants in LCSD audience building activities
(2011-12 to 2015-16)**

	2011-12	2012-13	2013-14	2014-15	2015-16
No. of activities	4,155	4,539	4,673	4,510	4,682
No. of participants ('000)	1,075	1,150	1,171	1,198	1,029
No. of participants per activity	259	253	251	266	220

Source: Audit analysis of LCSD records

2.10 In this connection, Audit noted that in 2011, the LCSD commissioned a consultant to conduct an overall survey on its performing arts activities (including audience building activities). Respondents comprised participants in the activities

Planning of audience building activities

and those who had not participated in the activities (Note 5). Reasons given by some respondents for their unfavourable feedback included low standard of performers and programme contents for some community audience building activities. According to the LCSD, the performers of these activities were workshop trainees and amateur Cantonese operatic song organisations.

2.11 Since 2011, the LCSD has not conducted overall surveys on its audience building activities. Upon enquiry, the LCSD informed Audit in August 2016 that overall surveys were conducted at intervals of around four to six years in the past. The next survey would be conducted when due. In the meantime, the responsible offices/sections of the LCSD conducted questionnaire surveys of participants at the end of individual activities. The offices/sections would discuss and follow up on participants' comments through regular programme and marketing meetings. Audit noted that the LCSD had not summarised the survey results for further analysis and management information. In Audit's view, such survey results are useful for planning future activities, and collecting the views of non-participants in parallel would also be useful.

Audit recommendations

2.12 **Audit has recommended that the Director of Leisure and Cultural Services should:**

- (a) **make good use of the expertise of the Programme and Development Committee and its panels in preparing annual programme plans of the Music Office and the Urban and New Territories Venues Sections;**
- (b) **prepare an overarching annual programme plan on performing arts covering all relevant offices/sections including the Music Office;**
- (c) **compile management information on audience building activities organised for each key art form regularly;**

Note 5: *The LCSD conducted opinion surveys on performing arts activities in 2001, 2005 and 2011. Respondents in the 2011 survey comprised 5,510 participants in performing arts activities and 2,039 other persons who had not participated in performing arts activities. The 2,039 other respondents were surveyed through telephone interviews.*

- (d) **compile, on a regular basis, management information on participants' feedback on audience building activities; and**
- (e) **regularly conduct surveys of people who had not participated in audience building activities to solicit their views on audience building.**

Response from the Government

2.13 The Director of Leisure and Cultural Services accepts the audit recommendations. She has said that:

- (a) the LCSD will review the procedures for preparing the annual programme plans of the Urban and New Territories Venues Sections and the Music Office with a view to involving more external stakeholders for expert advice so as to enhance the community engagement in enriching the annual programme plans;
- (b) the LCSD has internal communication among different offices/sections through daily contacts and programme meetings when drawing up annual programme plans, and will continue to coordinate well among programme offices to optimise the use of resources. The LCSD will re-examine the procedures for preparing annual programme plans with a view to working out an overarching annual programme plan on audience building and education covering all relevant offices/sections including the Music Office;
- (c) the LCSD will compile regular management information on audience building activities by key art forms;
- (d) the LCSD will compile regular statistics and management information on participants' feedback on audience building activities collated through questionnaire surveys for better planning of future programmes; and
- (e) the LCSD will continue to conduct overall surveys on performing arts activities on a regular basis at intervals of four to six years. Through such surveys, views of people who have not participated in audience building activities will also be gauged.

PART 3: AUDIENCE BUILDING ACTIVITIES OF THE AUDIENCE BUILDING OFFICE

3.1 This PART examines the audience building activities of the Audience Building Office, focusing on:

- (a) community schemes (paras. 3.5 to 3.14); and
- (b) school schemes (paras. 3.15 to 3.21).

3.2 In early 2000, to enhance audience development efforts, the LCSD set up the Audience Building Office under its Performing Arts Division. The Office aims at promoting knowledge and appreciation of the performing arts at community and school levels through organising various audience building schemes and activities in cooperation with arts groups and educational institutions.

3.3 As at June 2016, the Audience Building Office had a strength of 25 staff comprising 18 civil service staff and 7 non-civil service contract staff. In 2015-16, its direct costs (including staff costs and direct expenditures) were about \$26.9 million (Note 6).

3.4 In 2015-16, the Audience Building Office organised a total of 1,008 audience building activities, comprising 563 (56%) activities under its community schemes, 355 (35%) activities under its school schemes and 90 (9%) other activities. Some activities were free of charge while some were fee-charging. The number of participants in these activities totalled 264,422. Table 4 outlines the nature and types of activities organised under the community and school schemes.

Note 6: *In 2015-16, the LCSD commissioned 45 arts groups involved in 66 projects for carrying out audience building schemes and activities of the Audience Building Office (see para. 3.2). The payments to these arts groups totalled \$15.8 million, which formed part of the total direct costs of \$26.9 million.*

Audience building activities of the Audience Building Office

Table 4

**Audience building activities of the Audience Building Office
(2015-16)**

Scheme/nature of activities		No. of activities	No. of participants
<i>Community schemes</i>			
1	Community Cultural Ambassador Scheme Arts groups were commissioned to act as cultural ambassadors to conduct outreach activities in the community (e.g. at public spaces) for audience building. Activities included exhibitions and performances (see Photograph 1).	557	153,689
2	Community Oral History Theatre Project An arts group was commissioned to conduct theatre workshops for the elderly in selected districts. The elderly then acted out their personal experiences and stories on stage (see Photograph 2).	6	964
Sub-total		563	154,653
<i>School schemes</i>			
3	School Performing Arts in Practice Scheme In collaboration with local arts groups, the LCSD provided a series of performing arts training for primary, secondary and special school students. In the finale performance, students could put their training into practice (see Photograph 3).	184	30,100
4	School Culture Day Scheme Students were encouraged to visit the LCSD's performing arts venues, museums and libraries during school hours over a school year, and to take part in activities such as performances and workshops (see Photograph 4).	64	7,469
5	Arts Experience Scheme for Senior Secondary Students Artists were invited to stage performances for students at schools and in performing arts venues. Students were required to attend pre-performance lectures and post-performance appreciation sessions, as well as other interactive workshops.	56	9,643

Audience building activities of the Audience Building Office

Table 4 (Cont'd)

	Scheme/nature of activities	No. of activities	No. of participants
6	Let's Enjoy Cantonese Opera in Bamboo Theatre	32	14,773
	Opportunity was provided to participants, particularly children, to set foot on bamboo theatres to get to know about the unique kind of temporary structure, while at the same time appreciating the arts in Cantonese opera.		
7	General Education in Arts Programme for Tertiary Students	15	420
	Activities were conducted for tertiary students to develop an in-depth understanding and artistic appreciation of theatre, such as pre-performance and post-performance discussions, workshops, seminars, drama training and professionally-guided theatre production.		
8	Performing Arts Appreciation Project for Senior Secondary Students	4	289
	Activities were conducted to cultivate participants' interest in the arts, and to strengthen their skills in expressing views on arts performance. Activities included thematic lectures and appreciation workshops on performing arts in drama, music, dance and Cantonese opera.		
	Sub-total	355	62,694
9	<i>Other audience building activities</i> (e.g. performances sponsored by the Audience Building Office)	90	47,075
	Total	1,008 (Note)	264,422 (Note)

Source: LCSD records

Note: An analysis by type of activities is as follows:

Type of activities	No. of activities	No. of participants
Performances	646	217,511
Exhibitions	91	31,750
Training, workshops, seminars and talks	271	15,161
Total	1,008	264,422

Audience building activities of the Audience Building Office

Photographs 1 to 4

Examples of community schemes and school schemes

Photograph 1

Community Cultural Ambassador Scheme



Photograph 2

Community Oral History Theatre Project



Photograph 3

School Performing Arts in Practice Scheme



Photograph 4

School Culture Day Scheme



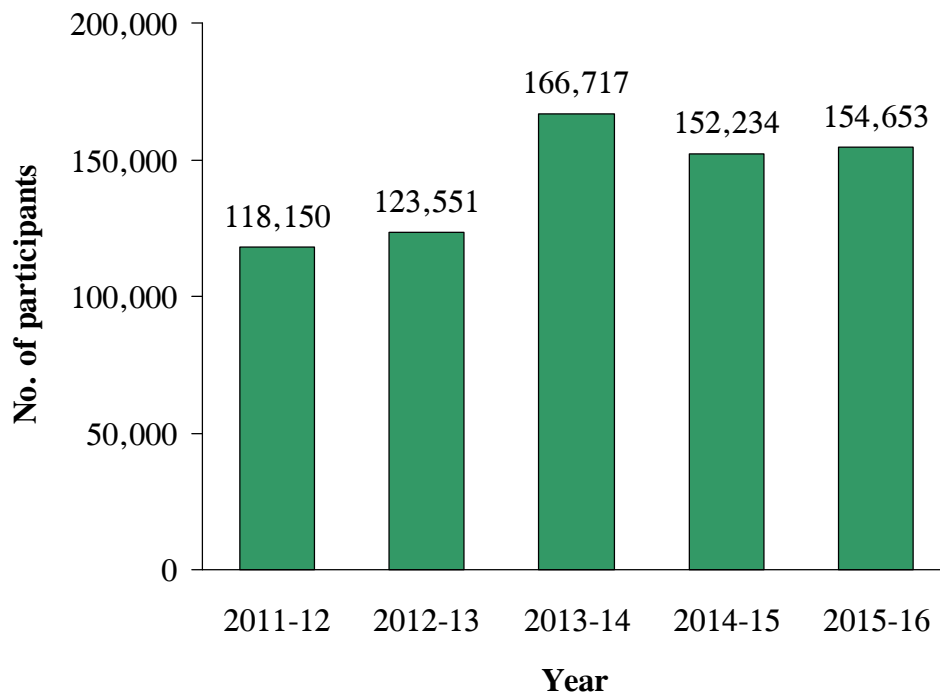
Source: LCSD records

Community schemes

3.5 Figure 1 shows the number of participants in audience building activities organised by the Audience Building Office under its community schemes (see Table 4 for the list of schemes) between 2011-12 and 2015-16.

Figure 1

**Participants under community schemes
(2011-12 to 2015-16)**



Source: LCSD records

Remarks: In each year, the number of participants in the Community Cultural Ambassador Scheme accounted for some 99% of the total.

***Need for clear guidelines on
counting the number of participants***

3.6 Figure 1 shows that in 2015-16 there were 154,653 participants in activities under community schemes, up 31% from 118,150 in 2011-12. Audit noted that:

- (a) arts groups commissioned to conduct activities under community schemes were required to report to the LCSD the number of participants; and
- (b) many activities were conducted in public areas or venues which were open to the public. The activities were free of charge. Many participants appeared to be just passing by or only stayed at the activities briefly, making it difficult to count the number of participants in the activities (see Cases 2 and 3).

Case 2

**A concert held in public areas
(June 2016)**

1. On 25 June 2016, Arts Group A performed a free concert under the Community Cultural Ambassador Scheme. The concert was held in a shopping mall at Wong Tai Sin during 7:30 p.m. to 8:45 p.m.
2. Audit attended the concert and noted that:
 - (a) participants were generally passers-by who attended the concert for some time and then left; and
 - (b) throughout the concert, the size of the audience fluctuated between some 30 to 50 people (see Photograph 5).

Photograph 5

Audience of the concert at 7:56 p.m.



3. Arts Group A subsequently reported an audience of 300 people to the LCSD.

Audit comments

4. Without clear guidelines, Arts Group A might not have properly counted the number of participants in the concert for reporting to the LCSD.

Source: Audit site visit on 25 June 2016 and LCSD records

Case 3

**A concert held in a public venue
(June 2016)**

1. On 26 June 2016, Arts Group B performed a free concert under the Community Cultural Ambassador Scheme. The concert was held in a community hall at Yau Ma Tei during 2:30 p.m. to 3:45 p.m. Free tickets had been given to the public for attending the concert.
2. Audit attended the concert and noted that:
 - (a) free tickets were still available at the venue during the concert. A few people joined the concert after its commencement, and a few people left before the concert ended; and
 - (b) the venue had 360 seats. Throughout the concert, the size of the audience was around 80 people (see Photograph 6).

