Minutes of the 2nd Meeting in 2020 of the Administration and Finance Management Committee of the Tai Po District Council

Date: 4 March 2020 (Wednesday)
Time: 2:30 p.m. – 9:24 p.m.
Venue: Conference Room, Tai Po District Council

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<td>Mr. AU Chun-ho</td>
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<td>Mr. CHAN Chun-chit, Richard</td>
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<td>Ms. CHAN Wai-ka, Olive</td>
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<td>Mr. CHOW Yuen-wai</td>
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<td>Mr. Kwan Wing-yip</td>
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<td>Mr. LAM Ming-yat, Nick</td>
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<td>Mr. LAM Yick-kuen</td>
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<td>Mr. LAU Yung-wai</td>
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<td>Mr. LI Yiu-ban, BBS, MH, JP</td>
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<td>Mr. LIN Kok-cheung, Dalu</td>
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<td>Mr. MAN Nim-chi</td>
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In Attendance

Ms. CHEUNG Kwai-yan  
Deputy District Leisure Manager (District Support) Tai Po, Leisure and Cultural Services Department

Mr. LEE Yu-sau, Terence  
Senior Executive Officer (District Council), Tai Po District Office, Home Affairs Department

Ms. WONG Yu-hang, Anita  
Senior Liaison Officer (2), Tai Po District Office, Home Affairs Department

Ms. FANG Lan, Evelyn  
Liaison Officer (6), Tai Po District Office, Home Affairs Department

Miss CHAN Hei-man, Amber  
Liaison Officer (6A), Tai Po District Office, Home Affairs Department

Miss SY Ling-ling, Phoebe  
Executive Officer (District Council)1, Tai Po District Office, Home Affairs Department

Miss NG Wing-yan, Sophie  
Executive Officer (District Council)2, Tai Po District Office, Home Affairs Department

Mr. LAU Chung-hin, Alvin  
Executive Officer (District Council)3, Tai Po District Office, Home Affairs Department

Announcement

The Chairman welcomed Members and departmental representatives to this meeting.

I. Confirmation of the minutes of the 1st meeting in 2020 of the AFMC on 22 January 2020  
(TPDC Paper No. AFM 13/2020)

2. The Chairman advised that neither had the Secretariat received any proposed amendments, nor did Members propose any amendments to the captioned minutes at this meeting. The said minutes were confirmed without amendment.

3. Mr. LI Yiu-ban said that he had left in the middle of the last meeting and as a result had not taken part in the discussion of some agenda items, while the reasons for rejecting the funding
application of Tai Po District Dragon Boat Race jointly organised by Tai Po District Dragon Boat Race Committee and Tai Po Sports Association had not been contained in the meeting minutes. He therefore enquired if the Secretariat would provide organisations applying for DC funds the reasons for approving or rejecting their funding applications.

4. The Secretary advised that Members had not discussed in detail the reasons for rejecting funding applications at the last meeting. The Secretariat had therefore not furnished the reasons concerned in the letters informing the organisations of the results of their applications for DC funds.

5. Mr. LI Yiu-ban indicated that he himself was one of the principal staff of the organisation applying for funding for Tai Po District Dragon Boat Race. He did not mean to dispute the result of the funding application concerned, but opined that DC was duty bound to explain to the public the criteria and reasons for approving or rejecting funding applications.

6. The Chairman said that the meeting concerned had not only discussed activities related to Tai Po Sports Association, hence, reference should also be made to the context when reading the meeting minutes. He noted Mr. LI Yiu-ban’s opinion and would request that Members put forward reasons for approving or rejecting funding applications at this meeting, such that organisations applying for funding could know the justifications for their applications’ being rejected.

II. Financial position of Tai Po District Council (TPDC) funds for the year 2019-2020 as of 24 February 2020
(TPDC Paper No. AFM 14/2020)

7. The Secretary introduced the captioned paper.

8. Members raised neither views nor questions.

III. Authorisation of TPDC Secretariat to handle in accordance with usual practice problems encountered when processing fund reimbursement applications of grantees
(TPDC Paper No. AFM 15/2020)

9. The Secretary introduced the captioned paper. She supplemented that the Government’s fiscal year ended on 31 March each year, in other words, the current fiscal year would end on 31 March 2020. As the accounting procedures would take time to complete, to ensure that disbursement procedures could complete by the end of the fiscal year, the Secretariat would need
to finish vetting the fund reimbursement applications no later than mid-March. The Secretariat had successively received fund reimbursement applications of DC-funded activities of this fiscal year. While vetting the receipts, the Secretariat might identify issues that had to be determined by the Administration and Finance Management Committee (“AFMC”) pursuant to the Guidelines on TPDC Funds (“Guidelines”). However, AFMC would not have another meeting during the period between this one and mid-March. In the event that the Secretariat failed to get AFMC’s authorisation to handle the said issues and arrange for reimbursement, such reimbursement applications would have to be dealt with at the meeting in May, in which case the fund reimbursement procedures could not be completed within the current fiscal year. As a result, funding for the fiscal year 2020-2021 would have to be used.

10. Mr. KWAN Wing-yip enquired if the Secretariat sought views from the DC on this matter every year before the end of the fiscal year.

11. The Secretary said that the Secretariat had in the past always sought views from the DC on this matter before the end of the fiscal year.

12. Mr. LI Yiu-ban said that when granting DC funds in the past, DC would take into consideration factors such as the effectiveness and number of participants of the activities. However, many activities during the Chinese New Year had to be cancelled owing to the novel coronavirus while some of such activities had already paid the advance expenses, applications for partial reimbursement were therefore necessary. He enquired if relevant authorisation would allow the Secretariat to handle the said issue too.

13. The Secretary advised that pursuant to the Guidelines, should an activity be terminated prematurely and the organisation applying for DC funds wished to file an application with the DC for reimbursement of the expenses incurred in the preparation or implementation of the activity, its application would have to be vetted by the DC. In the event where an organisation applying for DC funds filed a reimbursement application for a cancelled activity which had not been included among the discussion items of this meeting due to its failure in submitting all receipts in time, the Secretariat would first reimburse with AFMC’s authorisation the expenses of those receipts which had already been submitted and met the requirements of the Guidelines and relevant cases would be submitted to AFMC for discussion in May. Should AFMC decide at the meeting in May that no reimbursement should be made to the organisation concerned, relevant payment would be recovered from the organisation concerned in accordance with the Government’s accounting procedures.

14. The Chairman enquired if the said authorisation would be applicable exclusively to cases which needed to be submitted in May for AFMC’s processing and not to all subsequent cases.
15. **The Secretary** indicated that the said authorisation was only applicable to cases that needed to be dealt with in the current fiscal year. Starting from 1 April 2020, the Secretariat would handle all reimbursement applications according to the requirements of the Guidelines. Should applications involve issues that needed to be discussed by AFMC, the Secretariat would submit such cases to AFMC for consideration and then arrange for reimbursement in accordance with AFMC’s resolution.

16. **Mr. CHOW Yuen-wai** enquired if the Secretariat would adopt the date on which an organisation submitted a written notice about the cancellation of an activity as the time limit as to whether or not relevant expenses would be reimbursed.

17. **Mr. YAM Kai-bong** indicated that owing to the novel coronavirus epidemic, organisations would inform the Secretariat of cancellation of activities in writing, he therefore enquired if the Secretariat would reimburse expenses incurred after the said date. He understood that receipts of some expenses (such as fees for hiring venues) might need to be issued only after the date the Secretariat was informed of the cancellation of activities, he worried that some organisations would purchase supplies after the cancellation of activities and file reimbursement applications for relevant expenses with the DC.

18. **The Secretary** advised that the said authorisation also empowered the Secretariat to handle reimbursement applications for activities which had been cancelled. When vetting reimbursement applications, the Secretariat would pay attention to the dates of receipts regardless of the activities’ having been cancelled or not. Should items or services reserved prior to the decision of cancelling the activities be involved and could not be cancelled, organisations concerned would in general need to pay relevant expenses. As regards ready-made goods (such as stationery items) purchased only after the activities had been cancelled, the Secretariat would generally requested that the organisations concerned furnish more information for consideration.

19. **Mr. LAU Yung-wai** enquired if there had in the past been any organisations applying for DC funds which had purchased supplies after the cancellation of activities. If yes, whether the Secretariat would reimburse relevant payments.

20. **The Secretary** said that as far as she could recall, there had been no cases in which organisations purchased supplies after cancellation of activities except for those orders placed prior to cancellation of activities and could not be cancelled. Whether an activity was cancelled or not, the Secretariat would always consider if the time at which an organisation purchased supplies was reasonable. She gave an example that if an organisation cancelled an activity on the 20th but ordered on the 21st meals for volunteers or guests, such expenses were unreasonable and would not be reimbursed.
21. **Mr. Terence LEE** said that he had worked at the Secretariat for over three years and there had rarely been cases of organisations purchasing supplies after completion of activities and applying for reimbursement of such expenses. Should such situation arise, the Secretariat would ask the organisation concerned for the reasons and would not reimburse relevant expenses in the absence of reasonable justification.

22. AFMC resolved to authorise the Secretariat to handle after this meeting problems encountered when processing fund reimbursement applications filed by local groups in accordance with usual practice.

IV. **Public Education/Publicity Activities on Rehabilitation 2020-21**  
*(TPDC Paper No. AFM 16/2020)*

23. The Chairman advised that the Labour and Welfare Bureau (“LWB”) had written to TPDC earlier that it would continue to allocate $53,000 to TPDC in the fiscal year 2020-21 for organising public education/publicity activities on rehabilitation, details of which could be found in the captioned paper. Besides, LWB would allocate an additional funding of $300,000 for a maximum of six DCs (i.e. each DC could receive an additional funding of $50,000 at most) to organise activities. Members could refer to the publicity highlights to note when organising activities contained in the annex to the said paper.

24. **Mr. CHOW Yuen-wai** enquired about the application process as to whether the DC would first endorse the acceptance of LWB’s funding and LWB would then write to invite suitable NGOs in the district to submit applications.

25. **Mr. LAU Yung-wai** said that LWB would allocate an additional funding of $300,000 to no more than six DCs, in other words, only one-third of the DCs would receive the said additional funding. He enquired what information would need to be provided for the application of the additional funding, for instance, whether it was necessary to prepare a project proposal. Should the DC intend to apply for the said additional funding, would the preparation work need to be carried out via working groups?

26. The Secretary responded as follows:

   (i) The DC would invite groups to apply for the aforementioned $53,000. The Social Services Committee under the last term DC had usually invited in February and March each year groups to apply for DC funds of the following fiscal year. The Secretariat had in the past selected suitable activities from the applications received to apply for LWB’s funding. Hence, it was not LWB which had invited groups to
submit applications in the past.

(ii) The additional funding of $300,000 was a new allocation introduced this year. Should the DC wish to apply for the funding concerned, it would need to fill out the reply slip (Annex 3 to the paper) and provide the proposed content of activities such as target beneficiaries, budget and so on.

27. Mr. LAU Yung-wai said that LWB requested that DCs reply by the end of March. However, Members had learned of relevant news only recently and might not be able to identify suitable groups to submit applications before the deadline. He asked when the Secretariat had been informed of LWB’s funding.

28. The Secretary responded that the Secretariat had received the relevant letter from LWB in late January after the last AFMC meeting. Hence, the matter had to be dealt with at this meeting.

29. Mr. YIU Yeuk-sang enquired if it had to be decided at this meeting as to whether or not to apply for the funding of $103,000 in total, or groups could be invited to apply for relevant funding after this meeting.

30. The Secretary indicated that LWB’s funding was divided into two parts, namely, the funding of $53,000 which every DC would receive; and the additional funding of $50,000 each for a maximum of six DCs. According to previous experience, for the funding of $53,000, DC would first need to indicate its acceptance of the said funding, and then look for suitable groups to submit applications which had to be endorsed by relevant committees in May. LWB would then be notified of the information of the groups which were granted the funding. Should the DC wish to apply for the additional funding of $50,000, it would be most desirable to identify suitable groups after this meeting to submit applications. Given the fact that LWB would in April vet the applications received, the DC was therefore required to submit applications to LWB by end of this month.

31. Mr. LAU Yung-wai recommended that the Healthcare, Education and Social Services Committee (“HESC”) identify suitable groups to apply for the said additional funding.

32. The Chairman raised that Members would need to decide whether or not to accept the funding concerned first before entrusting HESC with the follow up of relevant details.

33. Mr. TAM Yi-pui agreed to accept the funding and considered the concept (such as awareness of mental health and social inclusion) met the current needs of the society.

34. Mr. YIU Kwan-ho enquired about LWB’s vetting criteria for funding applications, for examples, whether or not activities were required to satisfy all the key points contained in Annex 2
or just to publicise in depth certain key points.

35. **Mr. MAN Nim-chi** said that the additional funding of $300,000 in total would be allocated to a maximum of six DCs. As it was not known how much funding each DC would in the end receive, the allocation should therefore be assumed to be $53,000.

36. **The Secretary** responded as follows:

   (i) There was no mention in the information provided by LWB that activities to be organised were required to satisfy all publicity key points contained in Annex 2 in order to be eligible for funding application.

   (ii) LWB’s additional funding of $300,000 would be allocated to a maximum of six DCs, in other words, each DC could receive an additional funding of $50,000 at most. Groups applying for the funding could apply for $50,000 or less as necessary to organise activities.

37. **Mr. YAM Kai-bong** said that LWB should be censured for offering an additional funding of no more than $300,000 to be competed among 18 DCs. He opined that it would only cost about $1 million in total even if LWB offered an additional funding of $50,000 to every DC. AFMC should decide whether or not to accept relevant funding and stop spending time on discussing the details further.

38. **The Chairman** enquired if the additional funding of $300,000 would be granted on a first come, first served basis.

39. **The Secretary** responded that the information provided by LWB did not mention that the funding would be granted on a first come, first served basis. After all DCs submitted their applications by the same deadline, LWB would hold a meeting in April to vet the applications. Hence, it should not be the case that funding would be granted on a first come, first served basis.

40. **The Chairman** asked if AFMC agreed to accept LWB’s funding of $53,000 for organising public education/publicity activities on rehabilitation in the district. Should AFMC agree to accept it, he would recommend that previous practice be followed to entrust the funding to HESC for organising activities jointly with groups openly identified.

41. AFMC agreed to accept the aforementioned funding and refer relevant matters to HESC for follow up.

42. **The Chairman** advised that AFMC agreed after discussion to apply for the additional funding of $50,000 from LWB. He asked Members if they agreed to have groups identified openly by
HESC with which it would organise activities jointly, and to seek views from Members by circulation of paper, with a view to submitting the application to LWB by end of March.

43. Members agreed to the Chairman’s recommendations in paragraph 42 above.

(Post-meeting note: The Secretariat had after the meeting invited groups to submit project proposals in connection with the additional funding of $50,000. The Secretariat had received four proposals before the deadline. HESC had already selected one proposal to submit to LWB for application of relevant funding.)

V. Revision of the Guidelines on TPDC Funds

(Revision of the Guidelines on TPDC Funds)

44. The Secretary introduced the captioned paper.

45. Mr. AU Chun-wah said that TPDC had the Working Group on Review of Guideline on Allocation of District Council Funds to review issues encountered when processing DC fund applications in the previous year. In the past, the Working Group held meetings before the new fiscal year began such that groups could apply for funding in accordance with the new Guidelines. However, owing to the novel coronavirus epidemic, the Working Group might not be able to hold a meeting before the new fiscal year commenced this year. He enquired if only the Guidelines revised according to the recommendations of the Home Affairs Department (“HAD”) would be endorsed, or a working group meeting would be held to review the Guidelines.

46. The Secretary advised that a meeting of the Working Group on Review of Guideline on Allocation of District Council Funds had initially been scheduled for February, which ended up not taking place as scheduled due to the novel coronavirus epidemic. Hence, this agenda item would only handle the revision put forward by HAD. According to experience, May and July were the peak period of applications for DC funds and she had therefore discussed with the Chairman of the Working Group on Review of Guideline on Allocation of District Council Funds earlier in the hope that amendments put forward by Members and the Secretariat could be dealt with in April with a view to completing the revision of the Guidelines before May.

47. The Chairman said that the DC might have to endorse two revisions of the Guidelines within this year, the first one being the revision proposed by HAD and the second one with those amendments made by the Working Group on Review of Guideline on Allocation of District Council Funds after it completed the review, which would however have little impact on the funding applications of local groups.
AFMC agreed to revise the Guidelines according to the recommendations contained in the said paper and recommended that TPDC endorse the revised Guidelines, such that the revised Guidelines could become effective on 1 April this year.

VI. Applications of the Leisure and Cultural Services Department (Tai Po District Leisure Services Office) for DC funds
(TPDC Paper No. AFM 18/2020)

49. The Chairman welcomed Deputy District Leisure Manager (District Support) Tai Po of Leisure and Cultural Services Department (“LCSD”) Ms. CHEUNG Kwai-yan to the meeting for discussion of this agenda item, and requested that Members declare interests where necessary in respect of the applications for DC funding being vetted now.

50. The Secretary reported that pursuant to Orders 48(9) and 48(10) of the TPDC Standing Orders, a Member should declare interests before handling the funding applications if he found he had direct personal interests, pecuniary interests or other interests with the funding applications being handled now, or had links with the benefited party or the potential benefited party. According to the information collected prior to the meeting, since LCSD’s activities related to this funding application would not be jointly organised with Tai Po Sports Association, no Members had links with the hosting/partnering/co-hosting organisations of the activities concerned. Members might make revisions or give supplementary information where necessary. In addition, Members should also declare interests if they had any direct personal interests, pecuniary interests or other interests in the applications for DC Funds being examined currently.

