#### **HAB190**

#### CONTROLLING OFFICER'S REPLY

(Question Serial No. 2206)

<u>Head</u>: (95) Leisure and Cultural Services Department

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

Programme: (1) Recreation and Sports

<u>Controlling Officer</u>: Director of Leisure and Cultural Services (Ms Michelle LI)

Director of Bureau: Secretary for Home Affairs

Question:

One of the areas of work of the Leisure and Cultural Services Department (LCSD) is to provide subvention to "national sports associations" (NSAs) and sports organisations for training athletes and organising sports activities. In this connection, please inform this Committee of the following:

- (a) A breakdown of the amounts of subvention granted to individual NSAs in 2016-17, 2017-18 and the estimated amounts of subventions for 2018-19. What areas of work will the subvention be used for? What mechanisms have been put in place to ensure proper use of the subvention?
- (b) What mechanism has the Government put in place to assess the quality of the subvented activities and ensure the compliance of these activities with the requirements? What follow-up measures are put in place against substandard subvented activities?
- (c) It is stated in the Budget that the LCSD will conduct a comprehensive review of the Sports Subvention Scheme this year. What are the details? When will the findings of the review be announced? In the review process, will the Government consider increasing the subvention for NSAs and establishing a professional qualifications framework for sport administrators to improve their salaries and benefits and create a development ladder for them so as to attract more people to join the field of sports administration? If so, what are the details? If not, what are the reasons?

Asked by: Hon MA Fung-kwok (Member Question No. (LegCo use): 44)

### Reply:

(a) The Leisure and Cultural Services Department (LCSD) provides subvention to "national sports associations" (NSAs) to support the promotion and development of sports in Hong Kong. NSAs may use the subvention to cover their personnel, office and programme expenses. Programme expenses include "national", youth and regional squad training, training programmes in the community, local competitions,

school sports programmes, community sports clubs projects, participation in international events, training of officials and attendance at overseas meetings. The detailed breakdown of the subventions granted to individual NSAs from 2016-17 to 2017-18 is at <u>Annex</u>. The subvention to be allocated to NSAs in 2018-19 is being finalised.

To ensure that the subvention allocated to NSAs is used properly, LCSD enters into annual Subvention Agreements with individual NSAs. Under the Agreements, NSAs have the obligation to use the subvention to implement the planned programmes in strict accordance with the requirements stated in the Agreements. NSAs must also allow the Government and the Audit Commission unhindered access to enquire into, examine and audit all records and accounts in respect of the subvention as well as their management and control procedures. They must also act upon any corruption prevention advice rendered by the Independent Commission Against Corruption and the Government. In addition, NSAs have to give consent to the disclosure of all information relevant to the subvention funding as and when necessary.

NSAs are required to submit quarterly reports on their programmes, and annual accounts audited by certified public accountants. They are also required to formulate and comply with a Code of Conduct, Accounting Procedures Guidelines and Procurement Practices and Guidelines to avoid conflicts of interest and to ensure due process is followed. LCSD conducts regular on-site inspections of the subvented programmes as well as periodic quality assurance inspections to ensure the quality of programmes provided by NSAs, the adoption of proper accounting procedures and their compliance with the terms of the Subvention Agreements.

- (b) LCSD assesses the performance of NSAs against the targets set including their effectiveness in managing programmes and administering subvention. They are measured against 4 Key Performance Areas (KPAs) including (i) Organisation of Programmes, (ii) Development and Promotion of Sports, (iii) Performance of Athletes and (iv) Corporate Governance and Compliance. The achievements of NSAs on KPAs will be taken as reference when granting allocation to NSAs. In case of cancellation of programmes or non-compliance to the set targets are observed, subvention to NSAs will be deducted.
- (c) LCSD will conduct a comprehensive review of the Sports Subvention Scheme to identify any areas for enhancement in 2018-19. The review will cover relevant issues including the NSAs' ability to attract and retain staff. LCSD will consider earmarking additional resources for NSAs to enhance their corporate governance and professionalism in sports administration in order to lay a more solid foundation to promote Sport for All and elite sports, and to promote Hong Kong a hub for major international sports events.