Photograph 6

Audience of the concert at 2:40 p.m.



3. Arts Group B subsequently reported an audience of 250 people to the LCSD.

Audit comments

4. Arts Group B might have overstated the number of participants in the concert.

Source: Audit site visit on 26 June 2016 and LCSD records

Audience building activities of the Audience Building Office

3.7 Audit considers that where people keep “joining” and “leaving” an activity, there could be different definitions of the number of participants in the activity. Upon enquiry, the LCSD informed Audit in September 2016 that:

- (a) the LCSD had in place general principles for counting the number of participants for free admission events. As participants might join and leave at different times throughout the activities, instead of taking the “head count” of participants at a single time, the number of audience observed at regular intervals, the volume of crowd flow and audience movement would be taken into account in estimating attendance figures; and
- (b) the locations and times of the events would also be considered in verifying the reasonableness of the estimation by the arts groups. The LCSD’s subject officers would attend the activities on a regular basis and arrange surprise checks to monitor the activities and counter check the attendance.

However, Audit noted that the Audience Building Office had not issued guidelines in this regard. The Office also had not reviewed the head count methodology adopted by arts groups. In Audit’s view, such guidelines and their consistent application to all relevant activities help ensure the proper counting of the number of participants in such activities.

Need to explore assigning more LCSD venues for community scheme activities

3.8 Target participants of community schemes are the general public. Around March each year, the Audience Building Office publicised activities of the community schemes to be held in the next 12 months (Note 7). Audit reviewed the promotion brochure published in 2016, and noted that such key information as dates and venues of activities had not been included. The brochure provided a description of the activities and stated the months in which the activities were to be held.

Note 7: *Activities publicised were those held under the Community Cultural Ambassador Scheme, which accounted for the vast majority (e.g. 99% for 2015-16) of participants in community scheme activities.*

Audience building activities of the Audience Building Office

3.9 Upon enquiry, the LCSD informed Audit in May 2016 that many arts groups responsible for the relevant activities had not yet secured the venues when the brochure was published. Exact dates for the activities were therefore also unknown. People interested in the activities would need to check up on any updated information near the event dates (e.g. on websites of the LCSD or arts groups, or referring to leaflets on the events which would be available at LCSD performing arts venues and public libraries).

3.10 Audit noted that it was not the LCSD's practice to offer its venues for conducting activities of the community schemes. According to the LCSD, such activities were outreach in nature and were designed to make performing arts more accessible and exposed to the community. Arts groups were encouraged to conduct activities in the community at non-LCSD venues. Of the 563 community scheme activities conducted in 2015-16, only 39% (222 activities) were conducted at LCSD venues. However, this audit revealed that some LCSD venues had been under-utilised, such as music centres of the Music Office (see paras. 4.39 and 4.40) and minor facilities of performing arts venues (see paras. 5.11 to 5.13). The LCSD should explore assigning more LCSD venues for community scheme activities.

Many districts not served by a community scheme

3.11 The Community Oral History Theatre Project is a community scheme launched since October 2009. Under the Project, an arts group was commissioned to organise theatre workshops for the elderly in selected districts. The elderly then acted out their experiences on stage. Audiences were people in the community. Table 5 shows the districts which the Project had served.

Table 5

**Districts served by the Community Oral History Theatre Project
(October 2009 to July 2016)**

District	Period	No. of months
Sham Shui Po	October 2009 to January 2011	16
Sham Shui Po (Note)	September 2011 to May 2012	9
Kwun Tong	October 2011 to April 2013	19
Kwun Tong (Note)	July 2013 to January 2014	7
Tai O	March 2013 to November 2014	21
Eastern District	July 2014 to January 2016	19

Source: LCSD records

Note: The Project was extended to serve another round in Sham Shui Po and Kwun Tong.

Remarks: The Project commenced implementation in Sha Tin in October 2015.

3.12 According to the Audience Building Office's evaluation, the Community Oral History Theatre Project was well-received by people in the community. As at July 2016, with some seven years (82 months) having elapsed since its first launch, the Project had served four districts and was being implemented in another district (see Table 5). Drawing on past experience, the LCSD needs to review whether the Project should be rolled out to other districts and the timing (e.g. rolling out to other districts more expeditiously to enhance participation).

Audit recommendations

3.13 **Audit has recommended that the Director of Leisure and Cultural Services should:**

- (a) **provide arts groups clear guidelines on counting the number of participants in audience building activities under community schemes, and ensure compliance with the guidelines;**

Audience building activities of the Audience Building Office

- (b) conduct a review of the counting of the number of participants in other audience building activities organised by the LCSD, and take measures as appropriate to ensure the accurate counting of the number of participants;**
- (c) explore ways to help arts groups in securing venues for audience building activities under community schemes, including assigning more LCSD venues for their use; and**
- (d) review whether the Community Oral History Theatre Project should be rolled out to other districts more expeditiously.**

Response from the Government

3.14 The Director of Leisure and Cultural Services accepts the audit recommendations. She has said that:

- (a) the LCSD will review and lay down clear guidelines for counting of attendance at audience building activities under the community schemes to enhance accuracy and consistency. Clear guidelines will also be provided to arts groups under the community schemes for compliance;
- (b) the LCSD will review the existing methodology for counting the number of participants in other LCSD audience building activities. Clear guidelines will be provided to all relevant subject officers for compliance;
- (c) the LCSD will continue to assist arts groups to identify suitable venues for staging audience building activities at LCSD and non-LCSD venues, so as to increase their exposure to different sectors of the community; and
- (d) the rolling out of the Community Oral History Theatre Project to other districts has in fact been speeded up since 2014 with a new round of the Project being launched in another district while the current one was still in progress. The LCSD will continue to review the rollout time of the Project having regard to the availability of funding, relevant manpower resources and the readiness of different districts and the respective

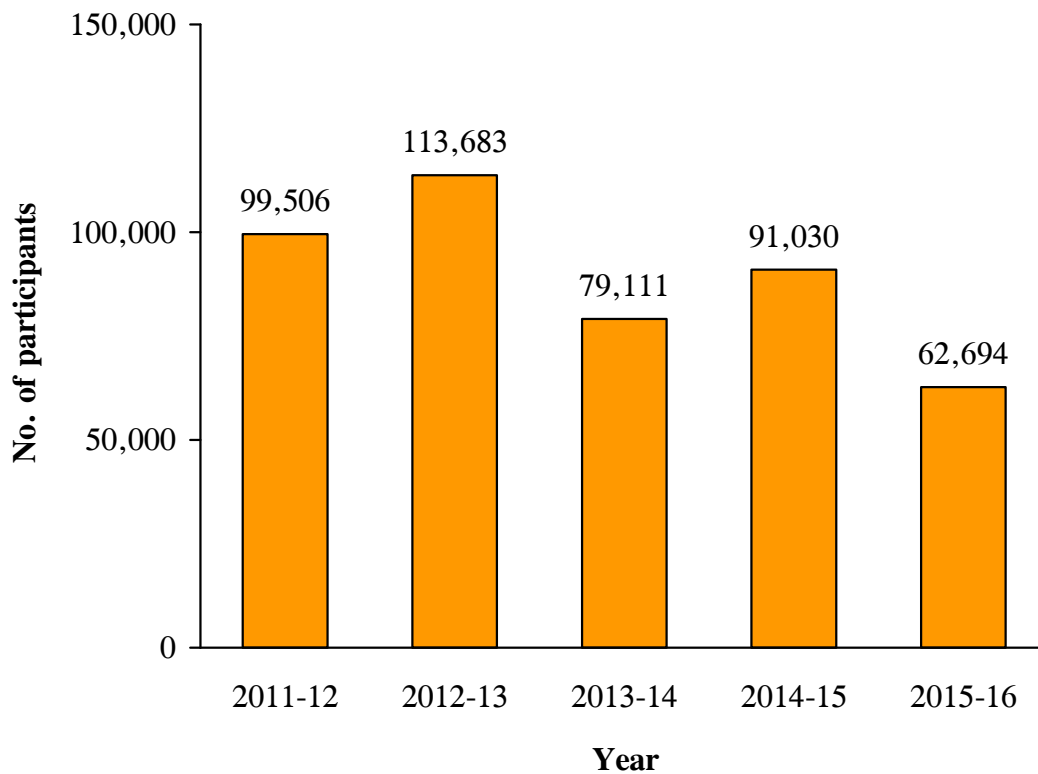
partnering organisations. Apart from direct engagement, the LCSD will also consider providing free use of venues for community touring/finale performances or making recommendations and providing references to arts groups in seeking financial support from other funding bodies for the implementation of new or enhanced oral history projects when opportunities arise.

School schemes

3.15 Figure 2 shows the number of participants in audience building activities organised by the Audience Building Office under its school schemes (see Table 4 in para. 3.4 for the list of schemes) between 2011-12 and 2015-16.

Figure 2

**Participants in activities under school schemes
(2011-12 to 2015-16)**



Source: LCSD records

Audience building activities of the Audience Building Office

Decrease in the number of schools participating in school schemes

3.16 Figure 2 shows that in 2015-16 there were 62,694 participants in activities under school schemes, down 37% from 99,506 in 2011-12. Audit noted that five of the school schemes were intended for students of primary, secondary and special schools. The schools needed to join these schemes before their students could participate in the activities of the schemes. However, the number of schools participating in the schemes decreased significantly over the past five school years (see Table 6). This could be a contributory factor in the decreasing number of participants in activities under school schemes.

Table 6

**Schools participating in five school schemes
(2011/12 to 2015/16 school year)**

School scheme	No. of participating schools					Decrease (2015/16 vs 2011/12)
	2011/12	2012/13	2013/14	2014/15	2015/16	
Performing Arts Appreciation Project for Senior Secondary Students	7	6	6	6	3	-57%
Let's Enjoy Cantonese Opera in Bamboo Theatre	72	78	74	84	42	-42%
School Culture Day Scheme	534	530	494	436	430	-19%
School Performing Arts in Practice Scheme	89	80	77	78	73	-18%
Arts Experience Scheme for Senior Secondary Students	99	116	108	101	86	-13%
Overall	801	810	759	705	634	-21%

Source: LCSD records

Remarks: 1. A school year covers the period 1 September to 31 July.

2. Some schools participated in more than one scheme.

Audience building activities of the Audience Building Office

3.17 According to the 2012 report of a consultancy study commissioned by the LCSD, reasons for schools not participating in school schemes included inconvenient event times and the schools' own administrative difficulties. The study recommended that the Audience Building Office should open up more activity time slots for teachers to select. Upon enquiry, the LCSD informed Audit in September 2016 that in response to the findings of the 2012 consultancy report, it had taken into account those feedbacks and comments from schools and audience to put forward new initiatives for the enhancement of school schemes. Since 2013, new efforts to cater for the needs of schools and students had included offering more flexible time slots and locations for activities of the School Culture Day Scheme, setting up Facebook account for sharing of enjoyment experiences, providing more programme information to students and aligning arts education programmes with teaching requirements and curriculum.

3.18 Audit noted that, as at July 2016, of the 1,139 primary, secondary and special schools in Hong Kong, 93 (8%) schools had never participated in school schemes (Note 8). This, together with the significant decrease in the number of schools participating in the schemes between 2011/12 and 2015/16 school years, suggested that further actions would be required to better cater for the needs of teachers and schools. Audit noted that the LCSD had not conducted further studies to follow up the significant decrease in the number of participating schools.

3.19 Upon enquiry, the LCSD informed Audit in August and September 2016 that:

- (a) it had ascertained the major reasons for the decreasing number of schools and students participating in school schemes. The reasons included:
 - (i) a 1.2% decrease in the number of schools in Hong Kong, and a 12.5% decrease in the number of school students over the past five school years (Note 9); and

Note 8: *The 93 schools included 67 international schools or private schools.*

Note 9: *During 2011/12 to 2015/16 school years, the number of schools in Hong Kong decreased from 1,153 to 1,139, and the number of primary and secondary school students in day schools decreased from 798,018 to 698,055.*

Audience building activities of the Audience Building Office

- (ii) secondary school education had been re-structured from 7-year to 6-year structure. There might be less time for participation in performing arts activities within school hours;
- (b) tens of new schools joined the various school schemes every year. This was a result of conscious measures taken to encourage the participation of new schools, such as direct invitation of new schools for applications and priority given to newly joined schools in the selection criteria. However, schools that had joined might not enrol repeatedly year after year and lower priority was accorded to these schools; and
- (c) as regards the 93 schools that had never participated in school schemes (see para. 3.18), many had a curriculum different from mainstream schools and could have more resources in organising their own arts programmes.

