CONTROLLING OFFICER'S REPLY

FHB(FE)089

(Question Serial No. 2968)

<u>Head</u>: (49) Food and Environmental Hygiene Department

Subhead (No. & title): (-) Not specified

<u>Programme</u>: (3) Market Management and Hawker Control

<u>Controlling Officer</u>: Director of Food and Environmental Hygiene (Miss Diane WONG)

<u>Director of Bureau</u>: Secretary for Food and Health

Ouestion:

With regard to the work of providing new public market facilities at suitable locations under Programme (3) Market Management and Hawker Control,

- (A) what are the costs involved in outsourcing the management of the Tin Shui Wai Temporary Market to a contractor?
- (B) what are the respective expenditures on various measures such as security, cleansing, publicity and promotion of the Tin Shui Wai Temporary Market?
- (C) when will the Food and Environmental Hygiene Department conduct a review with the contractor and operating stall tenants of the market?

Asked by: Hon CHAN Pierre (LegCo internal reference no.: 109)

Reply:

As the landlord of public markets, the Food and Environmental Hygiene (A)-(C)Department is responsible for determining the rental level and signing agreements with tenants. On this premise, we are adopting a new management mode on a pilot basis at FEHD Skylight Market (formerly known as Tin Shui Wai Temporary Market) to strengthen the role of the service contractor in market management and expend its scope of services, with a view to enhancing business vibrancy and meeting the needs of the public. The service contractor is engaged by the Department and the scope of services includes formulating promotion and development strategies for the market, providing pre-commissioning hardware support as well as daily management, cleansing, security and minor repairs services for the market, maintaining liaison and communication with stakeholders and advising on the trade mix in the market, etc. In addition, the service contractor is required under the contract to conduct regular opinion surveys to collect views of stakeholders on the operation of and services provided at the market, with a view to assisting the formulation of improvement measures. The term of the service contract is 39 months and the total value is about HK\$25.75 million.

The service contractor must comply with the contract terms for provision of management services for the market. In addition to daily on-site inspections at the market carried out by staff of the Department to evaluate the contractor's performance, supervisory staff will also conduct surprise checks. In the event of unsatisfactory performance of the contractor or contravention of requirements, the Department may issue default notices to the contractor, deduct monthly payment of service charge, issue warning letters or even terminate the contract in accordance with the contract terms. Besides, the Department will also make reference to the number of patrons visiting the market, the satisfaction level and views of stakeholders on market operation, effectiveness of management and promotional activities, etc. when evaluating the performance of the contractor. We will keep in view the operation effectiveness of FEHD Skylight Market, including the performance of the service contractor.