51. No Members present at the meeting declared interests.

52. The Secretary introduced the captioned paper. She supplemented that LCSD had amended the content of the financial estimates after having issued the paper but the amount of funding being applied for remained unchanged. The revised Appendices I and II had been tabled for Members’ reference.

53. The Chairman said that Members could consider endorsing the fund applications contained in the paper if they were satisfied that the activities were covered under the scope of and funded by DC Funds, while benefitting people living, working or attending schools in the district.
Recreation and sports activities in Tai Po District provided by the Leisure and Cultural Services Department from April to September 2020

54. Mr. Nick LAM enquired why remuneration of some staff was calculated by multiplying the hourly rate by the number of hours in the financial estimates, while some others (such as Camp Counsellors) had their remuneration calculated by multiplying the hourly rate by the number of times.

55. Mr. Richard CHAN enquired if paragraph 4(i) of the paper meant that LCSD would not jointly organise activities with Tai Po Sports Association but the latter would still assist in publicising and organising prize presentation events.

56. Ms. CHEUNG Kwai-yan responded as follows:

(i) Remuneration of Camp Counsellors was calculated by the rate per activity rather than by hourly rate. The number of hours worked for day camps and camping activities were approximately 8 hours and over 24 hours respectively.

(ii) LCSD would not organise this activity jointly with Tai Po Sports Association and had no plan to organise any prize presentation ceremony, cost estimates for prize presentation ceremony had therefore not been taken into account in the funding application.

57. Mr. LAU Yung-wai said that the financial estimates in the captioned paper were very clear, yet he recommended that the figures be aligned to facilitate reading. Besides, he opined that remuneration of staff such as Camp Counsellors under expenditure item 1c(v) should be calculated by daily wage while it should have been a clerical mistake that “hourly rate” was written in the paper.

58. Mr. Dalu LIN enquired if it was a previous arrangement that “Tai Po Sports Association provided publicity, prize presentation ceremony items and trophies and Tai Po Sports Association would apply for separate funding from TPDC” as stated in paragraph 4(i) of the paper. Besides, as the activities were now organised by LCSD, he enquired if LCSD would still hold a prize presentation ceremony for the activities.

59. Mr. AU Chun-wah recommended that the hourly rate, number of hours and times worked of Camp Counsellors be listed in the financial estimates to give a clearer presentation. In addition, the aforementioned paper was a revised version but some contents had not been updated yet. He therefore requested that LCSD revise the whole paper to avoid misunderstandings.
60. Mr. MAN Nim-chi enquired if LCSD would organise any prize presentation ceremony for the activities concerned.

61. Ms. CHEUNG Kwai-yan responded as follows:

   (i) Remuneration of Camp Counsellors should be calculated by daily wage. It was a clerical mistake that “hourly rate” was written in the paper.

   (ii) As said just now, the activities for which the funding was applied this time meant to allow members of the public of different age groups in the district to participate in recreation and sports activities and competitions, and to encourage them to exercise regularly, whereas cost estimates for prize presentation ceremony had not been taken into account in the funding application.

62. The Secretary indicated that paragraph 4 of the paper had been drafted by the Secretariat according to the reply provided by LCSD. While requesting information from LCSD, the Secretariat was not aware of the fact that LCSD would not organise the activities concerned jointly with Tai Po Sports Association, and had hence enquired about the mode of cooperation between LCSD and Tai Po Sports Association with a view to facilitating Members’ understanding of the collaboration between the two parties in the past. The Secretariat had included relevant information in the paper which might have led to Members’ misunderstandings, and would avoid doing so in future.

63. The Vice-chairman enquired if other District Leisure Services Offices held any integrated prize presentation ceremony for the competitions they organised.

64. Mr. CHOW Yuen-wai expressed his understanding for the occurrence of clerical mistakes in the paper. Nonetheless, the meaning of “hourly rate” varied significantly from that of “daily wage”, while paragraph 4(i) in the paper would also mislead the public to think that LCSD still organised activities jointly with Tai Po Sports Association. Hence, he requested that LCSD and the Secretariat amend the paper after the meeting and send the amended version to Members.

65. The Chairman was of the view that LCSD did not cancel the cooperation with Tai Po Sports Association to jointly organise activities, rather, LCSD had separated the prize presentation ceremony, for which Tai Po Sports Association was responsible, from the activities. Had LCSD in the beginning considered a prize presentation ceremony necessary and entrusted Tai Po Sports Association with relevant work, it would be unreasonable for LCSD not to hold the prize presentation ceremony after cancelling the joint organisation on the grounds that there was no budget. He opined that the crux of the issue lay in the question as to whether or not the prize presentation ceremony was dispensable. If yes, he enquired why LCSD had in the beginning decided to jointly organise activities with Tai Po Sports Association.
66. Mr. Dalu LIN asked if Tai Po Sports Association would apply for DC funds in connection with the prize presentation ceremony concerned. If yes, he considered such approach no different from the cooperation between the two parties.

67. Ms. CHEUNG Kwai-yan said that when initially submitting the funding application concerned, LCSD had already been the organiser of the activities. Should Tai Po Sports Association organise the prize presentation ceremony, it would file a funding application with TPDC on its own. LCSD had all along worked with Tai Po Sports Association by division of labour. The deletion of the wordings about joint organisation in the aforementioned paper was merely a change in the previous mode of cooperation. She would look into the arrangement of presenting prizes to participants and prize presentation ceremony was just one of the options. As such, there would be no impact on the activities with or without prize presentation ceremony.

68. Mr. Dalu LIN enquired if there would be no prize presentation ceremony in any form upon completion of competitions.

69. Ms. CHEUNG Kwai-yan said that prizes might be awarded to winners right after the competitions should no prize presentation ceremony be held.

70. Mr. Dalu LIN enquired if it would mean that Tai Po Sports Association might organise a prize presentation ceremony after the competitions on its own to award prizes to winners of competitions organised by LCSD as LCSD had indicated that the mode of cooperation had changed in the meantime.

71. Ms. CHEUNG Kwai-yan advised that when jointly organising activities with Tai Po Sports Association in the past, LCSD would place publicity materials in Li Fook Lam Indoor Sports Centre. Since activities concerned would no longer be jointly organised with Tai Po Sports Association, LCSD would need to check if there would be space available in Li Fook Lam Indoor Sports Centre for placing publicity materials. Besides, prize presentation ceremony was just one of the ways to give out prizes and LCSD would not hold any prize presentation ceremony for the activities concerned.

72. Mr. YIU Yeuk-sang said that to put it simply, the activities concerned had over the years been a matter of “LCSD paying for the chicken and Tai Po Sports Association the soy sauce”. After LCSD had applied for funding to organise all activities, Tai Po Sports Association had to do nothing more than holding a prize presentation ceremony and putting up publicity materials in order to claim itself having jointly organised activities with LCSD, so as to receive the expenditure in full of DC-funded activities. Even if this was the usual way of cooperation between LCSD and Tai Po Sports Association, organisation of the prize presentation ceremony must not necessarily be
entrusted to Tai Po Sports Association.

73. **Mr. Nick LAM** raised that it was generally more appropriate to hold a prize presentation ceremony after the competitions. However, if LCSD no longer organised activities jointly with Tai Po Sports Association, the latter should not continue to be responsible for holding the prize presentation ceremony. Besides, he asked if the activities concerned could be held successfully and a prize presentation ceremony would be organised, whether or not LCSD would invite DC Members to be officiating guests at the ceremony given the fact that the activities were DC-funded.

74. **Ms. CHEUNG Kwai-yan** responded that the purpose of LCSD’s organising activities jointly with Tai Po Sports Association in the past was to create synergy in promoting sports and recreation activities in the district, while Tai Po Sports Association also organised various activities to promote sports in the district. She therefore did not consider that Tai Po Sports Association would get the eligibility of designated bodies through such mode of cooperation, or could for this reason receive full sponsorship from DC for the actual expenses of activities. Moreover, despite the fact that no prize presentation ceremony was planned for the activities concerned, some of the competitions had in the past invited Sports Ambassadors to present prizes. DC Members who were interested could opt to become Sports Ambassadors of Tai Po District.

75. **The Chairman** advised that the key point of Mr. Nick LAM’s remarks was not about DC Members wishing to attend the prize presentation ceremony. Rather, he had enquired if only Tai Po Sports Association could become the joint organiser to provide publicity and prize presentation ceremony items as well as trophies and so on, and whether any other persons would be allowed to sponsor the purchase of trophies for winners.

76. **Ms. CHEUNG Kwai-yan** indicated that various District Leisure Services Offices of LCSD would jointly organise activities with sports associations of their respective districts. There had so far been no groups other than district sports associations which provided LCSD sponsorship to jointly organise activities. When receiving sponsorship from district sports associations, LCSD would need to comply with relevant regulations and submit documents to DCs to seek approval. In the past, district sports associations and LCSD filed their respective funding applications separately with DCs and once DC funds were secured, district sports associations could jointly organise activities with LCSD.

77. **Mr. Richard CHAN** opined that the current situation was even worse than that of “LCSD paying for the chicken and Tai Po Sports Association the soy sauce” since Tai Po Sports Association would apply funding from DC and it was DC which paid the expenditure on trophies and organisation of the prize presentation ceremony, in which case Tai Po Sports Association had not even paid the cost of “soy sauce”. Besides, Tai Po Sports Association had approximately $7
million in its bank account as of 31 March 2018, which would be sufficient for it to hold a prize presentation ceremony on a self-financing basis after LCSD had organised the competitions. It was undesirable that all credit went to Tai Po Sports Association now. He recommended that LCSD apply for funding in connection with the organisation of prize presentation ceremony in order to allow DC Members to invite other bodies to jointly organise the prize presentation ceremony with LCSD, such that the scenario could be avoided where there was no prize presentation ceremony after the competitions or credit for the activities was taken by others.

78. **Mr. HO Wai-lam** enquired if LCSD was required to work together with other bodies in order to organise the prize presentation ceremony. Besides, as regards Mr. LI Yiu-ban’s remarks just now that the reasons for rejecting the funding application of Tai Po District Dragon Boat Race had not been given at the last meeting, he was of the view that reasons had been provided at the last meeting because Members had at the meeting opined that the opportunity to work with LCSD should not be monopolised by one single body over extended periods of time, whereby stifling the chance for other groups to work with LCSD. He said such situation “could not, ought not and should not be allowed” to happen.

79. **Ms. CHEUNG Kwai-yan** responded that the prize presentation ceremony gave participants the opportunity to take photographs after the competitions, organisation of prize presentation ceremony was nevertheless neither essential nor any major task of LCSD. LCSD hoped to concentrate its resources on organising recreation and sports activities in the hope that activities could be successfully held. The prime purpose for LCSD to apply for funding was to allow athletes to compete and learn from one another through competitions.

80. **The Vice-chairman** said that the difference between simply handing out prizes and a prize presentation ceremony was just like the degree of ceremoniousness of wedding ceremonies. He asked if this funding application of LCSD would also cover the organisation of simple prize presentations, if yes, it would not be necessary to invite other bodies for joint organisation; if not, whether the current budget of LCSD would require another funding application to hold simple presentation of prizes.

81. **Mr. YIU Kwan-ho** raised that the paper indicated that “Tai Po Sports Association would file a separate funding application with TPDC to organise an integrated prize presentation ceremony”, but relevant expenditure had not been included in the financial estimates. He had checked relevant declarations of interests and found out that Mr. LAM Yick-kuen was an executive member of Tai Po Sports Association. He asked Mr. LAM Yick-kuen if Tai Po Sports Association would apply DC funding or make use of the Association’s resources to organise the prize presentation ceremony. Besides, it would be rather odd that LCSD would have other bodies to organise a prize presentation ceremony on its behalf after it applied for funding and organised the activities.
82. Ms. CHEUNG Kwai-yan responded that the budget for holding an integrated prize presentation ceremony after the activities was not included in the funding application concerned. Prize presentation could be very simple, for instance, with only display of banners and photo taking. To put it simply, upon completion of activities and competitions, LCSD would hand out trophies to winners immediately without holding any integrated prize presentation ceremony.

83. Mr. Nick LAM indicated that according to what Ms. CHEUNG Kwai-yan had said, LCSD had little idea as to whether Tai Po Sports Association would organise any integrated prize presentation ceremonies for activities concerned in the future. He enquired if LCSD would make a statement to clarify in the event that Tai Po Sports Association organised an integrated prize presentation ceremony on its own without being invited to do so by LCSD, which would be misleading for the public.

84. Mr. CHOW Yuen-wai said that as far as he understood, the activities concerned were not jointly organised with Tai Po Sports Association. LCSD would not hold any prize presentation ceremony and would simply hand out trophies to the winners. Besides, “daily wage” had been wrongly written as “hourly rate” in the paper concerned and he recommended that LCSD correct the mistakes in the paper and AFMC vet the application by circulation of paper such that the application would not need to be handled at the next meeting.

85. The Chairman said that since the next AFMC meeting would be held in May while the activities in question would be launched starting from April, he therefore enquired if Members would agree to decide whether to approve relevant funding applications by circulation of paper once the aforementioned paper was amended, in which case Members would not be able to put forward questions regarding the paper revised by LCSD and could only decide between approving or rejecting the funding applications concerned.

86. Ms. CHEUNG Kwai-yan said that she felt sorry for the mistake of “daily wage” being wrongly written as “hourly rate” in the said paper. After the last meeting, she had hoped that AFMC could convene a meeting to vet relevant funding applications again as soon as possible. No meeting, however, could be held owing to work arrangements. She reiterated that LCSD was the organiser of the activities concerned and would not jointly organise activities with Tai Po Sports Association, hence, LCSD would not organise any prize presentation ceremony but could invite Sports Ambassadors to attend simple prize presentations. Since LCSD would commence the activities for the new year in April, if Members concurred with the broad direction of the activities concerned, it was hoped that they could endorse the funding applications at this meeting. LCSD would then amend the paper as quickly as practicable and submit it to the Secretariat for record and for Members’ reference.
87. **Mr. Lau Yung-wai** raised that he supported in principle the organisation of relevant activities and hoped that funding allocation could be endorsed at this meeting. He was of the view that the mistake of “daily wage” being wrongly written as “hourly rate” in the paper had little impact and would not affect the amount of funds being applied for. In the past, there had been activities of which the instructor fee was about $700 per lesson, hence, it would not become a reason to vote down the fund allocation even if the amount mentioned in the paper had been calculated by hourly rate, let alone it was merely a clerical mistake. Members were more concerned about whether or not Tai Po Sports Association got involved in the activities. The activities concerned were not jointly organised by LCSD and Tai Po Sports Association and the latter was therefore not supposed to have the ability and eligibility to organise the prize presentation ceremony, while such arrangement was only the mode of operation in the past. He considered it unnecessary to further argue and delay the allocation of funding which would affect residents of the district. Besides, he was of the view that funding applications should, as far as practicable, not be handled by circulation of paper and decision should be made through proactive scrutiny.

88. **Mr. Yiu Yeuk-sang** hoped that relevant funding applications could be decided by vote at this meeting so that they would not need to be handled by circulation of paper.

89. **Mr. Yiu Kwan-ho** indicated that relevant funding applications should be endorsed at this meeting and needed not be processed by circulation of paper.

90. **Mr. Richard Chan** agreed in principle to endorse relevant funding applications at this meeting. The mistakes in the paper were only clerical in nature and he therefore requested that LCSD amend the sections where “daily wage” had been wrongly written as “hourly rate” and align the figures in the financial estimates.

91. **Mr. Nick Lam** understood that LCSD had no plan to organise any prize presentation ceremony. He asked if LCSD would clarify in the event that any groups organised upon completion of competitions a prize presentation ceremony for the competitions concerned.

92. **The Vice-chairman** indicated that he hoped funding applications concerned would be endorsed at this meeting. He asked if paragraph 4(i) of the paper “Tai Po Sports Association provided publicity, prize presentation ceremony items and trophies and Tai Po Sports Association would apply for separate funding from TPDC to organise an integrated prize presentation ceremony” would be deleted.
93. The Secretary indicated that the “integrated prize presentation ceremony” belonged to activities of the following fiscal year while the Secretariat had not received relevant applications yet. In view of the fact that some of the content of paragraph 4(i) of the paper was misleading for Members, she would revise the paper after the meeting and send the revised version to Members.

94. Ms. CHEUNG Kwai-yan raised that as said just now, LCSD would organise relevant activities on its own and would not jointly organise the activities with any groups or organisations.

95. AFMC resolved to allocate $2,370,718 to Tai Po District Leisure Services Office to organise recreation and sports activities in Tai Po District between April and September 2020.

(II) Recreation and sports activities in Tai Po District provided by the Leisure and Cultural Services Department from October 2020 to March 2021

96. Mr. Richard CHAN requested that LCSD amend the section where “daily wage” had been wrongly written as “hourly rate” in the financial estimates and align the figures in the financial estimates.

97. AFMC resolved to allocate $2,141,452 to Tai Po District Leisure Services Office to organise recreation and sports activities in Tai Po District from October 2020 to March 2021.