Audit recommendations

3.20 **Audit has *recommended* that the Director of Leisure and Cultural Services should:**

- (a) **review the adequacy of the school schemes in catering for the needs of schools and students; and**
- (b) **take measures to improve the participation of schools and students in school schemes.**

Response from the Government

3.21 The Director of Leisure and Cultural Services accepts the audit recommendations. She has said that the LCSD will:

- (a) continue to review the adequacy of the school schemes in catering for the needs of schools and students; and
- (b) review the school schemes from time to time to improve the programme mix so as to broaden the participation of schools.

PART 4: AUDIENCE BUILDING ACTIVITIES OF THE MUSIC OFFICE

4.1 This PART examines the audience building activities of the Music Office of the LCSD, focusing on:

- (a) cost-effectiveness of audience building activities of the Music Office (paras. 4.14 to 4.29);
- (b) subsidisation of fees for programmes of the performing arts (paras. 4.30 to 4.37);
- (c) utilisation of music centres (paras. 4.38 to 4.43); and
- (d) way forward for the Music Office (paras. 4.44 to 4.51).

History of the Music Office

4.2 The Music Office was established some 40 years ago in 1977 under the then Recreation and Culture Branch of the Government Secretariat, with the objective to promote knowledge and appreciation of music in the community.

4.3 In 1993, after completing a review of the arts policy and consulting the public, the Government considered that transferring the Music Office to a non-governmental organisation would enable its functions to be conducted more effectively, efficiently and creatively. In 1994, the Hong Kong Academy for Performing Arts, the Tung Wah Group of Hospitals and the former Municipal Councils submitted proposals for taking over the Music Office. The Government considered that the Municipal Councils were the most suitable organisations to take over the Music Office and transferred the Office to the Councils in 1995. The Music Officer grade staff were retired on abolition-of-office terms, and their posts were replaced by contract positions.

Audience building activities of the Music Office

4.4 In 1999, the Government published a consultancy study report on “Culture, the Arts, Recreation and Sports Services”. One of the recommendations in the report was to transfer the Music Office to the Hong Kong Academy for Performing Arts. The recommendation was based on management and educational considerations, and was accepted by the Government.

4.5 In 2000, upon the dissolution of the Municipal Councils, the LCSD was established to take up duties in respect of the arts and culture, sports and recreation. The Music Office came under the management of the LCSD’s Libraries and Development Division, pending the transfer of the Office to the Hong Kong Academy for Performing Arts.

4.6 In 2001, in the reply to a question raised by a Legislative Council Member, the LCSD stated that the Hong Kong Academy for Performing Arts had indicated interest in taking over the Music Office. While no time frame was set for the transfer, it remained the LCSD’s intention to achieve the transfer as soon as practicable.

4.7 Since 2006, the LCSD had conducted rounds of consultation with the staff and stakeholders on the transfer of the Music Office out of the LCSD, which was met with objection. In late November 2013, after reviewing the alternative modes of operation of the Office, the LCSD came up with a staffing proposal for the longer term development of the Office.

4.8 In 2014, Audit completed a review of the staff recruitment work of, among other bureaux/departments, the LCSD (Chapter 8 “Recruitment of staff” of the Director of Audit’s Report No. 62 of April 2014). Audit reported that, due to high staff turnover, the LCSD had conducted frequent exercises for recruiting Music Officer grade staff on non-civil service contract staff terms. Audit recommended that the LCSD should finalise the way forward for the contract positions in the Office at an early date.

Audience building activities of the Music Office

4.9 In August 2015, the Government decided that the Music Office should continue to be managed under the LCSD as a long-term arrangement and the former civil service Music Officer grade posts should be reinstated and other non-civil service contract positions in the Office should be replaced with civil service posts in phases.

4.10 As at June 2016, the Music Office had a strength of 97 staff, comprising 55 Music Officer grade staff (contract staff) and 42 general grade staff (14 civil service staff and 28 contract staff).

Audience building activities of the Music Office

4.11 Since its establishment in 1977, the objective of the Music Office has been to promote knowledge and appreciation of music in the community, especially among young people, through the provision of instrumental and ensemble training and the organisation of various music activities, with a view to building a new generation of concert audiences. The LCSD has stated this objective in its website. In its Controlling Officer's Report, the LCSD included the Music Office's "Other music activities" (see para. 4.13(c)) in the total number and attendance of audience building activities for performing arts, and reported separately the total number of music training courses and trainees under the Music Office's "Music training schemes" and "Outreach music interest courses" (see para. 4.13(a) and (b)). Upon enquiry, the LCSD informed Audit in August 2016 that:

- (a) music training courses were audience building activities as well as music education programmes offered to the public; and
- (b) the main purpose of "Music training schemes" was to promote the knowledge and appreciation of music among young people for nurturing young music players.

4.12 The HAB has also stated the audience building objective of the Music Office in various papers submitted to the Legislative Council. For example, in March 2016, in replying to a question raised by a Legislative Council Member in the examination of the Government's Estimates for 2016-17, the HAB stated that:

Audience building activities of the Music Office

- (a) concerning audience building in the community, the LCSD's Audience Building Office (see PART 3), Art Promotion Office (Note 10) and Music Office provided dedicated programmes to promote knowledge and appreciation of various art forms and organised various audience building schemes and visual arts activities for the public; and
- (b) for example, the Music Office provided instrumental music and ensemble music training for the youth at affordable fees. It also offered orchestral training, touring exchange, music appreciation programmes, music interflows, music camps, music workshops and outreach programmes to promote an interest in music among the public.

4.13 The Music Office organises three types of activities, as follows:

- (a) ***Music training schemes.*** The Music Office runs two types of music training schemes for young people aged 6 to 23:
 - (i) ***Instrumental music training scheme.*** The scheme provides young people with training in more than 30 Western and Chinese musical instruments, inclusive of musicianship and music theory (see Photograph 7). For each instrument, courses are provided at three skill levels:
 - ***Elementary level.*** A two-year elementary course for young people aged 6 to 14 with no instrumental experience;
 - ***Intermediate level.*** A three-year intermediate course for young people who have attained the specified performance standards; and
 - ***Advanced level.*** A three-year advanced course for young people who have attained the specified performance standards.

Note 10: *The Art Promotion Office is involved in audience building for visual arts, which are not within the scope of this audit.*

Audience building activities of the Music Office

Annually, the Music Office recruits trainees to the first year of different courses. Applicants for elementary courses are required to attend an admission test which comprises a music aptitude test and an interview. Qualified applicants for intermediate and advanced courses are required to attend an audition. Admitted trainees attend a one-hour group lesson every week. Depending on their progress, trainees will advance to the second/third year of the course over time. For 2015-16 (Note 11), there were 4,808 trainees in 884 classes, and the annual tuition fees were \$1,530 to \$1,870 for elementary courses, \$2,970 for intermediate courses and \$3,850 for advanced courses; and

- (ii) ***Ensemble training scheme.*** The Music Office runs 19 youth orchestras/bands/choirs (Note 12). Trainees are recruited through open auditions every year. The auditions include the playing of scales and sight-reading/sight-singing, as well as the performance of an own-choice work at the stipulated level. Regular rehearsals are held once a week and intensive training may be held during holidays when required. The orchestras/bands/choirs will also have opportunities to perform and/or participate in cultural exchange activities with visiting young musicians from the Mainland and overseas. The training is free of charge. For 2015-16 (Note 13), there were 1,462 trainees in the 19 youth orchestras/bands/choirs;

Note 11: *Courses commence in September or November, and end in July of the following year.*

Note 12: *They comprise 1 youth symphony orchestra, 4 youth string orchestras, 1 junior chamber ensemble, 4 youth Chinese orchestras, 1 junior Chinese orchestra, 1 children's Chinese orchestra, 4 youth bands, 1 children's band, 1 youth choir and 1 children's choir.*

Note 13: *The annual training cycle commences in September and ends in May of the following year.*

Audience building activities of the Music Office

- (b) ***Outreach music interest courses.*** These are short-term fundamental music training courses provided to people of all ages. They include foundation classes in Western and Chinese musical instruments, ensemble training and various music workshops including those on music theory (see Photograph 8). A course generally lasts for several months. Recruitment of trainees is held twice a year. Admitted trainees attend a group lesson/workshop session every week. For 2015-16, there were 2,698 trainees in 261 classes, and the course fees ranged from \$270 to \$900; and

- (c) ***Other music activities.*** Activities such as exhibitions and concerts are organised for the public (see Photographs 9 and 10). Trainees of training programmes (see (a) and (b) above) are given the opportunity to perform the concerts. Other occasional activities, such as music workshops, are also organised for trainees of training programmes at a fee. In 2015-16, 402 music activities (e.g. concerts, music workshops and exhibitions) were organised with 167,577 participants (including trainees).

In this Audit Report, since the music training courses (see (a) and (b) above) and other music activities (see (c) above) of the Music Office both serve its objective of promoting knowledge and appreciation of music in the community with a view to building a new generation of concert audiences (see para. 4.11), they are both included as audience building activities.

Audience building activities of the Music Office

Photographs 7 to 10

Examples of activities of the Music Office

Photograph 7

Training in liuqin under the instrumental music training scheme



Photograph 8

Training in saxophone under the outreach music interest courses



Photograph 9

**Music activity:
Orchestral performance**



Photograph 10

**Music activity:
Choir performance**



Source: LCSD records

Cost-effectiveness of audience building activities of the Music Office

4.14 The Music Office takes a three-pronged approach to audience building. The music training schemes and the outreach music interest courses actively train people to play and understand music while the other music activities such as

Audience building activities of the Music Office

exhibitions and concerts, similar to those organised by the Audience Building Office, attract and provide opportunities for people to appreciate music. Audit's analysis of the audience building activities of the Music Office for 2015-16 revealed that its music training schemes incurred the highest cost of \$37.5 million (representing 62% of the Office's total cost of \$60.5 million) as well as the highest cost of \$5,981 per person reached (see Table 7).

Table 7
Costs of audience building activities of the Music Office
(2015-16)

Type of activities	Cost (a) (\$ million)	No. of participants (b)	Cost per person reached (c) = (a)/(b) (\$)
Music training schemes	37.5 (62%)	6,270	5,981
Outreach music interest courses	3.6 (6%)	2,698	1,334
Other music activities	19.4 (32%)	167,577	116
Overall	60.5 (100%)	176,545	343

Source: Audit analysis of LCSD records

Remarks: Costs in the table were direct costs (including staff costs and direct expenditures). Other overheads (e.g. administrative overheads and accommodation costs) were not included.

4.15 For the music training schemes, the cost per person reached represented the annual cost of services provided for training one trainee, which involved the provision of many training sessions (e.g. around 39 one-hour sessions for a trainee who received instrumental training). As such, the music training schemes had the highest cost of \$5,981 per person reached in 2015-16. Audit's further analysis of the audience building activities of the Music Office between 2011-12 and 2014-15 revealed similar situation. In summary, the music training schemes had the highest cost per person reached, increasing from \$5,150 in 2011-12 to \$5,981 in 2015-16. Details are at Appendix D.

Audience building activities of the Music Office

4.16 Audit examination revealed that the cost-effectiveness of the audience building activities of the Music Office could be improved in the following aspects:

- (a) allocation of resources (see paras. 4.17 to 4.19);
- (b) utilisation of staff resources (see paras. 4.20 to 4.24); and
- (c) rationalisation of training classes (see paras. 4.25 to 4.27).

Allocation of resources

4.17 The Music Office compiles an annual programme plan to determine the activities to be organised. As shown in Appendix D, during 2011-12 to 2015-16, each year about 62% of its resources were spent on music training schemes, 6% on outreach music interest courses and 32% on other music activities.