## **Annex to Reply Serial No HAB190**

# Subvention to "national sports associations" (NSAs) under the Sports Subvention Scheme from 2016-17 to 2017-18

	NSA	2016-17 (\$'000)	2017-18 (\$'000)
1.	Hong Kong Archery Association	2,228	2,288
2.	Hong Kong Amateur Athletic Association Limited	5,656	5,871
3.	Hong Kong Badminton Association Limited	14,868	15,264
4.	The Hong Kong Baseball Association Limited	4,964	5,196
5.	Hong Kong Basketball Association Limited	11,438	11,281
6.	Hong Kong Billiard Sports Control Council Company Limited	2,318	2,444
7.	Hong Kong China Bodybuilding and Fitness Association	1,186	1,219
8.	Hong Kong Boxing Association Limited	1,507	1,521
9.	Hong Kong Canoe Union Limited	3,630	3,788
10.	Hong Kong Chinese Martial Arts Dragon and Lion Dance Association Limited	2,121	2,781
11.	Cricket Hong Kong Limited	3,323	3,437
12.	The Cycling Association of Hong Kong, China Limited	9,201	12,644
13.	Hong Kong DanceSport Association Limited	3,666	4,451
14.	Hong Kong China Dragon Boat Association	2,444	2,473
15.	Hong Kong Equestrian Federation	2,555	2,621
16.	Hong Kong Fencing Association	5,496	5,706
17.	The Hong Kong Football Association Limited	19,087	19,665
18.	Hong Kong, China Gateball Association Co. Limited	1,902	1,936
19.	Hong Kong Golf Association Limited	1,970	2,002
20.	The Gymnastics Association of Hong Kong, China	4,769	4,890
21.	Handball Association of Hong Kong, China Limited	6,368	6,522
22.	The Hong Kong Hockey Association	2,871	2,937
23.	Hong Kong Ice Hockey Association Limited	1,738	1,847
24.	The Judo Association of Hong Kong, China	3,308	3,516
25.	The Karatedo Federation of Hong Kong, China Limited	1,781	1,823
26.	Hong Kong Kart Club Limited	712	863
27.	Hong Kong Kendo Association Limited	1,013	1,039
28.	Hong Kong China Korfball Association Limited <sup>Note 1</sup>	N.A.	1,367
29.	Hong Kong Lawn Bowls Association	2,871	2,953
30.	The Hong Kong Life Saving Society	4,713	4,702
31.	China Hong Kong Mountaineering and Climbing Union Limited	3,344	3,450
32.	Hong Kong Muay-Thai Association Limited	1,439	1,272
33.	Hong Kong Netball Association Limited	1,483	1,528
34.	Orienteering Association of Hong Kong Limited	3,174	3,287
35.	Hong Kong Federation of Roller Sports Limited	2,431	2,951

	NSA	2016-17 (\$'000)	2017-18 (\$'000)
36.	Hong Kong, China Rowing Association	6,337	6,608
37.	Hong Kong Rugby Union	5,075	5,193
38.	Hong Kong Sailing Federation	1,103	1,145
39.	The Hong Kong Schools Sports Federation	7,172	7,453
40.	Hong Kong Shooting Association	2,977	3,048
41.	Hong Kong Shuttlecock Association Limited	1,285	1,406
42.	Hong Kong Skating Union Limited	1,555	1,597
43.	Hong Kong Softball Association	2,298	2,603
44.	Hong Kong Sports Association of the Deaf Company Limited	966	1,303
45.	Hong Kong Sports Association for Persons with Intellectual Disability	7,890	8,216
46.	Hong Kong Paralympic Committee & Sports Association for the Physically Disabled	8,320	8,645
47.	Hong Kong Squash	12,760	12,795
48.	Hong Kong Amateur Swimming Association	9,804	10,100
49.	The Hong Kong Table Tennis Association Limited	13,718	12,776
50.	Hong Kong Taekwondo Association Limited	2,362	2,419
51.	The Hong Kong Tennis Association Limited	10,464	11,378
52.	Hong Kong Tenpin Bowling Congress Limited	2,412	2,508
53.	Hong Kong Triathlon Association Limited	4,551	4,759
54.	Hong Kong Underwater Association Limited	1,216	1,277
55.	The University Sports Federation of Hong Kong, China Limited	1,100	1,322
56.	Volleyball Association of Hong Kong, China Limited	10,389	10,950
57.	Hong Kong Water Ski Association Limited	797	815
58.	The Hong Kong Weightlifting and Powerlifting Association Limited	1,072	1,114
59.	Windsurfing Association of Hong Kong	7,457	7,691
60.	Hong Kong Wushu Union Limited	3,901	3,952

Note 1 The Hong Kong China Korfball Association Limited becomes one of the NSAs starting from 2017-18.