VII. Applications of local groups for DC funds
(TPDC Paper No. AFM 19/2020(revised))

98. The Chairman requested that Members declare interests where necessary in respect of the applications for DC funding being vetted.

99. The Secretary reported that pursuant to Orders 48(9) and 48(10) of the TPDC Standing Orders, a Member should declare interests if he found he had direct personal interests, pecuniary interests or other interests with the funding applications being handled now, or had links with the benefited party or the potential benefited party. The Secretariat had compiled a declaration form based on the information collected prior to the meeting. The form set out the links between Members and the hosting/partnering/co-hosting organisations concerned, and indicated by means of different colours whether Members were executors of the activities concerned, or held a substantive or non-substantive position. The form had already been tabled for Members’ reference (see Annex 1 to meeting minutes). She asked Members to check the information contained in the declaration form and make revisions or give supplementary information where
necessary. In addition, Members should also declare interests if they had any direct personal interests, pecuniary interests or other interests in the applications for DC Funds to be examined at this meeting.

100. Members declared interests according to the information in the declaration form.

101. Mr. Richard CHAN said that he had read the Memorandum and Articles of Association, annual returns and auditor’s reports of Tai Po Sports Association and found out that there were 45 directors in the board of directors of Tai Po Sports Association. According to the Companies Ordinance, directors possessed significant power in a company, while directors of Tai Po Sports Association did possess great power pursuant to its Memorandum and Articles of Association. The auditor’s reports listed the names of the 45 directors, yet without naming the members of the executive committee. Judging from the aforementioned legal documents, those who possessed power in Tai Po Sports Association were the directors and not the executive committee. The latter was merely a unit which executed resolutions in accordance with the decision of directors. Hence, he wished to enquire about the definition of non-substantive position.

102. The Secretary advised that when submitting funding applications, organisations applying for funds were required to submit the form “DC Members/Co-opted Members holding substantive or non-substantive positions in the hosting/partnering/co-hosting organisations” which set out the links between Members/Co-opted Members and the organisations applying for funds. Information about Members’ holding substantive or non-substantive positions was also provided by the organisations. The declaration form currently stated that Mr. LAM Yick-kuen held a substantive position as executive member while Mr. LI Yiu-ban held a non-substantive position as director. Should the persons involved consider it necessary to amend the information provided by the organisations applying for funds, they might request that amendments be made. Besides, when compiling the aforementioned declaration form, the Secretariat had taken reference from the good practice for handling declaration of interests issued by the Government in 2017, which had mentioned substantive and non-substantive positions without stipulating in detail the definition of non-substantive positions. Generally speaking, persons holding non-substantive positions would not participate in the practical operation and implementation of activities of the organisations concerned.

103. Mr. LI Yiu-ban indicated that directors of Tai Po Sports Association only held a board meeting once a year. The board of directors could elect the chairman and executive members by vote for a new term, while the daily operation and activities were all decided by the chairman and members of the executive committee. Neither were directors required to attend the executive committee meetings, nor would they put forward any views.
104. Mr. Richard CHAN said that directors possessed significant power according to the Companies Ordinance. Besides, should the executive committee of an organisation possess great power, a list of the executive committee members should be clearly given in the auditor’s report to create a fair impression. According to the document he had obtained from the Companies Registry, auditor’s reports of Tai Po Sports Association in 2016, 2017 and 2018 had not provided any list of the executive committee members. When being prepared in accordance with Hong Kong Accounting Standard, auditor’s report should clearly expound the power structure. He opined that Tai Po Sports Association might reflect to its accountant that a list of the executive committee members should be clearly presented in the auditor’s report to enhance the clarity of information.

105. The Chairman indicated that Members took the initiative to submit the declaration of interests and the Secretariat was in no position to verify. Whether or not AFMC in the end accepted that relevant declarations were true, or allowed Members who had declared interests to continue taking part in discussion would be determined by AFMC or the Chairman of AFMC. He asked Mr. Richard CHAN about the queries he had raised as to whether or not he considered the position of director which Mr. LI Yiu-ban held in Tai Po Sports Association a substantive position and opined that Mr. LI Yiu-ban should not take part in the subsequent discussion relating to funding applications of Tai Po Sports Association, or he had merely voiced his opinions.

106. Mr. Richard CHAN said that he had only put forward his views and would respect the ruling of the Chairman.

107. Mr. LI Yiu-ban thanked Mr. Richard CHAN for his reminder. He said that Tai Po Sports Association was a non-profit-making body and he was not sure if it would therefore be dealt with differently from commercial organisations. Should Members be of the view that he should not participate in subsequent discussion relating to Tai Po Sports Association, he would definitely respect the opinion of Members.

108. Mr. Richard CHAN said that he trusted Mr. LI Yiu-ban’s integrity and believed that he had not taken part in the practical operation of Tai Po Sports Association. Hence, he did not oppose Mr. LI Yiu-ban’s participation in the discussion of subsequent agenda items relating to Tai Po Sports Association.

109. The Chairman indicated that when determining whether or not to allow a Member to take part in discussion, he would need concrete proof that, for instance, work in which the position concerned had in the past taken part was substantive in nature, or had an influence on relevant activities, such that fair rulings could be made.
110. The Chairman asked Mr. LI Yiu-ban if it was the case that he would not amend the declaration he had made earlier and yet he would not take part in the discussion relating to funding applications of Tai Po Sports Association.

111. Mr. LI Yiu-ban agreed to the arrangements the Chairman proposed in paragraph 110 above.

112. The Secretary said that having taken reference from the good practice for handling declaration of interests issued by HAD in September 2017, the Chairman made the following suggestions regarding those Members who had declared links with the hosting/partnering/co-hosting organisations concerned:

(i) If Members held a substantive position in the hosting/partnering/co-hosting organisations concerned without involving pecuniary interest or other interests, they were not required to withdraw from the meeting at which the fund application was being examined, but should remain silent during the discussion and abstain from resolution or voting. Notwithstanding, the Chairman could request the Members concerned to provide supplementary information where necessary.

(ii) If they held a non-substantive position in the hosting/partnering/co-hosting organisations concerned without involving pecuniary interest or other interests, they were not required to withdraw from the meeting and could take part in the discussion, resolution and voting of the fund application concerned. However, Mr. LI Yiu-ban who had declared the non-substantive position he held in the organisation applying for DC funding had already indicated just now that he would not take part in the discussion relating to funding applications of Tai Po Sports Association.

113. Members agreed to the above approach.

114. The Secretary introduced Paper No. AFM 19/2020 (revised). She supplemented that the Secretariat had received the following notices of changes of activities prior to the meeting:

(i) “Youth Cantonese Opera Classes” organised by Yiu Ming Sing Cantonese Opera had initially been scheduled to complete on 7 March. Owing to the novel coronavirus epidemic, the activity terminated pre-maturely on 18 January; and

(ii) The village office of Luen Yick Fishermen Village cancelled the “Luen Yick Fishermen Village Chinese New Year singing gala” which had been initially scheduled for 29 January.
115. **The Chairman** indicated that a Member had at the last meeting pointed out that when publicising activities of Tai Po Children Choir in the past, information about fees and target participants which Tai Po District Arts Advancement Association had posted on Facebook had deviated from that which it had submitted to apply for DC funding. Hence, the Member had requested that the Secretariat first follow up on the issue and handling of the three funding applications of Tai Po District Arts Advancement Association be deferred. The Secretariat had indicated prior to the meeting that it could report on relevant follow up work at the meeting. Therefore, he recommended that other 11 funding applications be vetted first and those filed by Tai Po District Arts Advancement Association be handled at last.

116. Members agreed to the said approach.

117. **The Chairman** said that Members could consider endorsing the fund applications contained in the paper if they were satisfied that the activities were covered under the scope of and funded by DC Funds, while benefitting people living, working or attending schools in the district.

(I) **All Hong Kong Primary Schools Inter-Area Basketball Competition**  
(II) **All Hong Kong Primary Schools Inter-Area Swimming Competition**  
(III) **All Hong Kong Primary Schools Inter-Area Volleyball Competition**  
(IV) **All Hong Kong Primary Schools Inter-Area Badminton Competition**

118. **Mr. Richard CHAN** enquired what kind of organisations “Hong Kong Schools Sports Federation (“HKSSF”) Tai Po Primary Schools Area Committee” was and if it was a regional committee of a territory-wide organisation under registered societies, or if “area committee” was just part of the name of the organisation concerned.

119. **Mr. TAM Yi-pui** said that the venues where the activities would take place were not in Tai Po District. He therefore enquired if the said activities were territory-wide and would apply for funding from all 18 DCs in Hong Kong.

120. **Mr. Nick LAM** said that relevant groups would represent Tai Po District to take part in competitions and selection should be conducted. He wished to have the details so as to make the process fairer and more open.

121. **The Secretary** responded as follows:

   (i) According to the information provided by the applicant organisation, Hong Kong Schools Sports Federation was registered under Companies Ordinance, while Hong
Kong Schools Sports Federation Tai Po Primary Schools Area Committee was an area committee under HKSSF.

(ii) According to information contained in Appendix I to the paper, the activities concerned would in general not take place in Tai Po District since those were inter-area competitions in which students representing different areas would take part.

(iii) Relevant selection methods were contained in the paper and outstanding athletes would be selected from inter-school competitions in Tai Po District to represent Tai Po District in All Hong Kong Inter-Area competitions.

122. The Chairman said that activities concerned would commence on 30 April at the soonest. He enquired if the applicant organisation would consider deferring or cancelling the activities in the event that class resumption ended up being deferred due to the novel coronavirus epidemic, or that it was currently not feasible for students to practise.

123. The Secretary said that classes were suspended till 20 April while the activities concerned would take place on 30 April. The Secretariat had not checked with the applicant organisation yet as to whether it encountered any difficulties in arranging for students to practise. Besides, as competitions concerned were not organised by area committees which would only send students to take part in the competitions, whether the activities could complete successfully would depend on the decision of the organiser whether to defer or cancel the activities or not.

124. Mr. LAU Yung-wai indicated that HKSSF had uploaded the news to its official website yesterday that all schools inter-area competitions had been cancelled, while relevant news had also been reported in the newspapers. To his understanding, the aforementioned inter-area competitions would not take place. He therefore recommended that the four funding applications put forward by HKSSF Tai Po Primary Schools Area Committee be rejected so as to avoid having to pay for subsequent expenses incurred by the cancellation of activities.

125. Mr. MAN Nim-chi said that under such circumstances, he did not support the approval of the four funding applications put forward by HKSSF Tai Po Primary Schools Area Committee.

126. Mr. LAU Yung-wai raised that HKSSF had already announced the cancellation of all inter-area competitions, while the applicant organisation might not be able to notify the Secretariat in time due to the novel coronavirus epidemic. Given the fact that activities in question would not be held, relevant funding applications should not be endorsed.

127. Mr. Richard CHAN opined that funding applications concerned should not be approved because granting funds to hold sports events while the epidemic was serious might encourage
people to gather which was counter-productive to measures for fighting COVID-19.

128. Mr. CHOW Yuen-wai recommended that the Secretariat contact organisations concerned for clarification.

129. Mr. YAM Kai-bong indicated that HKSSF had announced the cancellation of competitions only yesterday while the applicant organisation might have submitted the funding applications at least several weeks ago and might therefore be unable to revise the applications in time. He opined that relevant applications should not be processed further as the competitions concerned would not be held and relevant expenses would not come into being.

130. Mr. KWAN Wing-yip recommended that handling of relevant funding applications be deferred and that the Secretariat contact the applicant organisation to relay views which Members had put forward at this meeting, so as to find out if the applicant organisation would make any changes to the arrangement of activities and then report to Members in order to decide if the applications would be dealt with by circulation of paper.

131. The Chairman advised that the applicant organisation had so far not notified the Secretariat of the withdrawal of funding applications, AFMC could therefore not revoke its funding applications because of the news. While AFMC would hold its next meeting in May, the four funding applications concerned could not be processed before the activities commenced (i.e. on 30 April) if handling of the applications was deferred to the next meeting. The Secretary contacted the organisation concerned right now to check the arrangements of activities, hence, he recommended that the four funding applications filed by HKSSF Tai Po Primary Schools Area Committee be dealt with at a later part of this agenda item.

132. Mr. TAM Yi-pui raised that relevant funding applications should not be approved if competitions concerned had already been cancelled.

133. The Secretary advised that she had just reached the person-in-charge of HKSSF Tai Po Primary Schools Area Committee. The applicant organisation confirmed the cancellation of competitions and notified the Secretariat in writing just now its withdrawal of the aforementioned four funding applications.

(V) Badminton Training for the Elite Athletes in Tai Po District

134. Mr. KWAN Wing-yip indicated that designated organisations currently could receive DC funding to sponsor the actual expenses of activities in full with no limit on the number of times, which was a more favourable treatment than and different from that of other organisations. He
recommended that handling of funding applications submitted by designated organisations such as Tai Po Sports Association, Tai Po District Arts Advancement Association and so on be deferred before the Guidelines were revised to decide whether the said practice should continue.

135. **Mr. YAM Kai-bong** agreed to Mr. KWAN Wing-yip’s recommendation and opined that a meeting of the Working Group on Review of Guideline on Allocation of District Council Funds should be convened as soon as possible and then the revised Guidelines be sent to all applicant organisations to observe. Being affected by the change of DC term and the novel coronavirus epidemic, the said Working Group meeting could not be held as scheduled in February. Hence, he hoped that relevant organisations would understand the reasons for making such arrangements.

136. **Mr. Richard CHAN** concurred with Mr. KWAN Wing-yip’s recommendation and considered it necessary for the DC to review those long-standing problems in the Guidelines before processing funding applications of designated organisations. While gathering information about the designated organisations listed in paragraph 7 of the Guidelines, he had encountered some difficulties, for instance, in finding details about Tai Po District Arts Advancement Association. On the contrary, Tai Po Sports Association was highly transparent and clearly disclosed details such as member list of Board of Directors, financial reserves and so on.

137. **Mr. YIU Kwan-ho** supported Mr. KWAN Wing-yip’s recommendation and opined that funding applications filed by designated organisations should be processed after amending the Guidelines. Under the current situation where revision of the Guidelines had not completed, it would be unfair to other organisations should funding applications of Tai Po Sports Association and Tai Po District Arts Advancement Association be approved.

138. **Mr. TAM Yi-pui** concurred with Mr. KWAN Wing-yip’s recommendation and was of the view that DC should allocate funds to small groups which were enthusiastic as much as possible so that the community could become more diversified. Besides, the venue where Tai Po Sports Association applied to organise activities was Li Fook Lam Indoor Sports Centre which belonged to Tai Po Sports Association. He opined that it was not necessary for Tai Po Sports Association to file an application with TPDC for funding to cover expense on venue hiring, while funding should be allocated to other groups to organise activities. In addition, the activities concerned required purchases of new badminton shuttlecocks and tennis balls respectively, which were expenses he considered avoidable. Hence, he had reservation about endorsing this funding application.

139. **Mr. AU Chun-wah** raised that all funding applications under this agenda item should not be handled in the meantime when the Guidelines had not been revised yet.

140. The Chairman indicated that he noted the opinion of Mr. AU Chun-wah. Nonetheless, he opined that funding applications would need to be dealt with one by one.
141. Mr. Richard CHAN enquired if the meeting procedure allowed the postponement of all funding applications under this agenda item without having to vote on each of them.

142. The Chairman indicated that not all Members would necessarily agree to postpone the handling of all funding applications under this agenda item, it was therefore more appropriate to process the funding applications one by one.

143. Mr. TAM Yi-pui recommended that a vote be taken on the deferral in handling funding applications filed by designated organisations.

144. Mr. AU Chun-wah said that all applicant organisations should apply for funding in accordance with the new Guidelines. However, as the Guidelines had not been revised yet, funding applications could not be vetted according to the new Guidelines. It would be unfair to allocate funding to other groups but not to designated organisations on the grounds that the Guidelines had not been revised yet. Hence, no funding applications should be approved at this stage. Once the Guidelines were revised, organisations should file funding applications anew in accordance with the new Guidelines.

145. Mr. KWAN Wing-yip enquired if any funding applications for the year 2020-21 had been approved at the last meeting.

146. The Secretary said that funding applications approved at the last meeting included those for LCSD’s free district entertainment programmes and promotion programmes in public libraries.

147. Mr. Terence LEE supplemented that LCSD’s activities which had taken place in 2019-20 had also been endorsed at the last meeting, for which part of the outstanding balance had to be covered by funding allocation of the fiscal year 2020-21. Funding application of Tai Po District Office (“TPDO”) to engage Non-Civil Service Contract (“NCSC”) staff to help handle TPDC duties had been endorsed too.

148. Mr. KWAN Wing-yip enquired if those funding approvals endorsed at the last meeting would need to be rejected too should recommendations of Mr. AU Chun-wah and Mr. TAM Yi-pui be accepted, or handling of funding applications would be suspended starting from this meeting.

149. Mr. TAM Yi-pui said that funding applications endorsed at the last meeting had been filed by LCSD and TPDO, which had nothing to do with local groups, he therefore recommended that handling of funding applications of local groups which would follow be deferred.
150. **Mr. CHOW Yuen-wai** indicated that if handling of funding applications of other groups would be deferred to the next meeting because there were seven designated organisations which enjoyed special treatment, it would be wasting the time of this meeting while affecting other groups, hence, he was of the view that funding applications should be reviewed one by one.