4.18 Upon enquiry, the LCSD informed Audit in September 2016 that in parallel with audience building, the Music Office also had the role of and long-term commitment to nurturing local young music talents (see para. 4.11). A trainee who received music training was more than just an audience in a concert, and required more resources for development. The cost per person for music training should be viewed from both audience building and nurturing local young music talents perspectives.

4.19 Following the integration of the Music Office into the LCSD and the Civil Service and with a more stable workforce (see para. 4.9), the Music Office would be in a better position to formulate long-term strategies and plans. Audit considers that, in formulating long-term strategies and plans for the Music Office, the LCSD should review the allocation of resources to different types of activities in order that the Music Office's prime objective of promoting knowledge and appreciation of music in the community could be achieved in a more cost-effective manner.

Audience building activities of the Music Office

Utilisation of staff resources

4.20 Staff cost is the main component of the costs of the Music Office. The staff of the Music Office comprise Music Officer grade staff and general grade staff. The Music Office's training and music activities are delivered by the Music Officer grade staff. Optimal utilisation of staff resources would enhance cost-effectiveness.

4.21 Music Officer grade staff are required to seek approval from their supervisors of the duties that they will perform on a regular basis. Figures 3 to 5 and Table 8 show Audit's analysis of the relevant reports submitted by Music Officer grade staff during 2015/16 school year. The analysis covered the 43 Assistant Music Officers and the 10 Music Officers of the Music Office (Note 14). It can be seen from Figure 3 that, overall, the Assistant Music Officers and Music Officers had used only 36% of their work hours for delivering music training courses and other music activities. Table 8 shows that, for 6 Assistant Music Officers and 3 Music Officers, none of their work hours was used for delivering music training courses and other music activities.

Note 14: *In the Music Officer grade, Assistant Music Officer and Music Officer are the entry rank and the first promotional rank respectively. The Assistant Music Officers and Music Officers are overseen by 5 Senior Music Officers and 1 Chief Music Officer who mainly play a supervisory role.*

Audience building activities of the Music Office

Figures 3 to 5

Duties performed by Assistant Music Officers and Music Officers (2015/16 school year)

Figure 3 — Overall

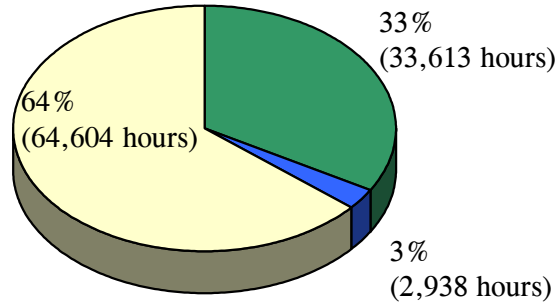


Figure 4 — Assistant Music Officers

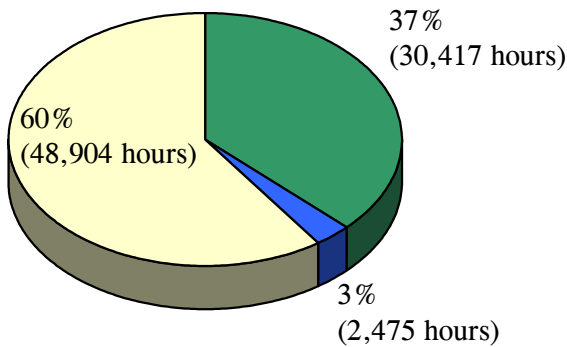
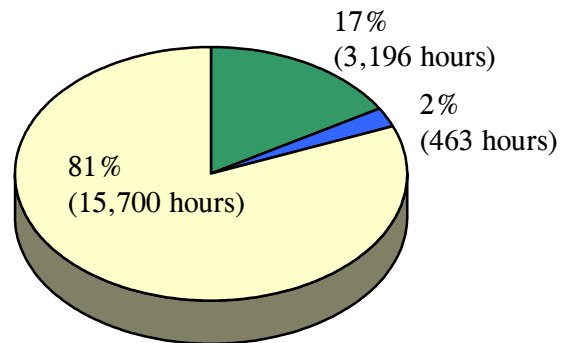


Figure 5 — Music Officers



- Legend:
- Delivering music training courses (including music training schemes and outreach music interest courses)
 - Delivering other music activities (e.g. school programme performances and music accompaniments)
 - Other duties (Note)

Source: Audit analysis of the LCSD's approved staff duty rosters

Note: According to the items listed in the approved staff duty rosters, "other duties" comprised "administrative and clerical work", "ensemble administrative work", "handling ensemble matters", "handling ensemble matters/preparing for classes/practicing", "meetings held at headquarters", "small group meetings", "teaching staff meetings", "small group practicing", "preparing for classes", and "travelling to the music centre". Upon enquiry, the LCSD informed Audit in September 2016 that "other duties" also included the supervision of full-time staff and part-time instructors (applicable for the staff at Music Officer rank).

Audience building activities of the Music Office

Table 8

**Proportion of work hours used by Assistant Music Officers
and Music Officers for delivering music training courses
and other music activities
(2015/16 school year)**

Proportion of work hours used for delivering music training courses and other music activities	No. of staff involved	
	Assistant Music Officer	Music Officer
0%	6	3
> 0% to 5%	3	—
> 5% to 20%	—	1
> 20% to 40%	5	6
> 40% to 50%	3	—
> 50% to 60%	24	—
> 60%	2	—
Total	43	10

} Note

Source: Audit analysis of the LCSD's approved staff duty rosters

Note: These 9 Assistant Music Officers and 3 Music Officers worked under the Activities and Promotion Unit, which was one of the six units of the Music Office (the other units were Administration Unit, Chinese Unit, Musicianship/Training Support Unit, String Unit and Wind Unit). Upon enquiry, the LCSD informed Audit in September 2016 that their work duties pertained to the organisation of the outreach music interest courses and other music activities of the Music Office.

4.22 On the other hand, the Music Office hired the service of part-time instructors to help deliver training under the music training schemes and outreach music interest courses. Some part-time instructors, especially for the outreach music interest courses, possessed music skills (e.g. ukulele and ocarina) not currently available in the Music Office. Upon enquiry, the LCSD informed Audit in September 2016 that:

Audience building activities of the Music Office

- (a) there were many musical instruments in the orchestras/bands covered in the instrumental music training scheme and ensemble training scheme. It was not feasible for a full-time staff to acquire several professional qualifications for different musical instruments especially for Chinese and Wind streams to provide quality training to trainees; and
- (b) for effective delivery of quality training services, part-time staff with expertise in individual musical instruments was therefore genuinely required to complement full-time staff.

4.23 Audit noted that the hiring of service of part-time instructors increased from 16,062 hours in 2013-14 to 16,879 hours in 2015-16 (see Table 9).

Table 9
Hiring part-time instructors to deliver training
(2013-14 to 2015-16)

Year	Service hired (Hours)	Total cost of service (\$ million)
2013-14	16,062	7.7
2014-15	16,521	8.0
2015-16	16,879	8.3

Source: Audit analysis of LCSD records

4.24 The integration of the Music Office into the LCSD and the Civil Service (see para. 4.9) would enable the Office to attract and retain quality music professionals and take active steps in capacity building and staff development. In Audit's view, in this regard the LCSD needs to review the skill mix and the actual duties performed by the Music Officer grade staff to identify areas for improvement and ensure optimal utilisation of the staff resources of the Music Office in delivering training and music activities.

Audience building activities of the Music Office

Rationalisation of training classes

4.25 For many of its courses under the instrumental music training scheme and outreach music interest courses, the Music Office offers more than one class. It generally will specify the standard size of each class (mostly ranging from 5 to 10 trainees). In 2015-16, a total of 8,968 trainees were enrolled into 1,164 music training classes, including those under the ensemble training scheme (see Table 10).

Table 10

**Average size of training classes
(2015-16)**

Type of training courses	No. of trainees	No. of classes	Average class size (No. of trainees)
Instrumental music training scheme	4,808	884	5
Ensemble training scheme	1,462	19	77
Outreach music interest courses	2,698	261	10
Overall	8,968	1,164	8

Source: Audit analysis of LCSD records

4.26 Table 11 shows Audit's further analysis of the sizes of 609 of the 1,164 training classes in 2015-16 (see Note 2 to the Table). It can be seen that many training classes had a very small class size, including five training classes each having only one trainee. This reduced the cost-effectiveness of the training, increasing the cost per person reached of the audience building activities of the Music Office. The LCSD needs to take improvement measures in organising training classes in future. For example, Case 4 shows that the eight training classes in the Chinese musical instrument sheng conducted in 2015-16 could have been consolidated into five classes.

Audience building activities of the Music Office

Table 11

**Analysis of sizes of training classes
(2015-16)**

Class size (Note 1) (No. of trainees)	No. of classes			
	Instrumental music training scheme	Ensemble training scheme	Outreach music interest courses	Total
1	5	0	0	5
2	10	0	0	10
3	20	0	0	20
4	26	0	6	32
5	65	0	14	79
6 or 7	121	0	53	174
8 to 10	82	0	148	230
Over 10	0	19	40	59
Sub-total	329	19	261	609
Not analysed	555 (Note 2)	0	0	555
Total	884	19	261	1,164

Source: Audit analysis of LCSD records

Note 1: "Class size" refers to the number of trainees recruited to the class at the time of its commencement in 2015-16. The LCSD computer system did not keep track of subsequent changes in the number of trainees for each class.

Note 2: Under the instrumental music training scheme, the Music Office provided training courses at three skill levels, namely, two-year elementary courses, three-year intermediate courses and three-year advanced courses (see para. 4.13(a)(i)). In 2015-16, 329 classes were organised for the first year of these courses and 555 classes for the second/third year. Due to computer system limitation, the LCSD could not provide Audit with detailed class size information about the 555 classes for the second/third year for analysis.

Case 4

Room for consolidating training classes

1. In 2015-16, three courses at different skill levels were organised for the Chinese musical instrument sheng. Despite the low enrolment, 8 classes were conducted for the first year of the courses (see para. 4.13(a)(i)). The 8 classes had an average class size of 4 trainees, as follows:

Course	Class commencement date in 2015	No. of classes (a)	No. of trainees (b)	Average class size (No. of trainees) (c) = (b)/(a)
1. Advanced	9 and 12 September	2	4	2.0
2. Intermediate	12 and 13 September	3	13	4.3
3. Elementary	1, 2 and 7 November	3	15	5.0
Overall		8	32	4.0

Audit comments

2. Based on the standard class sizes specified by the Music Office for the courses, the 8 classes could theoretically be consolidated into 5 classes (see table below). Thus, there is room for consolidation and reducing the number of classes held.

Course	Standard no. of trainees per class (a)	No. of trainees (see para. 1 above) (b)	No. of classes needed (rounded to whole number) (c) = (b)/(a)
1. Advanced	5	4	1
2. Intermediate	7	13	2
3. Elementary	10	15	2
Total			5

Source: Audit analysis of LCSD records

4.27 Upon enquiry, the LCSD informed Audit in August and September 2016 that, for classes with one trainee, the Music Office had been asked to consolidate some classes within one month. However, the LCSD could not provide relevant records for audit review. The LCSD computer system had not kept track of changes, if any, in the number of trainees after the commencement of a class (see also Note 1 to Table 11 in para. 4.26).

Audit recommendations

4.28 **Audit has recommended that the Director of Leisure and Cultural Services should:**

- (a) **in formulating long-term strategies and plans for the Music Office, review the allocation of resources to different types of activities to ensure that the objective of the Music Office is achieved cost-effectively;**
- (b) **for capacity building and staff development in the Music Office, review the skill mix and the actual duties performed by the Music Officer grade staff to identify areas for improvement in the utilisation of staff resources;**
- (c) **based on the review results in (b) above and other relevant factors (e.g. skill sets of part-time instructors employed to help out the Music Office), consider rationalising/enhancing the Music Office workforce as appropriate; and**
- (d) **consider setting minimum class sizes for the Music Office's training courses, and establishing a mechanism for consolidating/cancelling classes falling short of minimum sizes.**

Response from the Government

4.29 The Director of Leisure and Cultural Services accepts the audit recommendations. She has said that the Music Office will:

Audience building activities of the Music Office

- (a) review the allocation of resources to different types of activities to meet the prime objective of promoting knowledge and appreciation of music in the community, especially among young people; and
- (b) enhance the mechanism for setting minimum class sizes. At the same time, the Music Office will step up the promotion of classes of less popular instruments to recruit trainees to sustain the development of local youth orchestras/bands.