151. **Mr. LAU Yung-wai** indicated that he concurred more with Mr. AU Chun-wah’s recommendation. AFMC currently focused primarily on issues relating to designated organisations and local groups in the Guidelines. As the Chairman of the Working Group on Review of Guideline on Allocation of District Council Funds, he hoped that a meeting could be held in April as soon as possible to clarify relevant information when time was available. Funding allocation involved the use of public money, it was not appropriate to handle any funding applications before the issue of fairness was properly dealt with. Moreover, given the fact that many activities would take place in April and the uncertainties relating to the novel coronavirus epidemic, it would not necessarily be suitable to approve funding applications for activities to be held in April since expenses arising from cancellation of activities might be incurred.

152. **Mr. AU Chun-wah** advised that after the Guidelines were revised in the future, the amount of approved funding for all social services groups might reach 90% or above of the actual expenses. Hence, approving funding applications now might lead to confusion. He was of the view that organisations should decide in accordance with the new Guidelines as to whether or not to file funding applications after the Guidelines were revised.

153. **Mr. Richard CHAN** agreed to the views which Mr. CHOW Yuen-wai had raised just now and opined that handling of the seven funding applications of designated organisations should be deferred while applications filed by other groups should be processed further.

154. **Mr. HO Wai-lam** concurred with the opinion Mr. Richard CHAN had raised just now.

155. **Ms. Olive CHAN** raised that in view of the acute situation of the novel coronavirus epidemic, she did not encourage organisations to hold activities which led people to gather. She concurred with the views Mr. AU Chun-wah had put forward just now and opined that disputes would arise should there be no uniform standard to deal with funding applications in a fair manner, which would in turn affect the reputation of TPDC.

156. **Mr. CHOW Yuen-wai** indicated that he was aware that some NGOs had the intention to apply for DC funds to acquire anti-epidemic items. Funding applications concerned would not be approved until May or June should they be processed only after the Guidelines were revised as suggested by some Members, plus the meetings and relevant procedures they were required to go through. Members should consider whether or not handling of all funding applications was
required to be deferred, such that some urgent applications could be dealt with in a timely manner.

157. Mr. AU Chun-wah indicated that TPDC’s taking the initiative to invite groups to help purchase items such as masks was a different issue from local groups’ applying for funds to organise activities, he therefore considered it irrelevant to the revision of the Guidelines.

158. The Chairman advised that since some activities under this agenda item would take place in April, a special meeting might need to be held between March and April should AFMC decide to defer handling of all funding applications, or funding applications concerned would need to be handled by circulation of paper.

159. Mr. CHOW Yuen-wai said that as far as he knew, even if TPDC invited organisations to jointly hold activities, organisations concerned would still need to submit funding applications which would be processed in accordance with the same Guidelines. As such, should it be decided at this meeting that handling of all funding applications should be deferred, organisations concerned would not be exempted either.

160. Mr. Terence LEE advised that the Secretariat had received yesterday evening the draft DC funding application submitted by Mr. CHOW Yuen-wai in relation to purchase of masks by social welfare organisations. Generally speaking, open invitation would mean the Secretariat’s uploading the invitation to DC website and sending letters to organisations which had in the past applied for DC funding. Hence, the aforementioned situation was not any open invitation by the Secretariat. Rather, it was a case of local groups applying for DC funding on their own.

161. The Chairman suggested and Members agreed to adjourn the meeting for five minutes.

162. The meeting resumed.

163. The Chairman requested that Members take a vote on the deferral of handling of funding applications of local groups by open ballot and the voting result was as follows:

For : 7 votes  Mr. SO Tat-leung, Mr. AU Chun-ho, Mr. AU Chun-wah, Ms. Olive CHAN, Mr. LAM Yick-kuen, Mr. LAU Yung-wai and Mr. YAM Kai-bong

Against : 10 votes  Mr. Richard CHAN, Mr. CHOW Yuen-wai, Mr. HO Wai-lam, Mr. KWAN Wing-yip, Mr. Nick LAM, Mr. Dalu LIN, Mr. MAN Nim-chi, Mr. TAM Yi-pui, Mr. YIU Kwan-ho and Mr. YIU Yeuk-sang

Abstain : 1 vote  Mr. LI Yiu-ban

Total : 18 votes
164. The Chairman announced that handling of funding applications of local groups would not be deferred.

165. The Chairman asked Members if they agreed to grant funding for Badminton Training for the Elite Athletes in Tai Po District.

166. Mr. AU Chun-wah said that owing to the principle of fairness he had mentioned just now, he abstained from voting on the approval of this funding application.

167. Mr. TAM Yi-pui opined that as the activity concerned would take place at Li Fook Lam Indoor Sports Centre which belonged to Tai Po Sports Association, to apply for funding in connection with venue would be like applying funding for use by one’s own venue. In addition, based on the principle of environmental protection, he was of the view that badminton shuttlecocks should be reused as far as possible and no funding should be applied for buying brand new shuttlecocks. He therefore had reservation about this funding application.

168. Mr. YAM Kai-bong indicated that according to the above discussion, many Members hoped that the Guidelines could be revised and had voiced their views on the differences between designated organisations and other organisations in terms of the maximum funding allocation received and the number of times allowed for filing applications. In view of this, he would not support funding applications filed by designated organisations while the Guidelines had not been revised yet.

169. Mr. CHOW Yuen-wai said that he would reject those funding applications filed by designated organisations for the time being owing to the different treatments of designated organisations and other organisations currently. Besides, as regards applications filed by other organisations, he recommended that the applications be discussed one by one based on the merits of each application.

170. Mr. Richard CHAN concurred with the views of Mr. CHOW Yuen-wai.

171. Mr. LAU Yung-wai said that he did not support approving this funding application because issues about the positioning of designated organisations and the ratio of funding reimbursement had not been dealt with currently.

172. The Chairman requested that Members take a vote on whether to allocate funding to Badminton Training for the Elite Athletes in Tai Po District by open ballot and the voting result was as follows:
173. The Chairman announced that this funding application was not approved.

(VI) Tennis Training for the Elite Athletes in Tai Po District

174. Mr. TAM Yi-pui indicated that as said in the last funding application above, he opined that the relevant application’s expenditure on hiring venue and buying tennis balls should be spent on other purposes. Hence, he had reservation about this funding allocation.

175. The Chairman requested that Members take a vote on whether to allocate funding to Tennis Training for the Elite Athletes in Tai Po District by open ballot and the voting result was as follows:

<table>
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<tr>
<th>For</th>
<th>0 vote</th>
<th>Against:</th>
<th>14 votes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mr. SO Tat-leung, Mr. Richard CHAN, Ms. Olive CHAN,</td>
<td></td>
<td></td>
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<tr>
<td>Mr. CHOW Yuen-wai, Mr. HO Wai-lam, Mr. KWAN Wing-yip,</td>
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<tr>
<td>Mr. Nick LAM, Mr. LAU Yung-wai, Mr. Dalu LIN,</td>
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<tr>
<td>Mr. MAN Nim-chi, Mr. TAM Yi-pui, Mr. YAM Kai-bong,</td>
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<tr>
<td>Mr. YIU Kwan-ho and Mr. YIU Yeuk-sang</td>
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</tr>
<tr>
<td>Abstain:</td>
<td>2 votes</td>
<td>Mr. AU Chun-ho and Mr. AU Chun-wah</td>
<td></td>
</tr>
<tr>
<td>Total:</td>
<td>16 votes</td>
<td></td>
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</table>

176. The Chairman announced that this funding application was not approved.

(VII) Cantonese Opera Celebrating Mother’s and Father’s Day

(VIII) Singing and Dance Gala 2020

(IX) Father’s Day Carnival

(X) Yan Oi Tong Jockey Club Tin Ka Ping Integrated Children and Youth Services Centre Regional Sports Programme (April 2020 to February 2021)
177. **Mr. LAU Yung-wai** indicated that the maximum amount of funding for promotional banners was $200 each, while the activity “Cantonese Opera Celebrating Mother’s and Father’s Day” applied for $400 for buying a stage banner (expenditure item 6), he enquired about the dimensions of the stage banner concerned.

178. **Mr. KWAN Wing-yip** enquired about the details of allowance for performers (expenditure item 3) of“Cantonese Opera Celebrating Mother’s and Father’s Day”, such as the number of performers and how much allowance each performer would receive and so on.

179. **Mr. CHOW Yuen-wai** said that among the aforementioned four funding applications, one would commence in April while the other three would be held in June. In view of the uncertainties regarding the development of the novel coronavirus epidemic, he enquired if the applicant organisations would decide on their own whether or not to cancel the activities owing to the epidemic should AFMC approve the funding applications concerned.

180. **The Secretary** responded as follows:

(i) The stage banner of the activity “Cantonese Opera Celebrating Mother’s and Father’s Day” was used primarily as a stage backdrop, for which the maximum amount of funding for promotional banners, i.e. $200, would in general not apply as the funding ceiling. The applicant organisation had not furnished the dimensions of the stage banner. Nonetheless, given that the activity would take place at Tai Po Civic Centre, the Secretariat had learned from other groups that putting up a banner at the top of the stage at Tai Po Civic Centre would require assistance from technical staff, which might have increased the expenditure required by the stage banner.

(ii) The applicant organisation of the activity “Cantonese Opera Celebrating Mother’s and Father’s Day” had not enumerated the number of performers or teams in the application form. She estimated from the allocation of tickets that there would be 14 units of performers or teams as 70 of the tickets would be given to performers while each performer would receive five tickets.

(iii) The Secretariat would not participate in the implementation of activities. Applicant organisations would decide on their own whether to hold the activities or make any adjustments.

181. **Mr. KWAN Wing-yip** requested that the applicant organisation submit the number of performers receiving allowance after the meeting.
182. Mr. CHOW Yuen-wai said that the above activities would take place at Tai Po Civic Centre, Tai Yuen Estate Covered Square, basketball courts and stadiums in New Territories. As far as he knew, apart from community halls which would re-open progressively, it remained unknown as to when stadiums would open again. He asked Members if funding applications should be approved without taking into consideration whether or not the venues would be open, or the funding applications should be considered only after checking with the applicant organisations in this connection.

183. Mr. LAU Yung-wai raised the following views and questions:

(i) He expressed concerns about the activities’ not being able to take place as scheduled should handling of relevant funding applications be postponed to the meeting in May, at which time AFMC would also need to consider waiving Section 11.2 of the Guidelines to allow activities to take place within 30 days after the AFMC meeting was held.

(ii) In view of the issues about allowance for performers, stage banner, venues and so on Members had raised just now, and the uncertainties arising from the novel coronavirus epidemic, he worried that activities concerned might be cancelled in the end and the DC would need to reimburse the expenses incurred in implementing the activities should relevant funding applications be approved hastily. As such, more observation should be allowed on the development of the epidemic before approving the funding applications if time permitted.

184. Mr. Nick LAM requested that each applicant organisation enumerate the hourly rates for hiring venues. If calculated by the number of working hours of staff (from 9 a.m. to 6 p.m., nine hours in total), rental of venues could not be divided exactly without remainder.

185. The Secretary responded as follows:

(i) The activity “Cantonese Opera Celebrating Mother’s and Father’s Day” had been planned to take place on 6 June. Should Members request the applicant organisation to provide supplementary information and be unable to approve the application at this meeting, handling of the application would be deferred to the meeting held on 15 May, in which case there would be less than 30 days between the meeting and the date when the activity would be held. AFMC would need to consider relevant regulations. According to the activity proposal submitted by the applicant organisation, publicity campaign was expected to take place in April and May whereas LCSD venues would need to be reserved in advance too. Hence, even if relevant regulations could be waived, it would still depend on whether or not the applicant organisation had ample time to prepare the activity.
(ii) The activity “Cantonese Opera Celebrating Mother’s and Father’s Day” would be held at Tai Po Civic Centre and DC-funded activities would in general enjoy rental reduction for venues. The venue cost of $2,850 was not calculated by hourly rate, but the concessionary rental calculated based on the time-slots.

186. **Mr. Terence LEE** advised that after having been endorsed at the meeting, funding applications would still need to be approved by District Officer or Assistant District Officer before the applications were officially granted, while reimbursement of relevant expenses was also subject to their approval. Should the next meeting be held on 15 May, funding applications might not be officially granted until 19 or 20 May, rendering the time between the official approval and the date of the activity, i.e. 6 June, rather short, in which case the applicant organisation would not be able to apply for the reimbursement of expenses paid before the official approval and the applicant organisation would be affected to a certain extent.

187. **Mr. Dalu LIN** said that a funding application recommended by the Environmental Protection, Fisheries, Agriculture, Industries, Commerce, Food and Health Committee (“EFAC”) had been dealt with at the last meeting. The said application was similar in nature to the activity being handled currently. He asked if the funding application being processed right now would not require the recommendation of relevant committee prior to AFMC’s resolution.

188. **Mr. CHOW Yuen-wai** indicated that AFMC would be at the risk of the activity’s being cancelled due to the novel coronavirus epidemic should it grant the funding without taking into consideration the impact of the epidemic. He therefore recommended that the Secretariat first check with the organisation its intention before processing the funding application concerned.

189. The Secretary advised that as regards the funding application which Mr. Dalu LIN had mentioned just now, the prior consent of EFAC had been required before the application was submitted to AFMC for vetting because the applicant organisation concerned had wished to jointly organise the activity in question with EFAC. Should an applicant organisation host or jointly organise an activity with other local groups instead of TPDC or committees or working groups under TPDC, relevant funding applications would be handled by AFMC directly without having to be processed via other committees.

190. **Mr. KWAN Wing-yip** opined that handling of the four funding applications above should be deferred. He cited an example that activities organised by Yan Oi Tong Jockey Club Tin Ka Ping Integrated Children and Youth Services Centre would commence in April but schools currently had their classes suspended until April. He suggested first checking with the applicant organisation if it would cancel the activities owing to the current situation of the epidemic and then considering handling relevant funding applications by circulation of paper.
191. Mr. CHOW Yuen-wai said that it remained unknown as to whether venues of the activities would be closed due to the epidemic whereas large-scale activities would lead to gathering of a large number of people. Hence, he was of the view that before handling the funding applications concerned, it should first be confirmed with the applicant organisations as to whether the activities would be cancelled due to the epidemic.

192. The Chairman asked how the case should be handled if AFMC decided to defer the processing of the funding application of Yan Oi Tong Jockey Club Tin Ka Ping Integrated Children and Youth Services Centre Regional Sports Programme (which was planned to commence in April 2020) while the applicant organisation decided to continue holding the activities as scheduled and the relevant venues were open.

193. The Secretary said that should AFMC decide to defer handling of relevant funding applications, the Secretariat would notify the applicant organisation and find out if the commencement dates of activities would need to be revised.

194. Mr. Richard CHAN proposed that funding applications be discussed and approved or rejected one by one. There was no need to defer handling.

195. Mr. TAM Yi-pui said that if Members were only worried about the impact of the epidemic, handling of relevant funding applications could be deferred. Once the epidemic was over, if applicant organisations still wished to hold the activities, their funding applications could be dealt with by holding a special meeting or by circulation of paper, so as to accelerate handling of funding applications concerned.

196. Mr. YAM Kai-bong said that unlike Tai Yuen Estate Covered Square or stadiums, hiring Tai Po Civic Centre required early reservation. Hence, should handling of funding applications concerned be deferred, relevant organisations would need to be clearly informed when the applications would be processed. In addition, Members should take into account the possibility that activities, for which funding was granted, might in the end be cancelled and reimbursement applications might be filed with the DC for the expenses, which would involve the issue of the use of public money.

197. The Chairman indicated that during the discussions just now, Members had repeatedly mentioned the practice of handling funding applications by circulation of paper. As far as he knew, except for the funding allocation of $800,000 for buying masks which needed to be endorsed by circulation of paper since no special meeting could be held in February due to the severe situation of the epidemic, there had been no case so far of the current term DC’s endorsing funding applications by circulation of paper.
198. The Secretary advised that there had rarely been approval of funding applications by
circulation of paper since the last term DC because some Members had in the past indicated that
handling of funding applications by circulation of paper should be avoided as far as possible as it
offered no opportunity for discussion. Funding applications which had in the past been approved
by circulation of paper might have been cases where applicant organisations had to submit
supplementary information after the meeting. Besides, certain funding applications had also been
endorsed by circulation of paper in September last year as a result of the meeting being interrupted
and the funding applications could not be processed.

199. Mr. LAU Yung-wai opined that meetings should be held as far as possible to minimise
handling of funding applications by circulation of paper.

200. Mr. TAM Yi-pui revoked the suggestion to handle funding applications by circulation of
paper which he had made just now.

201. Mr. KWAN Wing-yip recommended that handling of the four funding applications above be
defferred.

202. Mr. YAM Kai-bong said that if handling of funding applications concerned was deferred, he
enquired if it would not be necessary for the applicant organisation to submit an application anew
and if the applicant organisation would be exempted from the requirement of submitting an
application within a designated period of time, should it wish to change the date and so on of the
activity.

203. The Secretary advised that applicant organisations could revise the date on which activities
would take place. However, if there were less than 30 days between the date of an activity and
the date when relevant funding application had been endorsed after the revision, a waiver would
need to be obtained from the AFMC. Given the fact that the applicant organisation had already
submitted funding applications earlier but had to change the date of activities as a result of
AFMC’s not being able to make a decision, the time when the applications had been submitted still
complied with the requirements of the Guidelines.

204. Mr. LI Yiu-ban indicated that nobody could predict when the epidemic would be over.
Should Members be concerned about activities’ being affected by the epidemic, they would need
to take into account if only the aforementioned funding applications would be affected, and to
consider the consistency in handling funding applications.

205. Mr. KWAN Wing-yip said that the epidemic situation was serious currently, and the
aforementioned four activities would take place pretty soon while those were activities which
caused people to gather where close contact among them was likely. Hence, he was of the view
that those activities should be postponed. Should the next meeting need to process activities which would take place in July and August, Members would still need to make judgement with reference to the epidemic situation at that time.

206. Mr. LI Yiu-ban indicated that while “SARS” had ended in May, should the epidemic also end in May this time and AFMC approve the funding applications in May, the applicant organisations would nonetheless not be able to hold the activities in June. He opined that the applicant organisations should decide for themselves as to whether to continue holding the activities during the epidemic, rather than having the decision made by the DC. Should funding applications meet the requirements, DC should grant its approval with a remark that it did not agree that such activities which led people to gather continued to take place during the epidemic. It would be fairer to do so.

207. Mr. YIU Kwan-ho raised that different people would have different views on the severity of the epidemic situation. It would be rather odd to leave the decision to the applicant organisations whether to continue holding the activities during the epidemic or not. As a funding body, the DC was duty-bound to protect the health of participants. Should handling of funding applications be deferred, AFMC could decide according to the situation at that time.

208. Mr. LI Yiu-ban said that funding for activities scheduled to be held during Chinese New Year had long been granted. Owing to the epidemic, an applicant organisation had decided on the Lunar New Year’s day to cancel the activities scheduled for the 8th day of the Lunar New Year. Even though expenses that had to be paid in advance had been incurred, applicant organisations would not be able to hold the activities at designated time had the funding applications concerned not been approved at that time. He cited the example of the activity “Cantonese Opera Celebrating Mother’s and Father’s Day” which had the theme of celebrating Father’s Day or Mother’s Day. It would no longer be meaningful should the activity be postponed.

209. The Chairman asked Members to take a vote by open ballot on the deferral of handling of the aforementioned four funding applications of local groups owing to the serious epidemic situation. The voting result was as follows:

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<th>Votes</th>
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<td>For</td>
<td>9</td>
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<tr>
<td>Against</td>
<td>6</td>
</tr>
<tr>
<td>Abstain</td>
<td>3</td>
</tr>
<tr>
<td>Total</td>
<td>18</td>
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For:  Mr. SO Tat-leung, Ms. Olive CHAN, Mr. CHOW Yuen-wai, Mr. HO Wai-lam, Mr. KWAN Wing-yip, Mr. Nick LAM, Mr. LAU Yung-wai, Mr. TAM Yi-pui and Mr. YAM Kai-bong

Against: Mr. Richard CHAN, Mr. LI Yiu-ban, Mr. MAN Nim-chi, Mr. Dalu LIN, Mr. YIU Kwan-ho and Mr. YIU Yeuk-sang

Abstain: Mr. AU Chun-ho, Mr. AU Chun-wah and Mr. LAM Yick-kuen
210. The Chairman announced that AFMC endorsed to defer the handling of the above four funding applications owing to the severe epidemic situation.

(XI) Tai Po Children Choir (I)

211. The Secretary said that a Member had at the last meeting indicated that Tai Po Children Choir had uploaded an activity poster onto its Facebook page in 2017 with information which deviated from that which submitted to TPDC for funding application. The Secretariat had contacted Tai Po District Arts Advancement Association after the meeting to gain understanding of the situation. According to the said Association’s reply, Tai Po Children Choir had one volunteer music director (“director”) who had uploaded an activity poster onto the Facebook page of Tai Po Children Choir to facilitate publicity of Tai Po District Arts Advancement Association. The activity poster concerned had been produced and uploaded by the director on her own initiative. Tai Po District Arts Advancement Association had checked the information on the said Facebook page and found out that the director had in November 2016 and May 2017 uploaded the aforementioned poster to recruit learners and the fee displayed on the poster was $360. According to the explanation of Tai Po District Arts Advancement Association, the reason for the director to have uploaded the poster was that she had in March 2015 made a request to Tai Po District Arts Advancement Association to increase the fee to $360 and adjust the enrolment age to four years old. However, after some verbal discussion, the executive committee of Tai Po District Arts Advancement Association had decided not to accept relevant requests, but had increased the fee to $320, which was consistent with the information submitted to the Secretariat. Yet, after making such decision, Tai Po District Arts Advancement Association had not notified the director of the discussion result. Hence, the director had not been aware of relevant requests’ being rejected. Besides, Tai Po District Arts Advancement Association had at the Secretariat’s request submitted the receipts of the tuition fees for activities of Tai Po Children Choir from April to December 2017 already. After checking, the Secretariat had seen that the amount and number of participants matched with those stated in the completion report of funded activities. Moreover, the Secretariat had also confirmed with Tai Po District Arts Advancement Association that it was responsible for all work related to enquiries, enrolment and receiving payment and the director had not recruited any students at the fee of $360 on her own as a result of the poster concerned being uploaded to the Facebook page.

212. Mr. LAU Yung-wai opined that relevant explanations merely passed the buck to others, which was unacceptable. Receipts provided by the organisation did show $320 to be the fee charged, otherwise the case would have been reported to Independent Commission Against Corruption (“ICAC”). The Facebook page was managed by Tai Po Children Choir under Tai Po District Arts Advancement Association, he was therefore not convinced that nobody had noticed the mistake concerned. Anyone who saw the said poster would think that the fee was $360. He
was in no position to verify if the fee actually charged had been $360 while the DC had no authority to investigate either. Notwithstanding, the case would need to be referred to ICAC or Police for investigation should relevant accusation be true. Given the fact that it had been indicated on the poster that the fee for activities of two age groups was $360, he was not satisfied with the claim of Tai Po District Arts Advancement Association that the incident concerned had been a result of mistakes committed by individuals. The said incident had taken place in 2017 while the poster concerned had been uploaded to the Facebook page for more than two years. It was impossible that nobody had ever looked into or cared about it. Even though it could not be proved now if matters concerned had occurred, he could no longer trust the organisation in question and would therefore reject all funding applications the organisation filed.

213. The Chairman indicated that he concurred with the views of Mr. LAU Yung-wai. Despite the claim which Tai Po District Arts Advancement Association made that it had been responsible for work such as enrolment and receiving fees, Members were in no position to verify the truthfulness. The only prima facie evidence currently available was the poster which Mr. LAU Yung-wai had discovered on Facebook earlier. Hence, he opined that the explanation of Tai Po District Arts Advancement Association fell short of convincing Members. He enquired if Tai Po District Arts Advancement Association could be asked to submit a written explanation again to furnish additional information to prove that the fee had not been increased, otherwise, Members could hardly be convinced.

214. Mr. Richard CHAN said that Tai Po District Arts Advancement Association had very limited public information available with only a Facebook page, rendering it rather secretive. On the contrary, Eastern District Arts Council was a company limited by guarantee with very clear information. Taking also into consideration Tai Po District Arts Advancement Association’s explanation mentioned just now, he tended not to endorse funding applications filed by Tai Po District Arts Advancement Association.

215. The Secretary advised that the Secretariat would obtain written reply from relevant organisation after the meeting in response to Members’ request. According to the Certificate of Registration of a Society submitted by Tai Po District Arts Advancement Association, it was a society registered under Section 5A(1) of the Societies Ordinance.

216. Mr. Richard CHAN said that Tai Po Sports Association was also established in the 80s of last century and registered as a company limited of scale, which complied with auditing and accounting requirements of Companies Ordinance and was transparent and systemic. In contrast, Tai Po District Arts Advancement Association was a designated organisation that was set up around 1982. It was not a newly established organisation but registered only under Societies Ordinance while organising many activities. It lacked transparency and was not sizable. He had reservation about the funding applications filed by the organisation concerned.
Mr. TAM Yi-pui indicated that the venues where Tai Po District Arts Advancement Association held its activities were owned by the Association itself, he therefore opined that no funding should be applied for hiring venues and relevant funding should be used for other purposes instead.

Mr. MAN Nim-chi said that people from different social strata could take part in activities organised by Tai Po District Arts Advancement Association. Nonetheless, in view of the opinions put forward just now by various Members and the organisation’s reply, he opined that Tai Po District Arts Advancement Association had a rather poor transparency, and he opposed allocating funds to it. Should participants think that they lost the right to take part in the above activities, the organisation concerned, instead of AFMC, was the one who should be held responsible.

Mr. Nick LAM indicated that should AFMC endorse funding applications of the organisation concerned, it would virtually encourage applicant organisations to disregard the importance of transparency, thus setting a bad example.

The Chairman said that to sum up the views above, Members tended to oppose this funding application. He asked if Members wished to take a vote on this funding application.

Mr. AU Chun-wah hoped that a vote could be taken.

Mr. LAU Yung-wai requested that a vote be taken by open ballot.

The Chairman asked Member to take a vote by open ballot on the funding allocation of $21,100 to Tai Po District Arts Advancement Association for organising Tai Po Children Choir (I). The voting result was as follows:

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<th>For</th>
<th>1 vote</th>
<th>Mr. LAM Yick-kuen</th>
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<tbody>
<tr>
<td>Against</td>
<td>14 votes</td>
<td>Mr. SO Tat-leung, Mr. Richard CHAN, Ms. Olive CHAN, Mr. CHOW Yuen-wai, Mr. HO Wai-lam, Mr. KWAN Wing-yip, Mr. Nick LAM, Mr. LAU Yung-wai, Mr. Dalu LIN, Mr. MAN Nim-chi, Mr. TAM Yi-pui, Mr. YAM Kai-bong, Mr. YIU Kwan-ho and Mr. YIU Yeuk-sang</td>
</tr>
<tr>
<td>Abstain</td>
<td>3 votes</td>
<td>Mr. AU Chun-ho, Mr. AU Chun-wah and Mr. LI Yiu-ban</td>
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<tr>
<td>Total</td>
<td>18 votes</td>
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</table>

The Chairman announced that this funding application was not endorsed.
(XII) Integrated Dance Class (I)
(XIII) Chinese Musical Instrument Class (I)
(XIV) School Choir Partnership Scheme Concert 2019-2020

225. Mr. MAN Nim-chi said that his views on Tai Po District Arts Advancement Association raised just now also applied to the four funding applications filed by the said Association. Hence, he opposed the funding applications concerned.

226. The Chairman asked if Members agreed to discuss all three remaining funding applications of Tai Po District Arts Advancement Association together, but vote on them one by one.

227. Members agreed to the Chairman’s suggestion.

228. Mr. Richard CHAN said that Tai Po District Arts Advancement Association had been registered under the Societies Ordinance and the organisation concerned was not a legal person, yet organised many activities. Should there be an accident, participants would enjoy no protection at all since the said organisation was not any body corporate. Such practice was irresponsible. While both Eastern District Arts Council and Tai Po Sports Association could set up companies, Tai Po District Arts Advancement Association should also improve its organisational set-up. Given that the organisation concerned was rather irresponsible in this regard, he therefore opposed relevant funding applications.

229. Mr. YAM Kai-bong indicated that Tai Po District Arts Advancement Association was registered as ordinary society, yet, it enjoyed treatment different from that of other organisations which were also registered as societies. As such, the Guidelines should be reviewed in order to follow up on funding applications filed by designated organisations. In addition, activities for which Tai Po District Arts Advancement Association currently applied funding would be held from April to June and participants of the activities would be directly affected as resumption of classes was tentatively scheduled for April. In view of the above reasons, he opposed relevant funding applications.

230. Mr. LAU Yung-wai reiterated that he had nothing against activities such as Tai Po Children Choir, Dance Class and Chinese Musical Instrument Class, and had all along supported the organisation of relevant activities. The reason for his disapproval of the above funding applications was that Tai Po District Arts Advancement Association had so far not furnished reasonable and sufficient explanation in connection with the case mentioned earlier. He also called upon other groups to apply for DC funding to organise choirs or other arts activities. Besides, while the epidemic situation was currently severe and it remained unknown as to whether classes could resume as planned on 20 April, hastily organising activities between April and June
would very likely result in unnecessarily expenses which had to be paid with public money. Hence, he opposed the remaining funding applications.

231. Mr. TAM Yi-pui said that owing to the reasons Mr. MAN Nim-chi, Mr. Richard CHAN and Mr. YAM Kai-bong had raised, and the potential conflict of interests arising from venue rental, he opposed relevant funding applications.

232. Mr. YIU Kwan-ho opposed the funding applications concerned, however, he was not against relevant activities. He had paid to take part in Chinese Musical Instrument classes organised by Tai Po District Arts Advancement Association while he was still in school, so the activities did not necessarily have to rely on DC funding. Moreover, he agreed with the opinions about the Guidelines and the organisational set-up of Tai Po District Arts Advancement Association which Members had voiced just now, he therefore opposed relevant funding applications.

233. Mr. Dalu LIN said that some organisations held many community activities from which residents undoubtedly benefitted. However, he was of the view that it was due to the bias in the system that Members disapproved the allocation of funding to relevant organisations. The decision of Members as to whether or not endorsing a funding application did not mean to target certain organisations as it stemmed from the long-standing issue of uneven resources and system. Some organisations could enjoy privileges given by the system, and power biased towards one of the parties and grew. As such, he considered the current term DC duty bound to tackle relevant issues. He did not know if he would in the future reject all funding applications filed by pro-establishment organisations without exception, but was of the view that at least the Guidelines needed to be reviewed and revised, and funding applications should be discussed one by one. Hence, he would not agree to endorse relevant funding applications before the Guidelines were revised.

234. The Chairman asked Members to take a vote by open ballot on the funding allocation of $17,940 to Tai Po District Arts Advancement Association for organising Integrated Dance Class (I). The voting result was as follows:

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<tr>
<th>For</th>
<th>1 vote</th>
<th>Mr. LAM Yick-kuen</th>
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<tbody>
<tr>
<td>Against</td>
<td>14 votes</td>
<td>Mr. SO Tat-leung, Mr. Richard CHAN, Ms. Olive CHAN, Mr. CHOW Yuen-wai, Mr. HO Wai-lam, Mr. KWAN Wing-yip, Mr. Nick LAM, Mr. LAU Yung-wai, Mr. Dalu LIN, Mr. MAN Nim-chi, Mr. TAM Yi-pui, Mr. YAM Kai-bong, Mr. YIU Kwan-ho and Mr. YIU Yeuk-sang</td>
</tr>
<tr>
<td>Abstain</td>
<td>3 votes</td>
<td>Mr. AU Chun-ho, Mr. AU Chun-wah and Mr. LI Yiu-ban</td>
</tr>
<tr>
<td>Total</td>
<td>18 votes</td>
<td></td>
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</table>
235. The Chairman announced that this funding application was not endorsed.

236. The Chairman asked Members to take a vote by open ballot on the funding allocation of $49,580 to Tai Po District Arts Advancement Association for organising Chinese Musical Instrument Class (I). The voting result was as follows:

<table>
<thead>
<tr>
<th>For</th>
<th>1 vote</th>
<th>Mr. LAM Yick-kuen</th>
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<tr>
<td>Against</td>
<td>14 votes</td>
<td>Mr. SO Tat-leung, Mr. Richard CHAN, Ms. Olive CHAN, Mr. CHOW Yuen-wai, Mr. HO Wai-lam, Mr. KWAN Wing-yip, Mr. Nick LAM, Mr. LAU Yung-wai, Mr. Dalu LIN, Mr. MAN Nim-chi, Mr. TAM Yi-pui, Mr. YAM Kai-bong, Mr. YIU Kwan-ho and Mr. YIU Yeuk-sang</td>
</tr>
<tr>
<td>Abstain</td>
<td>3 votes</td>
<td>Mr. AU Chun-ho, Mr. AU Chun-wah and Mr. LI Yiu-ban</td>
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<tr>
<td>Total</td>
<td>18 votes</td>
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</tr>
</tbody>
</table>

237. The Chairman announced that this funding application was not endorsed.

238. The Chairman asked Members to take a vote by open ballot on the funding allocation of $27,015 to Tai Po District Arts Advancement Association for organising School Choir Partnership Scheme Concert 2019-2020. The voting result was as follows:

<table>
<thead>
<tr>
<th>For</th>
<th>1 vote</th>
<th>Mr. LAM Yick-kuen</th>
</tr>
</thead>
<tbody>
<tr>
<td>Against</td>
<td>14 votes</td>
<td>Mr. SO Tat-leung, Mr. Richard CHAN, Ms. Olive CHAN, Mr. CHOW Yuen-wai, Mr. HO Wai-lam, Mr. KWAN Wing-yip, Mr. Nick LAM, Mr. LAU Yung-wai, Mr. Dalu LIN, Mr. MAN Nim-chi, Mr. TAM Yi-pui, Mr. YAM Kai-bong, Mr. YIU Kwan-ho and Mr. YIU Yeuk-sang</td>
</tr>
<tr>
<td>Abstain</td>
<td>3 votes</td>
<td>Mr. AU Chun-ho, Mr. AU Chun-wah and Mr. LI Yiu-ban</td>
</tr>
<tr>
<td>Total</td>
<td>18 votes</td>
<td></td>
</tr>
</tbody>
</table>

239. The Chairman announced that this funding application was not endorsed.

240. The Chairman asked Members to note the changes to the 56 DC-funded activities listed in the paper.

241. Mr. Richard CHAN indicated that NTWJ WAL Leung Sing Tak Primary School and Carmel Holy Word Secondary School were welcome to apply for DC funding to organise activities such as Chinese musical instrument classes.
VIII. **Fund reimbursement applications in the event of premature termination of projects**

(TPDC Paper No. AFM 20/2020 (revised))

242. The Chairman requested that Members declare interests where necessary in respect of the fund reimbursement applications being vetted now.