Subsidisation of fees for programmes of the performing arts

4.30 It is the Government's policy that fees charged by the Government should in general be set at levels adequate to recover the full cost of providing the goods or services. A subsidised fee may be charged provided that there is a clear policy backing for the exception to the full-cost recovery principle. Directors of Bureaux and Controlling Officers should aim at achieving full-cost recovery (or other targets that have been agreed) as early as practicable. For the LCSD's programmes of the performing arts (including audience building activities) and film arts, the then Finance Bureau (now the Financial Services and the Treasury Bureau) has delegated authority to the LCSD since 1 January 2000 to set subsidised fees (ticket and course fees). The delegated authority is subject to the requirement that the LCSD should aim at achieving an overall recovery rate of 13% of the full cost of such programmes.

4.31 The LCSD's programmes of the performing arts and film arts comprise activities organised by the Performing Arts Division (Note 15), the Music Office and the Film Programmes Office (Note 16). Table 12 shows that Music Office activities accounted for a considerable proportion of the LCSD's programmes of the performing arts and film arts.

Note 15: *Activities organised by the Performing Arts Division include the presentation of cultural and entertainment programmes (see para. 1.5(b)).*

Note 16: *The Film Programmes Office is established under the Heritage and Museums Division of the LCSD. The Office aims to promote the appreciation of film and media arts. Activities of the Film Programmes Office are not covered by this audit review.*

Audience building activities of the Music Office

Table 12

**Full cost of the LCSD's programmes of the performing arts and film arts
(2011-12 to 2015-16)**

Activity	Full cost (\$ million)				
	2011-12	2012-13	2013-14	2014-15	2015-16
Music Office activities	83.4 (23.1%)	91.4 (23.6%)	100.1 (26.3%)	105.0 (26.2%)	109.6 (26.6%)
Performing Arts Division and Film Programmes Office activities (Note)	278.4 (76.9%)	296.1 (76.4%)	280.6 (73.7%)	296.1 (73.8%)	302.2 (73.4%)
Total	361.8 (100%)	387.5 (100%)	380.7 (100%)	401.1 (100%)	411.8 (100%)

Source: LCSD records

Note: The Film Programmes Office accounted for about 4% to 5% of the annual full cost.

Remarks: It was the LCSD's practice to conduct a full costing exercise once every four years. The last exercise was conducted in 2012-13. For the years 2013-14 to 2015-16, the full costs shown in the Table were figures projected by the LCSD.

Music Office course fees substantially below market rates

4.32 For Music Office courses, it has been the LCSD's practice to revise the course fees from time to time with reference to the Composite Consumer Price Index. Audit noted that:

Audience building activities of the Music Office

- (a) for many courses under the Music Office's instrumental music training scheme and outreach music interest courses, there were similar courses run by the private sector (Note 17); and
- (b) the fees charged by the Music Office were substantially less than those charged by the private sector. In March 2016, the Music Office conducted a survey of course fees. It was noted that, for example, the hourly rate of a Music Office course was \$49, which was 69% to 80% lower than the private market rates of \$160 to \$240 for similar courses.

Target cost recovery rate not attained on an overall basis

4.33 Table 13 shows that, over the past five years, for both Music Office activities and Performing Arts Division/Film Programmes Office activities, there was a general decline in the percentage of costs recovered. Audit noted that, according to the LCSD's projection (see remarks to Table 13), the LCSD would fail to attain, on an overall basis, the target cost recovery rate of 13% in 2014-15 and 2015-16.

Note 17: *Similar to their counterparts participating in privately-run courses, participants in Music Office courses could sit the relevant examinations of the Associated Board of the Royal Schools of Music, which are the most popular music examinations in Hong Kong.*

Audience building activities of the Music Office

Table 13

**Recovery of costs for programmes of the performing arts
and film arts
(2011-12 to 2015-16)**

Year	Full cost (\$ million)	Cost recovered	
		(\$ million)	Percentage
<i>Music Office activities</i>			
2011-12	83.4	12.8	15.3%
2012-13	91.4	12.9	14.1%
2013-14	100.1	13.6	13.6%
2014-15	105.0	14.7	14.0%
2015-16	109.6	15.5	14.1%
<i>Performing Arts Division/Film Programmes Office activities</i>			
2011-12	278.4	43.7	15.7%
2012-13	296.1	42.2	14.3%
2013-14	280.6	39.0	13.9%
2014-15	296.1	35.7	12.1%
2015-16	302.2	35.3	11.7%
<i>Overall</i>			
2011-12	361.8	56.5	15.6%
2012-13	387.5	55.1	14.2%
2013-14	380.7	52.6	13.8%
2014-15	401.1	50.4	12.6%
2015-16	411.8	50.8	12.3%

} Falling short of
the 13% target
cost recovery rate

Source: LCSD records

Remarks: It was the LCSD's practice to conduct a full costing exercise once every four years. The last exercise was conducted in 2012-13. For the years 2013-14 to 2015-16, the full costs and the costs recovered shown in the Table were figures projected by the LCSD.

Audience building activities of the Music Office

4.34 As can be seen from Table 13, the cost recovery rate for Performing Arts Division/Film Programmes Office activities had dropped noticeably from 15.7% to 11.7% in five years' time. Upon enquiry, the LCSD informed Audit in June 2016 of the following:

- (a) ***“Sponsored programmes” on the increase.*** The Performing Arts Division activities included many cultural and entertainment programmes. In arranging the programmes, the Performing Arts Division played the role of either a “presenter” or “sponsor”. As a presenter, proceeds of programmes (i.e. ticket fees) went to the LCSD. As a sponsor, proceeds went to artists/arts groups (Note 18). Since many established arts groups had proven production ability, there had been more programmes in which the Performing Arts Division acted as a “sponsor” instead of as a “presenter”. This had resulted in less revenue (i.e. proceeds of performances) for the LCSD and hence a lower cost recovery rate. The proportion of sponsored programmes might continue to increase in the future; and
- (b) ***Concessionary tickets on the increase.*** For cultural and entertainment programmes presented by the Performing Arts Division, concessionary tickets (i.e. tickets at discount prices) were available to senior citizens aged 60 or above. Owing to the ageing population, the proportion of tickets sold at concessionary prices had increased (Note 19). This had reduced the LCSD's revenue and hence lowered the cost recovery rate. It was expected that the proportion of concessionary tickets would continue to increase.

Note 18: *As a presenter, the LCSD was responsible for the production of a performance programme and retained the programme proceeds. As a sponsor, the LCSD provided various support to a performance programme (including financial support in some cases), and artists/arts groups were responsible for the programme production and retained the programme proceeds.*

Note 19: *For example, for Chinese opera performances during 2012-13 to 2015-16, the proportion of concessionary tickets increased from 60% in 2012-13 to 67% in 2015-16.*

4.35 The LCSD needs to closely monitor the situation and take appropriate actions (e.g. fee revisions) to ensure that the 13% target cost recovery rate is achieved on an overall basis. In this regard, prompt implementation of measures to enhance the cost-effectiveness of the audience building activities of the Music Office (see paras. 4.14 to 4.27) will help improve cost recovery.

Audit recommendation

4.36 **Audit has recommended that the Director of Leisure and Cultural Services should keep in view the cost recovery situation for the LCSD's programmes of the performing arts and film arts, and take appropriate actions to ensure that the target overall cost recovery rate of 13% is attained.**

Response from the Government

4.37 The Director of Leisure and Cultural Services accepts the audit recommendation. She has said that, to ensure the attainment of the target overall cost recovery rate of 13%, the LCSD will continue to keep in view the cost recovery situation and explore every means as far as possible to improve the situation.

Utilisation of music centres

4.38 As at June 2016, the Music Office had five music centres located at different districts, with sizes ranging from 643 to 1,916 square metres (m²). Key facilities of the music centres included a total of 40 training rooms and 5 rehearsal rooms, which provided venues for running training classes of the Music Office's music training schemes and outreach music interest courses. Table 14 shows the details of the five music centres.

Audience building activities of the Music Office

Table 14

**Key facilities of the five music centres
(June 2016)**

Location of music centre	Size of the music centre (m ²)	Training room		Rehearsal room	
		No.	Area (m ²)	No.	Area (m ²)
Wanchai	705	9	244	1	176
Mongkok	681	9	182	1	148
Kwun Tong	1,916	7	210	1	310
Sha Tin	643	7	188	1	132
Tsuen Wan	760	8	225	1	136
Total	4,705	40	1,049	5	902

Source: LCSD records

Remarks: Details of minor facilities and non-training facilities (e.g. reception areas, staff rooms, lavatories, store rooms and cable duct rooms) are not shown in the Table.

Under-utilisation of training facilities

4.39 For training classes run under music training schemes and outreach music interest courses, training is mainly delivered in sessions of one hour each. Audit estimated that the training facilities (i.e. 40 training rooms and 5 rehearsal rooms) of the music centres had a total capacity of about 148,590 one-hour sessions a year (Note 20). This capacity exceeded the operation scale of the Music Office. Table 15 shows that, during the past three years, the number of training sessions delivered each year under music training schemes and outreach music interest courses was about 43,000 sessions. The number was equivalent to only 29% of the capacity of the music centres.

Note 20: The music centres opened 63.5 hours a week (i.e. from 9:30 a.m. to 8 p.m. on weekdays and from 9 a.m. to 6 p.m. during weekends, with a one-hour lunch break). For the 45 training facilities of the music centres (i.e. 40 training rooms and 5 rehearsal rooms), the total annual capacity was 148,590 sessions (i.e. $63.5 \times 52 \times 45$).

Table 15

**Capacity of the five music centres against delivery of training
under music training schemes and outreach music interest courses
(2013/14 to 2015/16 school year)**

School year	Training delivered (a) (No. of sessions)	Capacity of music centres (b) (No. of sessions)	Percentage of capacity (c) = (a)/(b)
2013/14	42,685	148,590	29%
2014/15	42,432	148,590	29%
2015/16	43,077	148,590	29%

Source: Audit analysis of LCSD records

Remarks: "Other music activities" of the Music Office (see para. 4.13(c)) were generally not conducted at the music centres.

4.40 Audit noted that it was not the practice of the Music Office to promote the use of training facilities for purposes other than delivering training classes under music training schemes and outreach music interest courses (e.g. for use by other LCSD units for audience building activities). Audit examination of the actual utilisation of training facilities for November 2015 indicated that the utilisation rate was generally low (see Table 16). The 45 training facilities were almost unused (utilisation rate of 3%) on weekdays before 4 p.m. Utilisation on weekdays after 4 p.m. and at weekends was only 70%. Photographs 11 and 12 show respectively a training room at the Mongkok Music Centre and the rehearsal room at the Kwun Tong Music Centre, both unused at the time of Audit visit.

Table 16

**Utilisation of 45 training facilities of music centres
(November 2015)**

Time	No. of sessions available (a)	No. of sessions used (b)	Utilisation (c) = (b)/(a)
Weekdays: 9:30 a.m. to 4 p.m.	5,197.50	159.25	3%
Weekdays: after 4 p.m.	7,020.00	4,906.75	70%
Weekends			
Overall	12,217.50	5,066.00	41%

Source: Audit analysis of LCSD records

4.41 Upon enquiry, the LCSD informed Audit in September 2016 that the five music centres were designated for organising music training activities, especially for young people (mostly students) in the region. This had constrained the use of the facilities during school days and school hours.