243. The Secretary reported that pursuant to Orders 48(9) and 48(10) of the TPDC Standing Orders, a Member should declare interests if he found he had direct personal interests, pecuniary interests or other interests with the fund reimbursement applications being handled now, or had links with the benefited party or the potential benefited party. The Secretariat had compiled a declaration form based on the information collected prior to the meeting. The form set out the links between Members and the hosting/partnering/co-hosting organisations concerned, and indicated by means of different colours whether Members were executors of the activities concerned, or held a substantive or non-substantive position. The form had already been tabled for Members’ reference (see Annex 1 to meeting minutes). She asked Members to check the information contained in the declaration form and make revisions or give supplementary information where necessary. In addition, Members should also declare interests if they had any direct personal interests, pecuniary interests or other interests in the fund reimbursement applications to be examined at this meeting.

244. Members declared interests according to the information in the declaration form.

245. The Chairman said that when agenda item VII was being discussed just now, Mr. Richard CHAN had asked if the position which Mr. LI Yiu-ban held in Tai Po Sports Association was non-substantive. Without amending his declaration form, Mr. LI Yiu-ban had in the end not taken part in discussion related to Tai Po Sports Association. Since this agenda item would handle fund reimbursement applications of several activities held by Tai Po Sports Association, he asked Mr. Richard CHAN and Mr. LI Yiu-ban if this agenda item would be dealt with by the same approach.

246. Mr. Richard CHAN said that he had no comment while Mr. LI Yiu-ban agreed to adopt the same approach.

247. The Secretary said that having taken reference from the good practice for handling declaration of interests issued by HAD in September 2017, the Chairman made the following suggestions regarding those Members who had declared links with the hosting/partnering/co-hosting organisations concerned:
(i) If Members held a substantive position in the hosting/partnering/co-hosting organisations concerned without involving pecuniary interest or other interests, they were not required to withdraw from the meeting at which the fund application was being examined, but should remain silent during the discussion and abstain from resolution or voting. Notwithstanding, the Chairman could request the Members concerned to provide supplementary information where necessary.

(ii) If they held a non-substantive position in the hosting/partnering/co-hosting organisations concerned without involving pecuniary interest or other interests, they were not required to withdraw from the meeting and could take part in the discussion, resolution and voting of the fund application concerned.

248. Members agreed to the above approach.

249. The Secretary introduced Paper No. AFM 20/2020 (Revised). She supplemented that at AFMC’s request, the Secretariat had issued a revised version of the paper yesterday evening, and explained as far as possible in the paper the expenditure items and amounts which the fund reimbursement applications involved. Besides, some 50 activities listed in the paper of the previous agenda item had been cancelled. Some of the groups would not apply for fund reimbursement in connection with activities that had been cancelled, whereas some others could not file reimbursement applications for the time being as they had failed to collate relevant financial balance and receipts given the tight schedule. Since AFMC had already authorised the Secretariat to handle applications concerned just now, the Secretariat would first issue reimbursements in accordance with the Guidelines in March, and then examine at AFMC meeting in May whether it was necessary to recover funding allocated.

250. The Chairman reminded Mr. LAM Yick-kuen and Mr. LI Yiu-ban who held substantive positions in the partnering organisations of individual activities to remain silent during the discussion and abstain from resolution or voting. Notwithstanding, he could request Mr. LAM Yick-kuen and Mr. LI Yiu-ban to provide supplementary information where necessary.

251. Mr. TAM Yi-pui said that while the activities could not be held, it would be unreasonable to pay the staff (such as part-time programme officers or instructors and so on) their wages in full. Nonetheless, he had understanding for the staff that they had to earn a living. Hence, he recommended that discretion be used to grant a certain proportion of the wages, for instances, 50% or one-third to relevant staff. Besides, despite the cancellation of activities concerned owing to the epidemic, the DC had granted funding for supplies which had already been produced and purchased (such as souvenirs and publicity items for activities) and should therefore have control of such supplies. He opined that the said supplies should not be discarded and recommended that suitable items be given out to local community members through DC or by other methods.
Doing so would not only avoid causing wastage, but also save any extra funding for producing souvenirs to publicise TPDC.

252. **Mr. LAU Yung-wai** enquired how souvenirs, publicity items and gifts would be handled. Rather than discarding them, he preferred having relevant items recovered and then given out to Members who would distribute suitable items to residents in the district. Besides, some groups applied for reimbursement of audit fees which often cost over $10,000. He enquired if cancelled activities would need to be audited. Expenses on master of ceremony, sound equipment, hiring of chairs, lion dance and so on had to be paid in full for some activities even though they had not been held. He asked if payment could be made at a certain proportion only. He worried that some groups might cut thongs of other men’s hides and pay relevant costs with public money.

253. **Mr. Nick LAM** indicated that many activities with innovative technology as their theme had in the past been criticised while “Tai Po Inno Expo 2020” was granted $1.2 million, which was a large sum of money. He opined that relevant organisation would need to invite DC Members to visit the activities concerned to decide if the said funding should be granted.

254. **Mr. Richard CHAN** raised the following views and questions:

(i) The second and fifth activities in the paper had been granted $1.2 million and $1.6 million of funding respectively and their respective audit fees were $24,000 and $10,000, which were out of proportion. Audit fees were in general charged according to workload. Had the activities been held successfully, there would have been more receipts that had to be inspected. If the activities could not be held, the number receipts which required to be checked by the auditor would decrease. With the reduction of workload, the audit fees should drop accordingly. Moreover, even a company with a turnover close to $200 million would not need to pay as much as $24,000 audit fees, the aforementioned amounts were therefore unreasonable.

(ii) As regards rental and performance-related costs, pursuant to relevant legal principles under Contract Law, a force majeure served as a clause for cancellation of contract. While the epidemic was a force majeure, he had doubt as to whether the organiser had endeavoured to keep the loss to a minimum in accordance with the contract terms.

(iii) As far as he understood, insurances in general could be cancelled in advance without having to pay relevant insurance premiums. He enquired if the organisation had tried its best to cancel the insurance so as to save relevant expenses.

(iv) He concurred with what Mr. TAM Yi-pui had pointed out and enquired why the
wages of relevant staff would need to be paid even though the activities had not been held.

255. **Ms. Olive CHAN** raised the following views and questions:

(i) She opined that TPDC should recover all unused souvenirs and review how they should be distributed and reused instead of treating them as refuse and causing wastage.

(ii) Many organisations had bought stamps. Should the activities be cancelled, no invitations would need to be sent to guests. She asked if the DC would recover and reuse those stamps.

(iii) Performers would in general request a deposit and receive the outstanding balance upon completion of the job. The practice of requesting a deposit was due to the fear that the activity might be cancelled. She recommended that contracts signed with performing and technical staff be reviewed in the hope that deposits could be recovered in the event of cancellation of activities.

(iv) Trophies for some activities had already been bought, whereby involving considerable amount of funding. She therefore enquired if those trophies could be recovered and reused to avoid wastage.

256. **The Chairman** advised that as far as he was aware, activities listed in the captioned paper had been endorsed by the last term DC. As such, when deciding at this meeting whether or not to reimburse relevant expenses, it should be taken into account as to whether the termination of activity had been caused by negligence of relevant NGOs. There might have been more room for recovery of some of the payments concerned, for instances, expenses on master of ceremony sound equipment and so on, had the activities been cancelled early. He enquired if there would be ways for the Secretariat to know if certain costs were incurred as a result of relevant organisations’ cancelling the activities too late. For instance, for an activity that had been scheduled to take place on 8 February, some of the fees could have been reduced had it been decided on 1 February to cancel the activity. Only in such circumstances could Members consider if organisations concerned had been negligent so as to determine whether or not to grant fund reimbursement.

257. **The Secretary** responded as follows:

(i) Pursuant to the Guidelines, DC Members could not apply for DC funds to hold activities. It had to be examined as to whether DC Members could distribute supplies of activities held by organisations which had been granted DC funds. Should the Secretariat recover the said supplies, there would be no room to store
and process them. The Guidelines did not stipulate how such supplies should be handled, and only stated that decision should be made in accordance with actual circumstances as to whether to reimburse expenses incurred during the implementation of activities if such activities were cancelled in the end.

(ii) Regardless of the number of days for which an activity was held, staff had to carry out advance preparation all the same. Wages of staff for which DC funds were allocated were mostly calculated by hourly rate. Relevant expenditure on staff submitted by the organisations referred primarily to the number of worked hours for advance preparation. As such, even if the activities concerned were cancelled, it did not mean that relevant staff should be unpaid for the preparation work they had already done, thus giving rise to relevant expenses.

(iii) Under the Guidelines, activities costing over $600,000 were required to submit audit reports. Hence, relevant expenses were present even if the activities were cancelled. Moreover, the ceiling of audit fees was 2% of the funding amount, in other words, for an activity costing $600,000, the funding ceiling of its audit fees would be $12,000. When inspecting the receipts, the Secretariat could request where necessary that organisations submit quotation records of auditing service.

(iv) As per experience, many organisations would engage one contractor for services such as sound equipment, master of ceremony and so on, while relevant contracts might not necessarily include any clause for cancellation of activity. Hence, it might require negotiation with contractors in the absence of a cancellation clause. From the contractors’ perspective, they would need to bear certain costs if an activity was cancelled because they needed to reserve equipment in advance prior to the activity. Hence, certain expenses might still need to be paid in part or in full after negotiation. When inspecting the receipts, the Secretariat would also request the organisations to provide relevant information such as contract terms concerned, or details about whether or not organisations had attempted to negotiate with contractors about fee reduction and so on.

(v) The Secretariat did not use stamps but a franking machine to pay postage. Should Members opine that consumable supplies such as stamps could be used for other purposes, they might consider not reimbursing relevant organisations the payments concerned.

(vi) Details such as name and year of competitions had already been printed on the trophies, so they might not be reusable. Besides, competitions of some activities had already been held and organisations concerned had awarded the trophies to the winners.

(vii) It was the second year where “Tai Po Inno Expo 2020” was held. The Guidelines required that DC Members must be invited to attend DC-funded activities which
had prize presentation ceremonies while Members of the constituencies concerned were given priority. As far as she understood, “Tai Po Inno Expo” last year had also invited DC Members to attend. If the activity could be held this year, it was believed that DC Members would be invited too.

258. Mr. TAM Yi-pui indicated that it would be ideal if relevant organisations could reuse the supplies. Should the organisations be able to ensure that the supplies would be reused, AFMC might reimburse relevant expenses to avoid wastage. Should there be supplies which could not be reused and needed to be disposed of or surrendered, they might be handed over to DC Members. Apart from the three types of waste paper which the Government would recycle, there were companies on the market which would recycle other types of paper for a fee. If publicity materials of the organisations were made of glossy paper or paper laminated by plastic materials, DC might consider whether to allocate funding to recycle such supplies.

259. Ms. Olive CHAN said that it would be rather difficult for the organisations to keep the supplies for future activities as room for storage would be required. If relevant supplies could not be given out by DC Members, she recommended that such supplies be placed at the Home Affairs Enquiry Centre for members of the public to collect. Besides, when signing contracts with contractors, if organisations had not thought about the arrangement of fees after an activity was cancelled, they should adhere to the spirit of the contract to pay relevant fees. She recommended that the addition of contract terms related to cancellation of activities be discussed at the meeting of the Working Group on Review of Guideline on Allocation of District Council Funds.

260. Mr. LAU Yung-wai raised that it was unreasonable for an organisation to have a large amount of DC supplies if it did not hold any activity. He enquired if the organisations could hand souvenirs, publicity items and presents over to the Secretariat so that such supplies would become DC’s supplies and then be given out to members of the public through DC Members or TPDO. He understood that space was limited at the Secretariat and could not take in a large amount of supplies from applicant organisations. Hence, he recommended that supplies be taken in by stages. Once relevant supplies arrived, DC Members would be notified at once to collect them.

261. Mr. Richard CHAN said that a contract was not necessarily limited to the terms contained in the contract. Should a contract need to be cancelled because of factors beyond human control, it would be in line with the spirit of the contract to minimise the loss of the counterparty. Hence, cancellation did not necessarily require that relevant terms be categorically stated in the contract. Given that the epidemic was a force majeure, cancellation complied with the spirit of contract. He enquired if the applicant organisation had tried its utmost to negotiate with the contractor for reasonable fees to ensure proper use of public money.

262. Mr. YAM Kai-bong raised that the proportion of fund reimbursement for which those 33
activities in the paper applied ranged from the maximum of almost 80% to the minimum of 0.3%, showing a rather significant difference. He opined that the organisations were required to surrender souvenirs for which fund reimbursement had been applied because relevant souvenirs were paid with public money for the organisations to give out during the activities. While activities concerned were cancelled, it would be no different from making inappropriate use of public money for the organisations to give out the souvenirs on their own. He recommended that the organisations hand the supplies such as souvenirs, presents and so on to NGOs or schools for distribution, such that public money would be spent more prudently. This approach would be more appropriate.

263. **Mr. TAM Yi-pui** supported Mr. YAM Kai-bong’s suggestion of handing the supplies to NGOs and agreed with the view Mr. Richard CHAN had voiced just now that liability should be shared between both signatories of the contract in the event of a force majeure.

264. **The Secretary** responded as follows:

(i) Publicity items and some supplies could not be reused because the year or name of activity had been printed on them. As regards supplies which could be redistributed, such as souvenirs and prizes, the Guidelines had not stipulated how they should be handled. After the activities had been cancelled, some organisations had in the past kept relevant supplies for future use when similar activities were held later. For example, a cross-harbour swimming event had been cancelled previously, supplies such as towels and slippers which had already been purchased could be retained for use next time. However, it remained unknown as to whether the organisation would hold the same activity or DC would endorse relevant funding application. Generally speaking, the Secretariat would encourage organisations to handle relevant supplies in an open and reasonable manner, for instance, there had once been a Mid-Autumn Festival event for which a lot of lanterns had been purchased. After the event was cancelled, the organisation concerned had handed the lanterns to schools for distribution to students. The Guidelines had not stipulated how organisations should handle the supplies after an activity was cancelled. Even if the supplies were handed to the Secretariat by stages, handling them would still be difficult. Besides, the arrangement of placing the supplies at Home Affairs Enquiry Centre for members of the public to collect might not necessarily conform to the said centre’s scope of service while the Secretariat would also need to discuss with TPDO.

(ii) Since funding for the activities had already been granted and recycling fees were supposed not to be included among the approved expenditure items, the DC was therefore in no position to pay recycling fees even if the organisations were willing to recycle the supplies concerned.
(iii) The Secretariat would consider adding new terms in the Guidelines in the hope that when signing a contract with contractors, organisations would discuss in advance how relevant expenses and supplies should be handled in the event of cancellation of activities.

(iv) The Secretariat would ask the organisations if they had tried to negotiate with contractors any reduction of fees charged in the event of activity cancellation.

(v) Some activities had only certain parts of them cancelled, while items of “amounts to be reimbursed being applied for prematurely terminated activities” contained in the paper referred to the reimbursement amounts being applied for those parts of activities which had been cancelled. She cited the example of “Co-working Lab — Co-working Space” where the $150 fund reimbursement being applied was for the cancelled sections of the activity only, excluding the expenditure of those sections which had already completed.

265. Mr. LAU Yung-wai said that the Secretariat had indicated that it would recommend organisations to handle presents in a more transparent and open manner. He enquired if relevant practice was required by the Guidelines or by convention. Besides, if organisations handed over supplies to the Secretariat, he enquired whether such supplies could become TPDC’s which could then be given out to members of the public by DC Members. It was not a routine that a large number of organisations had to cancel their activities at the same time. He therefore recommended that the Secretariat notify DC Members to collect the supplies within a specific timeframe two days before organisations would bring their supplies to the Secretariat, so as to avoid occupying the space at the Secretariat.

266. Mr. TAM Yi-pui recommended that the Secretariat check with the organisations how they would handle the supplies concerned. Should they reuse the supplies, they would have relevant expenses reimbursed. If they would not reuse such supplies, it could be discussed as to how the supplies would be handled. As such supplies had been bought with DC funds, the DC should have the right to handle them.

267. Mr. Richard CHAN cited section 3(1) of the Control of Exemption Clauses Ordinance, Cap. 71 of the laws of Hong Kong, i.e. “……the term was a fair and reasonable one to be included having regard to the circumstances which were, or ought reasonably to have been, known to or in the contemplation of the parties when the contract was made……” and pointed out that a force majeure did not need to be stated in a contract.

268. The Chairman said he understood that Members did not want to see any wastage, or supplies bought with DC funds go missing either. Notwithstanding, when making suggestions, Members should take into consideration whether or not the Secretariat could absorb relevant workload. In
addition, as regards the legal issues which Mr. Richard CHAN had mentioned, unless every activity was submitted for arbitration by the court, it would otherwise be difficult to determine based on the information available if an organisation had tried to minimise the loss in accordance with the legislation.