Photograph 11

**A training room unused at the time of Audit visit
(Mongkok Music Centre)**



*Source: Photograph taken by Audit on 21 June 2016
(12:00 noon)*

Photograph 12

**A rehearsal room unused at the time of Audit visit
(Kwun Tong Music Centre)**



*Source: Photograph taken by Audit on 21 June 2016
(10:30 a.m.)*

Audit recommendations

4.42 Audit has *recommended* that the Director of Leisure and Cultural Services should:

- (a) conduct a review of the utilisation of the five music centres of the Music Office to identify room for better using the centres; and
- (b) based on the review results in (a) above, take measures to improve the utilisation of the music centres (e.g. using the centres for audience building activities of other LCSD units).

Response from the Government

4.43 The Director of Leisure and Cultural Services accepts the audit recommendations. She has said that the LCSD will identify ways to improve usage of the music centres during non-peak hours by reviewing the opening hours, and exploring collaboration with schools and arts groups in the use of the facilities of the music centres for music activities/rehearsals, etc.

Way forward for the Music Office

4.44 The Music Office came under the management of the LCSD in 2000 (see para. 4.5). As at September 2016, the LCSD had managed the Music Office for 16 years.

4.45 Considerable resources have been deployed to the Music Office. In 2015-16, staff costs and other direct expenditures of the Music Office totalled \$60.5 million. Moreover, its five music centres have a total floor area of 4,705 m². It is important that the considerable resources are used cost-effectively.

4.46 Audit examination revealed room for improvement in the cost-effectiveness of the audience building activities of the Music Office, subsidisation of fees for programmes of the performing arts and utilisation of music centres (see paras. 4.14 to 4.43). In particular, before and after coming under the LCSD's management, the Music Office had all along organised extensive music

Audience building activities of the Music Office

training schemes (see para. 4.13(a)). While such training schemes could be complementary to the other audience building activities of the LCSD, they were unique within the LCSD. The LCSD did not organise similar training, in terms of breadth and depth, for other key art forms (e.g. dance and Chinese opera). As mentioned in paragraphs 2.6 and 2.7, the LCSD did not have an overarching annual programme plan for promoting appreciation of performing arts. The LCSD needs to review the role of the Music Office in relation to other performing arts activities of the LCSD, with a view to better aligning the work of the Music Office with that of the LCSD and attaining synergy in promoting appreciation of performing arts cost-effectively.

4.47 In 1995, when the former Municipal Councils took over the Music Office (see para. 4.3), all its Music Officer grade civil service posts were replaced by contract posts (Note 21). In 2000, in taking over the Office from the Councils, the LCSD offered contract positions to the Music Officer grade staff mainly on ex-council contract terms. Upon the departure of any such staff, the LCSD's practice had been to recruit non-civil service contract staff to meet the service needs. Currently, seven Music Officer grade staff in the Music Office are on ex-council contract terms. All other Music Officer grade staff are non-civil service contract staff.

4.48 In August 2015 when the Government decided that the Music Office should continue to be managed under the LCSD as a long-term arrangement, it was also decided that the former civil service Music Officer grade posts should be reinstated, and other non-civil service contract positions in the Music Office should be replaced with civil service posts in phases (see para. 4.9).

4.49 As mentioned in paragraphs 4.20 to 4.24, Audit examination revealed inadequacies in the deployment of Music Office staff and that the skill mix of these staff might not be entirely meeting the Music Office needs. In Audit's view, the LCSD needs to critically review the staffing requirements of the Music Office before replacing non-civil service contract positions with civil service posts.

Note 21: *The 58 Music Officer grade staff at that time were required to retire on abolition-of-office terms. The Legislative Council approved the commuted pension gratuity. Ex-gratia payments of about \$50 million were paid to the staff.*

Audit recommendations

4.50 **Audit has *recommended* that the Director of Leisure and Cultural Services should:**

- (a) **review the role of the Music Office in relation to other performing arts promotion activities of the LCSD, with a view to better aligning the work of the Music Office with that of the LCSD and attaining synergy in promoting appreciation of performing arts more cost-effectively; and**
- (b) **based on the review results in (a) above, implement necessary organisational and staffing changes to ensure the cost-effective operation of the Music Office.**

Response from the Government

4.51 The Director of Leisure and Cultural Services accepts the audit recommendations. She has said that frequent collaboration among the LCSD's programme offices is in place for creating synergy. The LCSD will strengthen the collaboration within the Cultural Services Branch with a view to attaining more synergy in promoting appreciation of performing arts.

PART 5: AUDIENCE BUILDING ACTIVITIES OF URBAN AND NEW TERRITORIES VENUES SECTIONS

5.1 This PART examines the audience building activities of the Urban Venues Section and the New Territories Venues Section. Audit found room for improvement in the following areas:

- (a) audience building activities of the two venues sections (paras. 5.2 to 5.10);
- (b) use of minor facilities at performing arts venues for audience building activities (paras. 5.11 to 5.15); and
- (c) building audience through the Venue Partnership Scheme (paras. 5.16 to 5.23).

Audience building activities of the two venues sections

5.2 While the main responsibilities of the Urban Venues Section and the New Territories Venues Section are to each manage seven performing arts venues (see para. 5.11), they also organise free audience building activities or provide arts groups with free use of venues for organising such activities, as follows:

- (a) ***Foyer and piazza activities.*** Performances are organised by the two venues sections at foyers and piazzas (see Photograph 13);
- (b) ***Other venue activities.*** Activities of a smaller scale (in terms of numbers of participants and performers) are organised by the two venues sections. Such activities include guided tours of performing arts venues, and performances in the style of street performance (see Photograph 14); and

Audience building activities of Urban and New Territories Venues Sections

- (c) *Activities organised by arts groups.* The LCSD provides free use of performing arts venues to arts groups for organising audience building activities (Note 22). Audience building activities are also organised by arts groups which are partners under the Venue Partnership Scheme (see para. 5.16). The activities include workshops and performances.

As at June 2016, the two venues sections had a strength of 629 staff in total, comprising 550 civil service staff and 79 non-civil service contract staff.

Photographs 13 and 14

Examples of audience building activities of the two venues sections

Photograph 13

A piazza activity held at
the Hong Kong Cultural Centre



Source: LCSD records

Photograph 14

A venue activity held at
the Sha Tin Town Hall



Source: Photograph taken by Audit on
13 August 2016

5.3 Table 17 shows the audience building activities of the two venues sections during 2011-12 to 2015-16.

Note 22: *To promote and encourage the arts at community level, arts groups organising cultural activities for the local community could apply for free use of performing arts venue facilities.*

**Audience building activities of
Urban and New Territories Venues Sections**

Table 17

**Audience building activities of the two venues sections
(2011-12 to 2015-16)**

Type of activities	2011-12	2012-13	2013-14	2014-15	2015-16
<i>No. of activities organised</i>					
Foyer and piazza activities	133 (17%)	138 (12%)	144 (13%)	139 (13%)	78 (6%)
Other venue activities	119 (16%)	169 (15%)	160 (14%)	235 (22%)	289 (21%)
Activities organised by arts groups	518 (67%)	821 (73%)	833 (73%)	706 (65%)	1,022 (73%)
Total	770 (100%)	1,128 (100%)	1,137 (100%)	1,080 (100%)	1,389 (100%)
<i>No. of participants ('000)</i>					
Foyer and piazza activities	120 (37%)	122 (30%)	105 (28%)	111 (28%)	56 (17%)
Other venue activities	28 (8%)	56 (14%)	40 (11%)	58 (14%)	53 (16%)
Activities organised by arts groups	178 (55%)	229 (56%)	235 (61%)	230 (58%)	217 (67%)
Total	326 (100%)	407 (100%)	380 (100%)	399 (100%)	326 (100%)

Source: LCSD records

Room for improving consultation on plans

5.4 As discussed in paragraphs 2.4 and 2.5, the two venues sections did not engage the Programme and Development Committee and its panels in planning their activities. The audit recommendation is at paragraph 2.12(a).

Audience building activities of Urban and New Territories Venues Sections

Reduction in foyer and piazza activities

5.5 As can be seen from Table 17, the number of foyer and piazza activities decreased considerably from 139 in 2014-15 to 78 in 2015-16. Comparing with its peak of 144 activities in 2013-14, the number of foyer and piazza activities had decreased by 46%. Upon enquiry, the LCSD informed Audit in June 2016 that:

- (a) the reduction of foyer and piazza activities was due to a budget prioritising measure adopted in 2015; and
- (b) in 2016, foyer and piazza activities were completely stopped at performing arts venues in the New Territories.

Decrease in the total number of participants

5.6 LCSD records indicated that, among the three types of audience building activities of the two venues sections, foyer and piazza activities had the largest number of participants per activity (see Table 18). For example, in 2015-16, each foyer and piazza activity had on average 718 participants, which was about four times the 183 participants for “other venue activities” and three times the 212 participants for “activities organised by arts groups”.

Table 18

**Average number of participants in
audience building activities of the two venues sections
(2011-12 to 2015-16)**

Type of activities	No. of participants per activity				
	2011-12	2012-13	2013-14	2014-15	2015-16
Foyer and piazza activities	902	884	729	799	718
Other venue activities	235	331	250	247	183
Activities organised by arts groups	344	279	282	326	212

Source: Audit analysis of LCSD records

Audience building activities of Urban and New Territories Venues Sections

5.7 With the reduction of foyer and piazza activities in 2015-16, the two venues sections increased the other audience building activities (i.e. “other venue activities” and “activities organised by arts groups”). This boosted the total number of audience building activities by 29% from 1,080 in 2014-15 to 1,389 in 2015-16 (see Table 17 in para. 5.3). However, the total number of participants dropped considerably (18%) from 399,000 in 2014-15 to 326,000 in 2015-16. The smaller number of participants per activity for the other audience building activities, as compared with foyer and piazza activities, was one reason.

Not all foyer and piazza activities were costly

5.8 According to the LCSD, reducing foyer and piazza activities was due to a budget prioritising measure (see para. 5.5(a)). However, Audit noted that organising foyer and piazza activities did not always incur additional costs (see Case 5).

Case 5

Organising foyer and piazza activities without incurring additional cost (2015-16)

The Hong Kong Cultural Centre was a performing arts venue. In 2015-16, the LCSD organised foyer and piazza activities at the Centre in collaboration with a non-governmental organisation and a music foundation. Positive responses were received from audiences and participating artists. The LCSD did not need to pay any production costs.

Source: LCSD records

Audit recommendations

5.9 **Audit has recommended that the Director of Leisure and Cultural Services should:**

- (a) **review the impact of reducing foyer and piazza activities on audience building, and take necessary follow-up action; and**

Audience building activities of Urban and New Territories Venues Sections

- (b) **explore areas where the cost-effectiveness of foyer and piazza activities could be further improved (e.g. enhancing collaboration with non-governmental organisations and private sector partners).**

Response from the Government

5.10 The Director of Leisure and Cultural Services accepts the audit recommendations. She has said that:

- (a) the LCSD will continue to explore the opportunities to collaborate with venue partners, District Councils, district bodies and arts groups in organising district-based arts-related audience building programmes at venue facilities, including foyers and piazzas, to increase community involvement, thereby encouraging wider participation in and appreciation of different art forms. Proposed events will include student performances, backstage tours, workshops, talks, lecture demonstrations, film screenings and fun fairs; and
- (b) since April 2016, the Hong Kong Cultural Centre has adopted a partnership approach in organising foyer and piazza programmes through collaboration with venue partners, Consulate Generals and non-governmental organisations. New Territories venues will also continue to explore collaboration with non-governmental organisations and private sector partners in organising free audience building programmes at foyers and piazzas.

Use of minor facilities at performing arts venues for audience building activities

5.11 LCSD performing arts venues have major facilities such as concert halls, theatres and auditoriums. The venues also have minor facilities such as function rooms, rehearsal rooms, practice rooms and studios. As at June 2016, the 14 LCSD performing arts venues had in total 97 facilities, comprising 25 major facilities and 72 minor facilities. The total seating capacity of the 72 minor facilities was about 5,400 people.

Audience building activities of Urban and New Territories Venues Sections

5.12 Audit noted that the utilisation of minor facilities was low. During 2011-12 to 2015-16, the utilisation rates of minor facilities in urban venues were between 37% and 42%, and the rates for New Territories venues were between 61% and 63%. Comparing with its peak of 52% in 2013-14, the overall utilisation rate of minor facilities dropped to 47% in 2015-16. Table 19 shows the details.