269. The Secretary responded as follows:

(i) Since the Guidelines had not stipulated if the Secretariat could hand relevant supplies to DC Members for distribution, the Secretariat might need to consult HAD on the case concerned. Besides, neither had the Guidelines stated any arrangements for cancellation of activities, therefore it could not be ruled out that some organisations might have already handed out the souvenirs.

(ii) The Guidelines had certain requirements for the purchase of supplies, but such requirements applied only to amounts of $1,000 or above, and capital items with a useful life of over one year. Given that the maximum funding amount for souvenirs was usually $10 each, requirements regarding capital items in the Guidelines were therefore not applicable.

270. Mr. Terence LEE said that some Members had suggested that whether supplies would be reused be one of the factors to consider when examining fund reimbursement applications. While there were numerous supplies when organising an activity, it would be difficult to check with the organisations if they would reuse every single item and then calculate the amount to reimburse one by one. In addition, the Secretariat currently had to process tens of fund reimbursement applications of cancelled activities, there were certain difficulties in the actual operation.

271. The Chairman indicated that it was for the time being difficult to take matters which the Guidelines had not stipulated as factors to decide whether to endorse fund reimbursement. He agreed that supplies bought with public money should not be wasted, but recommended that amendments to details be discussed at meetings of Working Group on Review of Guideline on Allocation of District Council Funds, and opined that it would be more appropriate to carefully look into how organisations handled cancellation of activities when vetting funding applications in the future. While handling funding allocations granted by the last term DC now, decisions could only be made based on the existing Guidelines as to whether relevant expenses would be reimbursed. Hence, Members should focus on considering if cancellation of activities had been caused by negligence of the NGOs concerned. AFMC had during discussion of the agenda item just now authorised the Secretariat to assist in inspecting if receipts of cancelled activities met the requirements of the Guidelines. Should the Secretariat identify any issues, those issues would be presented as case discussion at the meeting in May for Members to discuss in detail.
Ms. Anita WONG advised that the activity “Tai Po Youth Arts Festival 2020” had initially been scheduled to take place from 29 February to 1 March this year. Owing to the epidemic, Tai Po District Arts Advancement Association had on 31 January terminated the activity concerned. The contract agreement it had signed with contractors earlier included a cancellation clause. The said activity had been granted $1.6 million and reimbursement of $566,000 was now being applied. Expenses for which reimbursement was being applied were primarily divided into four items, namely:

(i) Artistic Director: the contract agreement stipulated that 50% of the amount would have to be paid if the activity was cancelled one month before the scheduled date. Parties concerned had consulted Hong Kong Arts Development Council and considered the said proportion reasonable because the artistic director had to purchase considerable materials, work with many arts groups and sign orders;

(ii) Production company: the contract signed stipulated that 30% of the amount would have to be paid if the activity was cancelled one month before the scheduled date. Having taken reference from the practice of many activities, the said proportion belonged to a reasonable level;

(iii) Publicity fees; and

(iv) Auditing fees.

Mr. Terence LEE said that the Guidelines had not stipulated how souvenirs of cancelled activities should be handled. He suggested that the Secretariat write to relevant organisations to request that they give out the souvenirs in a fair and reasonable manner and notify the Secretariat in writing how relevant souvenirs were handled if Members endorsed the reimbursement of the expenses concerned. The Secretariat might also request in its writing the organisations concerned to handle the supplies on an environmentally friendly principle as far as possible.

Mr. HO Wai-lam indicated that the reimbursement amount for which Tai Po District Arts Advancement Association applied in connection with six activities totalled some $2.5 million. He hoped that TPDO would perform its gate-keeping role well. Besides, he hoped that revision of the Guidelines would allow more organisations to hold activities.

Mr. TAM Yi-pui concurred with the views of the Secretariat about asking organisations concerned to disclose in an open and fair manner where the supplies would go.

Mr. KWAN Wing-yip said that he agreed it was not necessary to link fund reimbursement with the recovery of souvenirs. He recommended that when granting reimbursement, organisations be asked to return to the Secretariat supplies which had not be given out, and explain
how the supplies had been given out if they had already been distributed. Organisations concerned would have to bear certain responsibilities if the supplies were given away while the activities had not been held. Notwithstanding, given the exceptional circumstances this time and that the Guidelines had no provisions in this connection, relevant cases would therefore be dealt with in a less stringent way, while the DC would try to recover all supplies as far as possible and then consider how to handle them.

277. **Mr. CHOW Yuen-wai** opined that it was not necessary to process 33 applications one by one while controversial cases could be dealt with individually. Since the funding concerned had already been approved, expenses should be reimbursed as long as relevant receipts met the requirements of the Guidelines.

278. **Mr. Dalu LIN** supported the approval of the application concerned.

279. **The Chairman** asked if Members opined that there were individual cases which would need to be dealt with separately.

280. **Mr. Richard CHAN** enquired about the details of the fees for master of ceremony and performance of the activity “Closing Ceremony cum Entertainment Show of Tai Po Chinese New Year Programmes 2020”.

281. **The Secretary** said that a single contract had been signed with the contractor for the aforementioned closing ceremony, including the fees for master of ceremony and performance. As far as she was aware, no cancellation clause had been laid down when the contract was being signed. The organisation concerned had decided to cancel the activity only when it was rather close to the date on which the activity had initially been scheduled, hence, relevant fees had to be paid.

282. **The Chairman** asked if Members agreed to Mr. KWAN Wing-yip’s suggestion to first approve the fund reimbursement and the Secretariat would then check with the organisations concerned the whereabouts of the supplies, so as to get more information and recover supplies which had not been given away yet. In addition, he also asked Members to decide on the types of supplies (such as souvenirs, presents for lucky draws, publicity items, stamps and so on) to be recovered.

283. **Mr. KWAN Wing-yip** was of the view that souvenirs and presents for lucky draws should be recovered as relevant activities had not been held, the said items were not supposed to have been given out. As regards posters, leaflets and stamps, no handling was required because the amount of funding involved was relatively small.
284. Mr. Richard CHAN enquired about the details of “other expenses” of “Tai Po Inno Expo 2020” and “Tai Po Youth Arts Festival 2020”.

285. Mr. LAU Yung-wai opined that in addition to souvenirs and presents for lucky draws, gifts and publicity items of commemorative nature should also be recovered. Besides, since stamps were of no use at the Secretariat and could not be given away to DC Members, he asked how they would be handled.

286. Mr. Terence LEE advised that stamps belonged to reusable supplies and Members could consider not reimbursing relevant expenses. Besides, publicity items were in most cases not gifts, but leaflets, posters and so on.

287. Mr. LAU Yung-wai raised that the expenditure on publicity items of the activity “Closing Ceremony cum Entertainment Show of Tai Po Chinese New Year Programmes 2020” was $17,000. He asked what kinds of publicity items they were.

288. Ms. Anita WONG indicated that the “other expenses” of “Tai Po Youth Arts Festival 2020” included four items, namely, carpet protection fees required for stage setting ($12,000), generator rental ($6,000), rental of work frames required by workshop ($6,800) and fees for security personnel ($1,200), totalling $26,000.

289. The Chairman advised that after discussion, Members had decided that supplies which organisations concerned were required to return included gifts, presents for lucky draws and souvenirs, while expenses on stamps would not be reimbursed.

290. Mr. Terence LEE said that while some of the stamps might have already been used for sending invitations, posters and so on, so stamps which had been used should be dealt with separately.

291. The Secretary responded as follows:

(i) Other expenses of “Tai Po Inno Expo 2020” included prizes for students inno product competition ($900) and expenses on miscellaneous items ($11,800), as well as the expenditure on miscellaneous items which the organisation had mentioned in its funding application, among which were logistics, putting up of banners, purchase of stationery items and paper.

(ii) Publicity items of “Closing Ceremony cum Entertainment Show of Tai Po Chinese New Year Programmes 2020” included admission tickets, invitation cards, publicity posters and banners.
292. The Chairman asked if Members agreed to reimburse expenses of the 33 cancelled activities listed in the paper, and to request that the organisations concerned return relevant souvenirs, presents for lucky draws and gifts as soon as possible. If they were unable to return such items, the organisations concerned were required to inform the Secretariat of the whereabouts of the supplies. Besides, the Secretariat was able to determine if the publicity items could be classified as souvenirs, presents for lucky draws or gifts. He recommended that decision be made by the Secretariat as to whether or not to request organisations concerned to return publicity items. As regards Members’ concern about issues of environmental protection, the Secretariat might suggest that applicant organisations handle relevant supplies in eco-friendly ways.

293. AFMC agreed to reimburse the expenses of the 33 cancelled activities listed in the paper and the approach which the Chairman had recommended above for handling souvenirs, presents for lucky draws and gifts.

294. The Secretary said that an organisation had sought views from the Secretariat earlier. The said organisation had bought 500 gifts to give away at stall games. The gifts concerned were food items, some of which had a use by date of 19 March. Hence, there might not be sufficient time for the Secretariat to recover them for give away. The most desirable practice would be to leave the decision to the organisation as to how relevant food items should be handled before the use by date. The organisation had once suggested that the food items be given away to residents of relevant housing estates by way of drawing lots.

295. Mr. AU Chun-wah enquired what kind of food items they were because some food banks would accept certain food items even if the use by date had passed. Hence, Members or the organisation might consider handing the food items to food banks.

296. Mr. LAU Yung-wai wished to know what kind of food items they were, and recommended that a term be added in the Guidelines to request that organisations not buy food items which were close to the use by date.

297. Mr. TAM Yi-pui indicated that he agreed to have the food items handled by the organisation itself as long as there was no wastage.

298. The Chairman advised that since AFMC had decided just now that gifts, presents for lucky draws and souvenirs which had not been given away had to be returned to the Secretariat, he recommended that relevant organisation be requested to hand the food items concerned to the Secretariat.

299. The Secretary suggested that if Members did not object to the approach which the organisation had put forward, a reply could be sent to the organisation to indicate that TPDC had
no specific comment on the approach it had proposed, but recommended that the organisation consider handing the food items over to food banks which were willing to accept food items which had passed the use by date.

300. AFMC agreed to the above recommendations of the Secretary.

IX. Case discussion

Case 1

301. Miss Phoebe SY of the Secretariat introduced the background information of Case 1 as follows:

(i) The expected total number of participants in this activity was 4 330. According to the activity summary which the applicant organisation had submitted, the actual total number of participants was 2 337, which was over 25% less than the expected number. The organisation had indicated to the Secretariat that during the period where the activity had initially scheduled to take place, i.e. from November 2019 to February 2020, there had been social movements and COVID-19 epidemic in Hong Kong and venues which had been booked for the activity, including schools and government venues, had been closed during the period the activity was scheduled to be held, six sessions of the activity in the programme could as a result not take place. The applicant organisation could not offer any make-up session either due to the lack of venue. The expected number of participants of those six sessions of activity which could not be held was 1 550, taking up some 35.8% of the expected total number of participants. The expected number of participants in other activities of the programme which had already completed was 2 780 while the actual number of participants was 2 337.

(ii) After deducting the expected number of participants in those six activities which could not be held (i.e. 1 550) from the expected total, the actual total number of participants was 84.06% of the expected total.

(iii) Pursuant to Section 19.6 of the Guidelines, in the event where the actual number of participants in an activity was 25% (or above) less than what the applicant organisation had estimated while the applicant organisation had no reasonable justification, the DC would deduct the funding accordingly from the total funding amount in light of the actual number of participants.

(iv) The applicant organisation had never violated the requirements of the Guidelines.
302. Mr. KWAN Wing-yip enquired about the original dates for which the cancelled activities had initially been scheduled.

303. Mr. LAU Yung-wai said that he did not accept the organisation’s explanation of social movements’ being the reason for not holding the activities as scheduled, but accepted the explanation of “COVID-19 epidemic’s being the reason for not holding the activities as scheduled” as cited in the information paper of the discussion case tabled.

304. Mr. TAM Yi-pui considered it excusable for activities to be cancelled as a result of the venues concerned being closed owing to the epidemic. The expected number of participants in other activities which had completed was 2,780 while the actual number of participants was 2,337, in other words, the attendance rate was 84.06%. Hence, discretion could be used to reimburse corresponding funding.

305. Mr. Nick LAM enquired why social movements were related to the temporary closure of venues where the activities would have taken place. He asked if temporary closure of venues had been due to social movements or the COVID-19 epidemic.

306. Miss Phoebe SY indicated that there were six sessions of activities in total which had been cancelled, among which the one originally scheduled for 16 November had been cancelled due to social movements, whereas those five activities in February were cancelled because of the epidemic. The venue for the activity scheduled for 16 November was Tai Po Central Town Square. The applicant organisation had explained that in view of the unstable traffic and social conditions on that day, the Education Bureau had announced suspension of classes till 17 November. As such, the applicant organisation had to cancel activities which had to be held at outdoor venues for safety considerations.

307. The Chairman advised that when making a decision, Members might first consider if the explanations of applicant organisations were reasonable and then decide whether or not to deduct the amount to be reimbursed to the organisations.

308. Mr. YAM Kai-bong raised that among the six sessions of activity initially scheduled to take place, five had been scheduled for February. In other words, even without taking into account the session scheduled for November, the actual number of participants would not have been less than 25% or above than the expected number. Since the epidemic situation had become increasingly serious in late January and even suspension of classes and work from home arrangement had to be implemented in February, he considered the explanation of the applicant organisation reasonable and could receive the reimbursement in full.
309. Mr. AU Chun-ho indicated that 16 November was the day of “Three Suspensions” and there had indeed been social movements.

310. The Chairman advised that according to the discussion result, Members considered the explanation of the applicant organisation reasonable. Hence, nothing had to be deducted from the reimbursement for the applicant organisation. The Secretariat would issue fund reimbursement to organisation A in accordance with general procedures.

Case 2

311. Mr. Alvin LAU of the Secretariat introduced the background information of Case 2 as follows:

(i) The expected total number of participants in the activity of Case 2 was 250. According to the report on participant number which LCSD had submitted, the number of participants in the activity which the applicant organisation had held in Tai Po Civic Centre was 94, which was over 25% (approximately 37.6%) less than the expected number. LCSD personnel had stated in the report that the actual number of participants (94) did not include guests and students receiving awards. The applicant organisation had explained to the Secretariat that the number stated in the report concerned referred to the number of audience who had entered the venue with admission tickets. As those 50 students receiving awards and 47 parents had arrived early for rehearsal whereas four guests and 17 volunteers had entered the venue via a special access, they had not been counted as audience with admission tickets by LCSD personnel.

(ii) Should the total of 118 persons mentioned above be included among those having entered the venue with admission tickets, the total number of participants was 218 and the attendance rate 84.8%.

(iii) Pursuant to Section 19.6 of the Guidelines, in the event where the actual number of participants in an activity was 25% (or above) less than what the applicant organisation had expected while the applicant organisation had no reasonable justification, the DC would deduct the funding accordingly from the total funding amount in light of the actual number of participants.

(iv) The applicant organisation had in 2005 and 2012 violated other requirements of the Guidelines.
312. Mr. LAU Yung-wai said that participants in the said activity included 50 students receiving awards and 47 parents. According to the content of activity which he reckoned, he was of the view that the aforementioned 97 persons could be counted towards the number of participants whereas the four guests and 17 volunteers could not. However, the attendance rate of the activity had already exceeded 75% even without those four guests and 17 volunteers.

313. Ms. Olive CHAN said that it was not the first time the applicant organisation applied for DC funds and was supposed to be familiar with the Guidelines. When organising activities in the future, the applicant organisation should not use the same explanation since doing so would only be wasting the time of the DC. She hoped that the Secretariat would warn the applicant organisation not to commit the same mistake again.

314. The Vice-chairman enquired if only persons with admission tickets were counted towards the number of participants.

315. The Secretary responded that while LCSD’s attendance report only counted the number of persons with admission tickets, the Guidelines had not defined how the number of participants was calculated. As a result, there was a discrepancy between the participant number calculated by the applicant organisation and the one by LCSD and the case had to be determined by the DC.

316. The Chairman asked Members to consider if those 118 persons without admission tickets should be counted as participants.

317. Mr. LAU Yung-wai indicated that as he had said just now, he agreed to include the students and parents among the participants, but opposed counting those without admission tickets as participants.

318. The Chairman asked if Members agreed with the views of Mr. LAU Yung-wai to count those 50 students and 47 parents towards the number of participants, but not those four guests and 17 volunteers.

319. Mr. TAM Yi-pui said that volunteers and guests were participants too who had taken part in the activity, they should in principle be counted towards the number of participants.

320. Mr. Terence LEE advised that if the total of 97 parents and students had been included among the participants, the attendance rate had already exceeded 75%. Hence, it was at present not necessarily required to discuss whether to count volunteers and guests as participants.
321. **The Chairman** indicated that since the Guidelines had not stipulated how the number of participants was defined and deviated from LCSD’s guidelines, he agreed to have relevant issues dealt with at the meetings of the Working Group on Review of Guideline on Allocation of District Council Funds. Besides, he asked if Members agreed with Mr. LAU Yung-wai’s views to include 50 students and 47 parents as participants. The Secretariat might also warn the applicant organisation per Ms. Olive CHAN’s recommendation.

322. **The Chairman** advised that according to the discussion result, AFMC agreed to include those 97 students and parents as participants, in which case the actual number of participants met the requirement of the Guidelines and no deduction in the funding amount was required. The Secretariat would issue fund reimbursement in accordance with general procedures.

**Case 3**

323. **Mr. Alvin LAU** introduced the background information of Case 3 as follows:

(i) The expected number of participants in the entire activity of Case 3 was 160. According to the activity summary which the applicant organisation had submitted, the total number of participants in the entire activity was 89, which was over 25% less than the estimated number, approximately 55.63%. The expected number of participants in the workshop of the activity was 80 and the actual number was 41; the expected number of participants in competitions and small group training was 30 divided into 5 teams while the actual number was 26 divided into 5 teams. As regards the ceremony, the expected and actual numbers of participants were 50 and 22 respectively, the expected total number of participants was 160 while the actual number was only 89. The applicant organisation had indicated to the Secretariat that there had been social movements during the period the entire activity was being implemented (i.e. from June to December 2019) and some youths had not enrolled in the workshops after having considered the dates and venues where the workshops would be held, rendering the actual number of participants less than 75%. As for the ceremony, having considered the potential impact of social movements, the applicant organisation had reduced the number of audience to be invited. As a result, the number of attendees on that day also failed to reach 75% of the expected number.

(ii) Pursuant to Section 19.6 of the Guidelines, in the event where the actual number of participants in an activity was 25% (or above) less than what the applicant organisation had expected while the applicant organisation had no reasonable justification, the DC would deduct the funding accordingly from the total funding
amount in light of the actual number of participants.

(iii) The applicant organisation had in 2018 violated other requirements of the Guidelines.

324. Mr. AU Chun-ho enquired about the date and venue of the activity.

325. Mr. LAU Yung-wai said that the discrepancy between the expected and actual numbers of participants in the workshops was big, and therefore enquired if the organisation had attempted to notify the Secretariat seven days before the activity would take place that the number of participants was fewer than expected. Besides, he asked if the applicant organisation could report to the Secretariat seven days before the activity would take place that the number of participants might be fewer than expected, so as to reduce the expected number of participants.

326. The Secretary advised that the Guidelines stipulated that the Secretariat should be notified of any changes to activities 14 days before the activities would take place.

327. Mr. Alvin LAU said that the organisation had not notified the Secretariat in advance that the actual number of participants in the workshops was less than 75%. The workshops had been scheduled for 30 June, 3 and 10 July respectively to take place in Wan Chai and Tai Yuen Community Hall.

328. Mr. LAU Yung-wai enquired about the date of the ceremony. He opined that the applicant organisation held a 3-day workshop, of which the actual number of participants deviated from the expected number significantly, whereas the number of participants in the ceremony was fewer than that of participants in competitions and training, and was even over 50% less than the expected number. If the organisation had realised after having held the first workshop that the potential impact of social movements as it had claimed would lead to insufficient number of participants who would actually take part, it should have tried its best to notify the Secretariat of the situation concerned in advance to make adjustments. If the organisation concerned had not notified the Secretariat and the Secretariat learned about the situation only when the organisation submitted receipts, it was difficult to satisfy anyone that the organisation concerned had wanted to properly handle this activity. While the actual number of participants was no more than some 50% of the expected number, the explanation of the organisation concerned could hardly satisfy anyone.

329. Mr. Dalu LIN enquired about the nature of the workshops.

330. Mr. AU Chun-ho said that there had been no social movement during the three days when the workshops were held and he therefore did not approve of the organisation’s explanation.
331. Mr. Alvin LAU indicated that the content of the workshop held on 30 June was “Design Thinking Training”, where instructors had shared ways of flexible thinking at the centre of the organisation, whereas the workshops on 3 and 10 July had the theme “Social Innovation Workshop” which was a project about community innovation. The activity focused primarily on young people to inspire their thinking through various workshops to design ancillary facilities for the community. The date of the prize presentation ceremony was 7 December.

332. The Chairman asked if Members accepted the organisation’s explanation.

333. Mr. LAU Yung-wai and the Vice-chairman did not accept the explanation of the applicant organisation.

334. Ms. Olive CHAN said that she did not accept the explanation of the applicant organisation. The applicant organisation had indicated that it reduced the number of audience to be invited after having considered the potential impact of social movements. Had the applicant organisation worried about the impact of social movements, why had it not cancelled the ceremony altogether? Hence, she considered the explanation of the applicant organisation problematic logically.

335. Mr. Alvin LAU advised that the applicant organisation had notified the Secretariat on 7 January of the number of participants in the workshops being insufficient. The ceremony had taken place on 7 December and the applicant organisation had indicated in November that it would consider reducing the scale of the ceremony for the safety of participants in view of social incidents.

336. Mr. YIU Yeuk-sang said that he did not accept the explanation of the applicant organisation, and even if all 50 of the expected participants in the ceremony did attend the ceremony, the attendance rate would still fail to reach 75%.

337. The Secretary advised that after checking relevant records, it was found out that the applicant organisation had submitted a notice of change to the Secretariat four days before the ceremony to reduce the number of attendees from the expected number of 50 to 10. The reason was that progress of small groups was unsatisfactory due to social incidents and after taking into consideration the safety of participants on that day, it hoped to reduce the expected number of participants. The small groups being referred to should have meant the workshops and the number of participants in the workshops was fewer than expected. The organisation had notified the Secretariat in December to adjust the expected number of participants in the ceremony, yet, it had failed to meet the requirement of the Guidelines that the Secretariat had to be notified 14 days in advance.
338. Mr. TAM Yi-pui enquired if the organisation applied for funding for 160 persons despite the fact that it had reduced the expected number of participants to 110.

339. The Secretary indicated that the approved funding for the ceremony was not calculated according to the number of participants for every expenditure item. The expenditure item which was calculated based on the number of participants was refreshments. The organisation had applied for funding to cover the expenditure on refreshments for 90 persons, which was $900. Even though workshops had expenditure on refreshments too, it was not calculated according to the number of participants but the number of sessions of the activity. It was because social welfare organisations would usually purchase refreshments in one go and given the relatively small amount of money, such expenses were seldom calculated based on number of persons.

340. Mr. LAU Yung-wai said that the Secretariat had mentioned that the organisation had adjusted the expected number of participants in the ceremony to 10 persons, in which case the expected number of participants in the entire activity should be 120. If calculation was done based on the participant number of 89, the attendance rate was 74%, which was over 25% fewer than the expected number of participants.

341. The Secretary supplemented that the expenditure on refreshments which the organisation had applied for was $300.

342. Mr. LAU Yung-wai said that despite the organisation’s failure in meeting the requirements of the Guidelines as it had not notified the Secretariat until 3 December, he acknowledged the relevant approach. As regards the big discrepancy between the actual and expected numbers of participants in workshops, since it was generally agreed that social movements had a sharp downturn only after 21 July or 31 August, while the workshops were held from mid-June to mid-July, the explanation that relevant activities had been cancelled owing to the potential impact of social movements was hardly convincing. Besides, while the organisation held three workshops, it should have notified the Secretariat early if it had realised that there might not be enough participants, rather than informing the Secretariat only when it submitted receipts in January. Even if the expected number of participants in the ceremony was reduced to 10, the attendance rate failed to reach 75% since the actual number of participants was 22 only. It was therefore difficult not to deduct the funding to be reimbursed to the applicant organisation.

343. The Chairman advised that after discussion, AFMC considered the applicant organisation’s explanation unreasonable. He asked Members if they agreed to use 120 persons as the basis to calculate the amount of funding to be deducted.

344. Mr. LAU Yung-wai indicated that he agreed to use 120 persons as the basis to calculate the amount of funding to be deducted, yet, he hoped that the Secretariat would remind relevant
organisations that they should notify the Secretariat of revisions 14 days before the activities would be held.

345. The Chairman suggested that the meeting be adjourned for five minutes and Members agreed.

346. The meeting resumed.

347. Mr. Terence LEE advised that the Secretariat had stamped the document which the organisation had revised, indicating that the document was received on 3 December. However, the date on which the document had been faxed was 26 November. As such, the Secretariat was unable to confirm when the organisation had sent the document.

348. The Secretary said that if taking 120 persons as the basis to calculate the amount of funding to be deducted, the maximum amount to be reimbursed to the organisation was $37,000 since the actual number of participants was 89. However, the organisation currently applied for $36,000 only and no deduction was possible. If Members did not accept the explanation of relevant organisation, she recommended that Members take reference from other cases and warn the organisation that it should notify the Secretariat of any changes ahead of time and observe the requirements of the Guidelines when it applied for funding in the future.

349. Mr. LAU Yung-wai concurred with the recommendation of the Secretariat and believed that the organisation might have notified the Secretariat on 26 November. Despite its being less than 14 days, he was of the view that the organisation had made an effort. He asked the Secretariat to write to remind the organisation and said that since the amount of funding to be reimbursed which the organisation currently applied for was less than the upper limit, no deduction was required.

350. The Chairman announced that according to the discussion result, AFMC considered the explanation of the applicant organisation unreasonable. However, since the amount of funding to be reimbursed which the organisation currently applied for was less than the upper limit which the DC could reimburse, no deduction was required. The Secretariat would issue fund reimbursement in accordance with general procedures. Notwithstanding, the Secretariat should write to warn the organisation concerned that it should observe the requirements of the Guidelines when applying for funding in the future.

Cases 4-7

351. Mr. LAU Yung-wai advised that Cases 4-7 were similar and about workshops or activities which had to be cancelled due to the COVID-19 epidemic as stated in the tabled information paper
of the cases for discussion, while the attendance rate of those completed activities all exceeded 75%. He recommended that the Secretariat introduce background information of Cases 4-7 in one go so that they would be handled together.

352. **Mr. Alvin LAU** introduced the background information of Cases 4-7 as follows:

(i) The expected total number of participants in the activity of the applicant organisation in Case 4 was 301. According to the activity summary which the applicant organisation had submitted, the actual total number of participants was 204, which was over 25% less than the expected number, approximately 67.77%. The applicant organisation had indicated to the Secretariat that two sessions of the activity in the programme had been cancelled owing to COVID-19 epidemic and the expected number of participants in those two sessions was 82 in total. Cancellation of the said two sessions had resulted in the actual number of participants’ not being able to meet the requirement of the Guidelines. Other activities of the programme had already completed, of which the expected number of participants was 219 in total while the actual number of participants was 204, hence an attendance rate of 93.15% which met the requirement of the Guidelines. The applicant organisation had never violated the requirements of the Guidelines.

(ii) The expected total number of participants in Case 5 was 150, including 50 participants and 100 audience and guests. According to the activity summary which the applicant organisation had submitted, the actual total number of participants was 41, which was over 25% less than the expected number. The applicant organisation had indicated to the Secretariat that a community workshop in the programme had been cancelled owing to COVID-19 epidemic and the expected number of audience and guests in the said workshop was 100, the actual number of participants in the entire activity as a result failed to meet the requirement of the Guidelines. Other activities of the programme had already completed, of which the expected number of participants was 50 while the actual number of participants was 41, hence 82% of the expected number of participants. The applicant organisation had violated other requirements of the Guidelines in 2018.

(iii) The expected total number of participants in the activity of Case 6 was 336, including 36 participants and 300 audience and guests. According to the activity summary which the applicant organisation had submitted, the total number of participants was 32, which was over 25% less than the expected number. The applicant organisation had indicated to the Secretariat that a performance in the programme had been cancelled owing to COVID-19 epidemic and the expected number of audience in the said performance was 300, the actual number of
participants in the end failed to meet the requirement of the Guidelines. Other activities of the programme had already completed, of which the expected number of participants was 36 while the actual number of participants was 32, hence 88.8% of the expected total number of participants. The applicant organisation had violated other requirements of the Guidelines in 2018.

(iv) The expected total number of participants in Case 7 was 145, including 45 participants and 100 local community members. According to the activity summary which the applicant organisation had submitted, the actual total number of participants was 38, which was over 25% less than the expected number. The applicant organisation had indicated to the Secretariat that an activity in the programme had been cancelled owing to COVID-19 epidemic and the expected number of community members participating in the said activity was 100, the actual number of participants in the end failed to meet the requirement of the Guidelines. If only calculating the number of participants in activities which had already completed, the expected number of participants was 45 while the actual number of participants was 38, hence 84.4% of the expected number of participants. The applicant organisation had violated the same requirement of the Guidelines in 2007.

(v) Pursuant to Section 19.6 of the Guidelines, in the event where the actual number of participants in an activity was 25% (or above) less than what the applicant organisation had expected while the applicant organisation had no reasonable justification, the DC would deduct the funding accordingly from the total funding amount in light of the actual number of participants.

353. Mr. Richard CHAN enquired about the dates for which the activities had been scheduled so as to understand if relevant activities had been affected by the epidemic.

354. Mr. Alvin LAU said that the cancelled activity in Case 4 had originally been scheduled for 8 February 2020. The organisation in Case 5 had not provided the exact dates for which the two cancelled workshops had initially been scheduled but the whole activity had finished on 29 February 2020.

355. Mr. LAU Yung-wai enquired if the Secretariat had conducted simple verification to confirm if relevant organisations had to cancel activities owing to the reasons they had claimed. Should relevant reasons be untrue, he asked if the Secretariat would inform Members when the cases were being discussed such that Members would not have to confirm again if the claims of the organisations were true or not.

356. The Secretary indicated that in connection with every case submitted to AFMC for discussion, the Secretariat would check the explanations the organisations offered for their
non-compliance, consider if the explanations were reasonable and follow up on anything which was unclear, and would submit the cases to AFMC for discussion after ensuring that there was sufficient information for Members to make decision for the cases. Had the activities been cancelled owing to major incidents, the Secretariat could provide the original scheduled dates of activities concerned in future case discussions so that Members could know if the activities were cancelled or re-scheduled due to the reasons which the organisations had claimed.

357. Mr. Alvin LAU advised that the activity of Case 6 had originally been scheduled for February and the organisation had notified the Secretariat on 19 February of the cancellation. The activity in Case 7 had a total of 10 sessions to be held in January and February 2020. The organisation concerned had notified the Secretariat of the cancellation on 20 February.

358. Mr. YIU Kwan-ho enquired about the commencement date of the activity in Case 5.

359. Mr. Alvin LAU said that according to the information submitted by the applicant organisation, the activity in Case 5 had been divided into several sessions, with the first one starting in October 2019 and ending in January 2020. The remaining activities to be held in February were cancelled due to the epidemic.

360. The Chairman asked Members if the four cases mentioned above had to be dealt with individually.

361. Mr. AU Chun-wah raised that the applicant organisation in Case 7 had violated the same requirement in 2007. He recommended that Case 7 be handled separately.

362. The Chairman enquired if Members considered explanations provided by the three applicant organisations in Cases 4, 5 and 6 reasonable.

363. AFMC considered the explanations offered by the aforementioned three applicant organisations reasonable.

364. The Chairman said that based on the discussion result, he announced that Members considered the explanations offered by the aforementioned three applicant organisations reasonable and no deduction in the funding amount to be reimbursed to relevant organisations was required. The Secretariat would issue fund reimbursement in accordance with general procedures.

365. Mr. AU Chun-wah asked if the applicant organisation in Case 7 had notified the Secretariat in advance of the cancellation or relevant adjustments of the activity.
366. Mr. Alvin LAU indicated that the organisation had on 20 February notified the Secretariat that remaining courses and classes of the activity could not be held as scheduled owing to the epidemic and had to be cancelled.

367. The Chairman asked Members if they considered the applicant organisation’s explanation reasonable.

368. Mr. YIU Yeuk-sang opined that the applicant organisation’s explanation was acceptable, but wanted to remind the organisation concerned to pay attention not to violate the Guidelines again when applying for funding in the future.

369. The Chairman indicated that based on the discussion result, Members considered the explanation of the applicant organisation in Case 7 reasonable and no deduction in the funding amount to be reimbursed to the organisation was required. The Secretariat would issue fund reimbursement in accordance with general procedures and write to remind the organisation concerned not to violate the requirements of the Guidelines again.

X. **Matters arising from the last meeting**

(I) **Regulations for the appointment of Co-opted Members**

370. The Chairman recommended that this agenda item arising from the last meeting be deferred to the next meeting for discussion since it would require certain time to reach a consensus whereas the meeting today had seriously overrun.

371. Mr. KWAN Wing-yip agreed to have discussion of this matter deferred to the next meeting, but suggested that this item be put among the first few items in the agenda.

372. Mr. AU Chun-ho raised that he had only received papers sent by email before the meeting without any hard copies.

373. The Secretary indicated that the Secretariat had in the past asked DC Members if they would like to receive meeting papers by post or by email. There had been Members who took hard copies of meeting papers from the conference room when meetings were being held even though they had requested that papers be sent to them by post and email. To save paper, the Secretariat had decided to send papers to all Members by email starting from this year. Should Members wish to receive hard copies of papers, they could ask the Secretariat to send them the papers by post.
374. The Chairman recommended that Members check with the Secretariat for details after the meeting, and hoped that Members could minimise the use of paper as much as possible.

375. The Chairman advised that the regulations for the appointment of Co-opted Members would be decided on at the next meeting, in other words, there would be no Co-opted Members for committees before a decision was made.

XI. Any other business

376. The Secretary went through the tabled paper (see Annex 2).

377. AFMC agreed to endorse the revised application concerned.

XII. Date of next meeting

378. The next meeting would be held at 2:30 p.m. on 15 May 2020 (Friday).

379. There being no other business, the meeting was adjourned at 9:24 p.m.

Tai Po District Council Secretariat
May 2020