Table 19

**Utilisation rates of minor facilities of 14 performing arts venues
(2011-12 to 2015-16)**

Venue	Utilisation rate				
	2011-12	2012-13	2013-14	2014-15	2015-16
Urban venues	39%	39%	42%	41%	37%
New Territories venues	62%	62%	63%	61%	61%
Overall	50%	50%	52%	50%	47%

Source: LCSD records

Remarks: The utilisation rate was the ratio of “number of hours hired out” to “number of hours available for hire”.

5.13 In Audit’s view, the LCSD needs to explore measures to improve the utilisation of minor facilities. In this regard, Audit noted that some minor facilities were large in size (e.g. some rehearsal rooms had a size of about 280 m² each). There might be scope for assigning suitable minor facilities for audience building activities (e.g. community scheme activities — see para. 3.10).

Audit recommendation

5.14 **Audit has recommended that the Director of Leisure and Cultural Services should explore measures to improve the utilisation of minor facilities of performing arts venues, including assigning suitable facilities for use in audience building activities.**

Response from the Government

5.15 The Director of Leisure and Cultural Services accepts the audit recommendation. She has said that the LCSD will continue to explore means to further promote the use of minor facilities of the performing arts venues. Since potential users may have limited interest in using the facilities during daytime on weekdays, measures will also be made to encourage partnering arts groups to stage more audience building activities in suitable minor facilities to improve the usage during non-peak hours.

Building audience through the Venue Partnership Scheme

5.16 In 2009-10, the LCSD started to implement a Venue Partnership Scheme, covering a period of three years in each round. The Venue Partnership Scheme was implemented by the LCSD at most of its performing arts venues and aims to foster a partnership between the performing arts venues and performing arts groups with the objectives of enhancing the artistic image and character of the venue and its partner, enlarging the audience base, optimising usage of facilities, developing venue-based marketing strategies, facilitating arts sponsorship, and encouraging community involvement. The third round of the Scheme commenced in April 2015. Arts groups accepted as venue partners could receive support from the LCSD in various forms, such as priority use of venue facilities, free use of office facilities at the venue, enhanced publicity arrangements and part of the funding for organising activities. As at June 2016, there were a total of 20 venue partners.

Two performing arts venues not included in the Scheme

5.17 The current term for the Venue Partnership Scheme covers the three-year period from April 2015 to March 2018. Audit noted that, as at June 2016, 2 of the 14 LCSD performing arts venues (i.e. Tai Po Civic Centre and Ko Shan Theatre) did not have venue partners. According to the LCSD, these two venues had not been open for partnership application for the following reasons:

- (a) ***Tai Po Civic Centre.*** The venue was in the vicinity of a government school. Its major facility was an auditorium, with a seating capacity of 553 people. To meet the school's need for assembly areas, the LCSD had been sharing with the school the use of the auditorium. It would not be appropriate to invite venue partners in the circumstances; and

- (b) ***Ko Shan Theatre.*** All along, this venue had been solely used for Chinese opera performances. It would not be appropriate to invite venue partners of other art forms.

5.18 Audit noted that the government school mentioned in paragraph 5.17(a) had closed since September 2014. As for the Ko Shan Theatre, its major facilities comprise a theatre (seating capacity of 1,031 people) and an auditorium (seating capacity of 600 people). These are key facilities. There is merit to include them in the Venue Partnership Scheme with a view to enhancing the Scheme.

5.19 Upon enquiry, the LCSD informed Audit in August 2016 that the Tai Po Civic Centre had inherent technical and physical constraints. The LCSD was planning a major improvement project for upgrading the facilities of the Tai Po Civic Centre. As regards the Ko Shan Theatre, it was well received by the public as dedicated venues for Cantonese opera. In the light of the high demand for Cantonese opera performances, opening up the Ko Shan Theatre for venue partners would upset the balance of the Cantonese opera sector. The LCSD consulted the Committee on Venue Partnership (see para. 2.4) and the Cantonese Opera Advisory Committee (Note 23) in 2013 and 2014 respectively. Both committees supported not to include the Theatre in the Venue Partnership Scheme.

Replacement partners not recruited

5.20 In April 2016, two venue partners withdrew from the Venue Partnership Scheme for the following reasons:

- (a) ***Ngau Chi Wan Civic Centre.*** The Civic Centre had two venue partners. On 1 April 2016, one partner ceased operation and withdrew from the Scheme; and

Note 23: *The Cantonese Opera Advisory Committee was set up in May 2004 to advise the HAB on the promotion, preservation, study and development of Cantonese opera. Its members include experienced Cantonese opera artists, presenters of Cantonese opera, Cantonese opera educationists and promoters, and Cantonese opera scholars.*

Audience building activities of Urban and New Territories Venues Sections

- (b) *Yuen Long Theatre.* The Theatre also had two venue partners. One partner was unable to stage performances or conduct audience building activities as intended. The partner withdrew from the Scheme in April 2016.

5.21 Audit noted that the LCSD had not taken any action to recruit replacement partners for the Civic Centre and the Theatre. Since the current term of partnership will last until March 2018, there is merit for the LCSD to invite interested arts groups as replacement partners for the two venues. Upon enquiry, the LCSD informed Audit in August and September 2016 that:

- (a) it would take about 6 to 7 months to complete any exercises for inviting new partners; and
- (b) the decision of not recruiting replacement venue partners for the Civic Centre and the Theatre had been thoroughly discussed and was unanimously agreed by the Committee on Venue Partnership in September 2015, taking into account that there was still another partner at the respective venues, as well as the long lead time for invitation and processing of new applications.

Audit recommendations

5.22 Audit has *recommended* that the Director of Leisure and Cultural Services should:

- (a) **upgrade the facilities of the Tai Po Civic Centre in a timely manner with a view to opening it up for venue partnership;**
- (b) **keep in view any change in circumstances which would call for the need to open up the Ko Shan Theatre for venue partnership; and**
- (c) **take measures to facilitate any future recruitment of replacement venue partners upon withdrawal of the original ones (e.g. maintaining a waiting list of venue partners for future use).**

Response from the Government

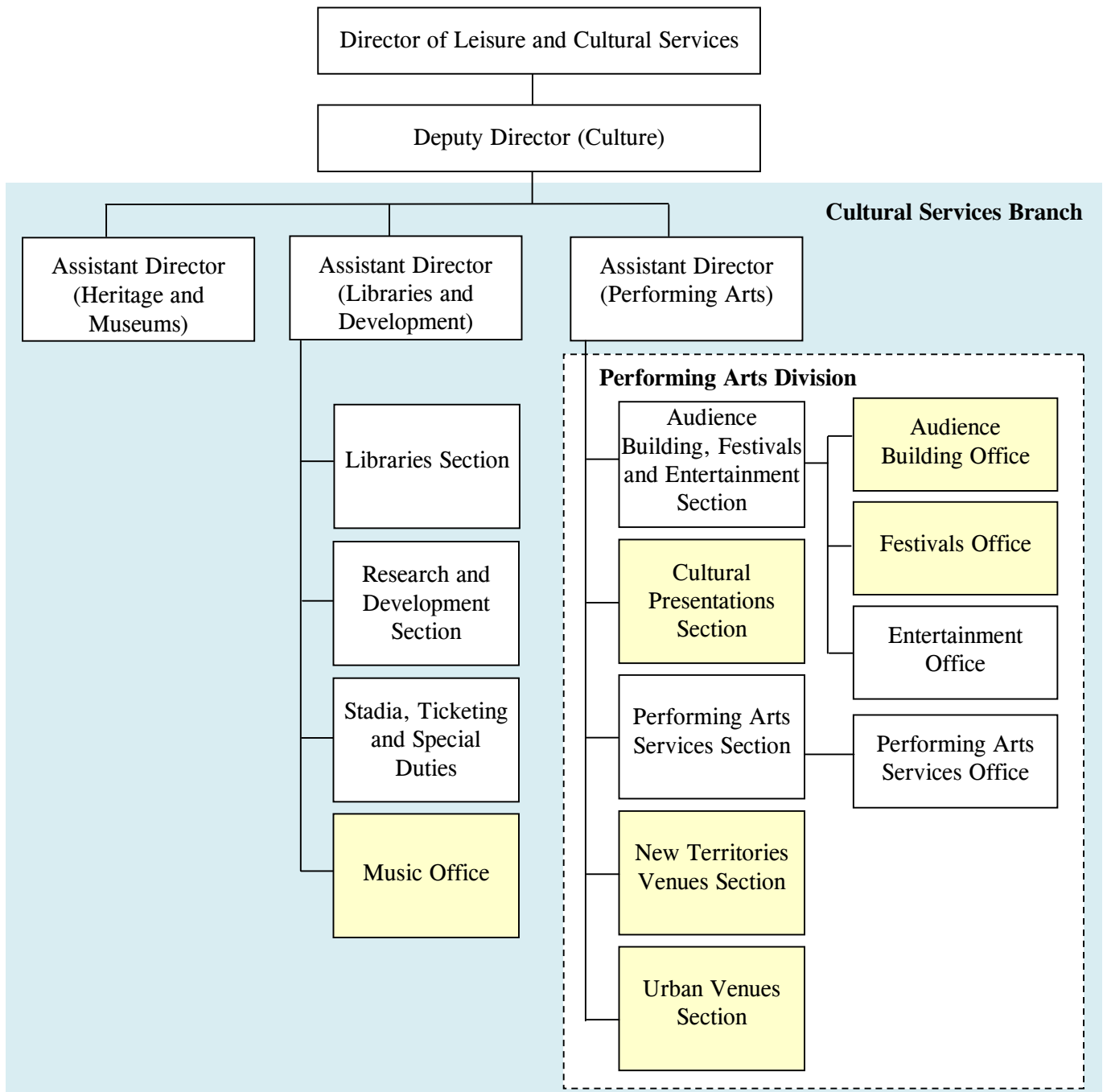
5.23 The Director of Leisure and Cultural Services generally accepts the audit recommendations. She has said that:

- (a) a major upgrading of the Tai Po Civic Centre to improve the standard of performance facilities is under planning. Design consultancy service has been engaged and consultation with stakeholders will be arranged. Subject to funding approval, the Civic Centre will be closed for upgrading and open up for venue partnership upon project completion;

- (b) in respect of the Ko Shan Theatre, the LCSD would keep in view any change in circumstances and review the scheme regularly. The LCSD will also refer the audit recommendation to the Committee on Venue Partnership and the Cantonese Opera Advisory Committee for consideration and consultation for a new round of the Venue Partnership Scheme; and

- (c) as regards the future recruitment of replacement venue partners, the LCSD will refer the audit recommendation to the Committee on Venue Partnership for consideration and will further explore the feasibility of adopting a waiting list system in the new round of Venue Partnership Scheme.

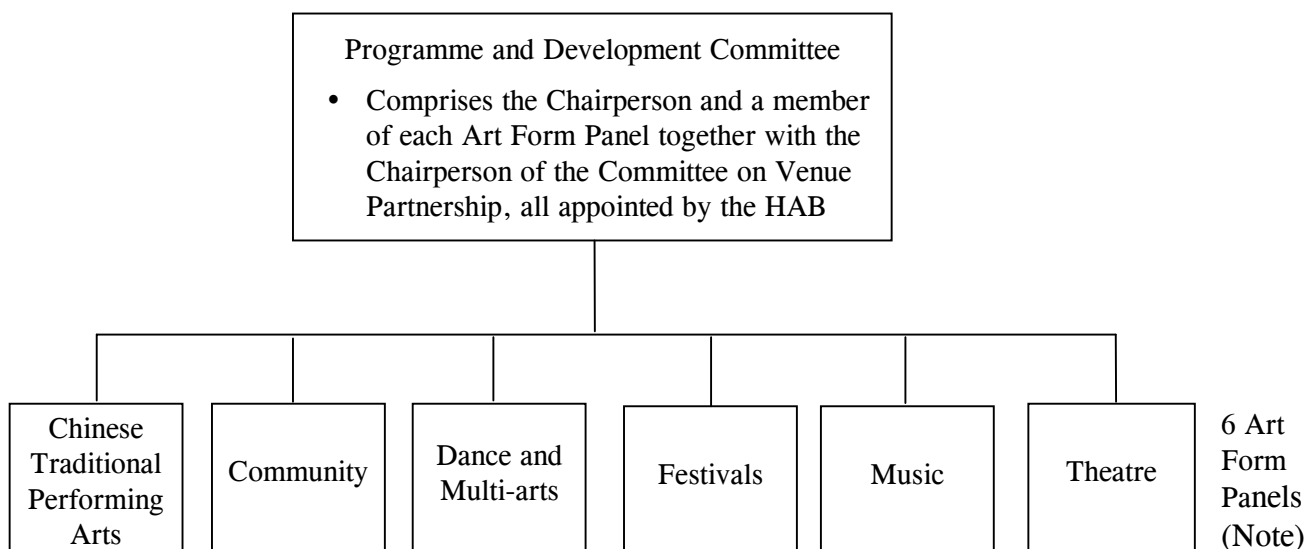
**Leisure and Cultural Services Department
Organisation chart (extract)
(June 2016)**



Legend: The offices/sections responsible for organising audience building activities for performing arts

Source: LCSD records

**Programme and Development Committee
and six Art Form Panels
(June 2016)**



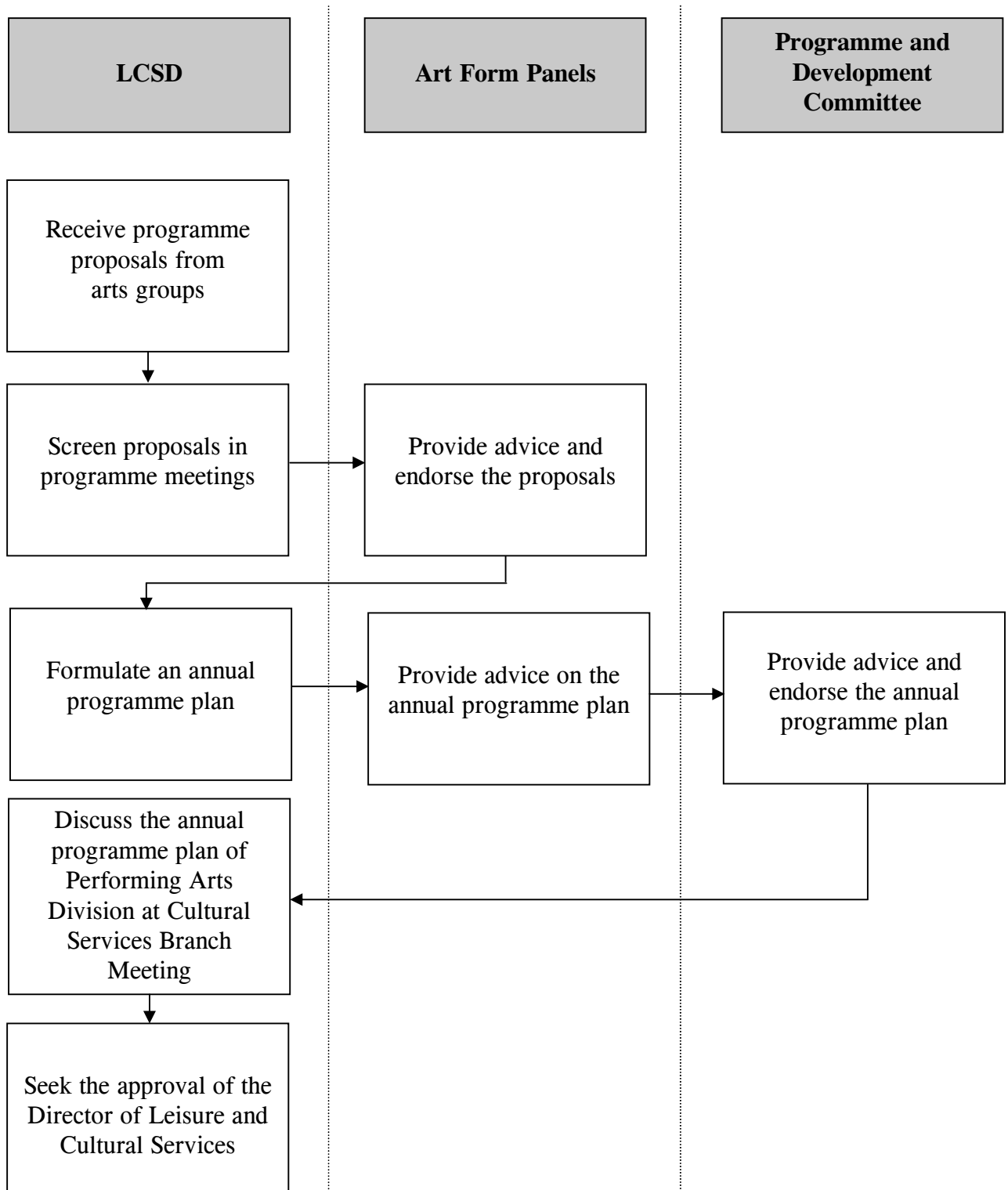
Source: LCSD records

Note: Each Art Form Panel comprises 8 or 9 non-official members appointed by the HAB. The Chairperson of each Panel is elected by its members. The terms of reference of the Panels are as follows:

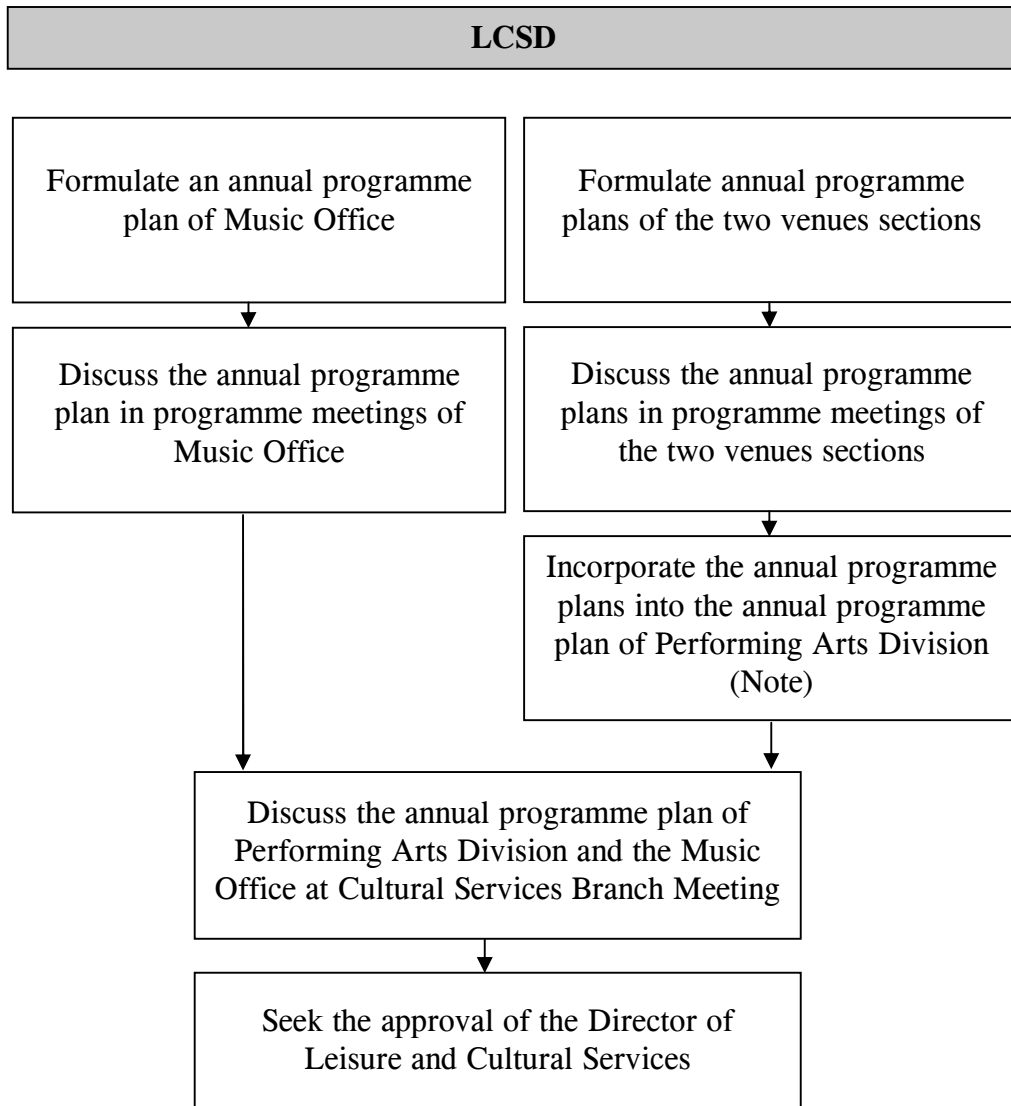
- (a) to draw up development strategies, including identifying new performing arts talents/groups; launching school-based and community-based cultural and arts events that are high-quality and educational, and that have the potential to widen the audience base; and reaching out to a broader audience spectrum in the district (Community Panel);
- (b) to draw up development strategies, including identifying budding local performing arts talents/groups, supporting new and small-scale performing arts groups of relevant art categories to produce high quality programmes; and bringing high quality overseas programmes to Hong Kong with a view to broadening the artistic vista of local performing arts practitioners as well as audience (the 5 panels other than Community Panel);
- (c) to consider, select and confirm programme proposals (all 6 Panels);
- (d) to offer professional advice to programmes being planned for staging (all 6 Panels); and
- (e) to study programme proposals that have been approved, are being considered or are not supported under current government mechanisms, and offer advice (all 6 Panels).

Procedures for preparing annual programme plans

1. Audience Building Office, Cultural Presentations Section and Festivals Office



2. *Music Office, Urban Venues Section and New Territories Venues Section*



Source: *Audit analysis of LCSD records*

Note: *For audience building activities conducted under the Venue Partnership Scheme, the related annual programme plan will also be endorsed by the Committee on Venue Partnership. The work of the Committee includes formulation of a detailed plan for the Venue Partnership Scheme, selection of venue partners, monitoring the performance of venue partners and review of the Scheme. For the present term of office (until October 2016), the Committee comprises a Chairperson and eight members (including experts on performing arts and the Chairperson of the Programme and Development Committee).*

Appendix D
(paras. 4.15 and
4.17 refer)

**Costs of audience building activities of the Music Office
(2011-12 to 2015-16)**

Type of activities	Cost (a) (\$ million)		No. of participants (b)	Cost per person reached (c) = (a)/(b) (\$)
2011-12				
Music training schemes	30.5	62%	5,922	5,150
Outreach music interest courses	3.0	6%	2,399	1,251
Other music activities	15.8	32%	159,155	99
Overall	49.3	100%	167,476	294
2012-13				
Music training schemes	31.7	62%	6,173	5,135
Outreach music interest courses	3.1	6%	2,534	1,223
Other music activities	16.3	32%	184,752	88
Overall	51.1	100%	193,459	264
2013-14				
Music training schemes	33.8	62%	6,084	5,556
Outreach music interest courses	3.3	6%	2,507	1,316
Other music activities	17.4	32%	161,180	108
Overall	54.5	100%	169,771	321
2014-15				
Music training schemes	34.9	62%	6,224	5,607
Outreach music interest courses	3.4	6%	2,593	1,311
Other music activities	18.0	32%	177,692	101
Overall	56.3	100%	186,509	302
2015-16				
Music training schemes	37.5	62%	6,270	5,981
Outreach music interest courses	3.6	6%	2,698	1,334
Other music activities	19.4	32%	167,577	116
Overall	60.5	100%	176,545	343

Source: *Audit analysis of LCSD records*

Remarks: *Costs in the Table were direct costs (including staff costs and direct expenditures). Other overheads (e.g. administrative overheads and accommodation costs) were not included.*

Acronyms and abbreviations

Audit	Audit Commission
HAB	Home Affairs Bureau
LCSD	Leisure and Cultural Services Department
m ²	Square metres