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民政事務局

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GOVERNMENT SECRETARIAT
HOME AFFAIRS BUREAU

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來函檔號 Your Ref. : CB4/PAC/R74

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22 June 2020

Mr Anthony CHU
Public Accounts Committee Secretariat
Legislative Council Complex
1 Legislative Council Road
Central, Hong Kong

Dear Mr CHU,

The Director of Audit's Report No. 74

**Management of funding for sports development through the
Arts and Sport Development Fund (Sports Portion)**

Regarding the request for relevant information on Parts 4, 5 and 6 of Chapter 1 of the Director of Audit's Report No. 74 in your letter of 8 June 2020, our response is as follows.

Part 4: Funding for football development

- (a) The main purpose of the Home Affairs Bureau (HAB)'s funding to the Hong Kong Football Association (HKFA)'s Five-year Strategic Plan (Five-year Plan) is to provide the HKFA with the required administrative and technical capabilities to carry out its operations covering strategy and governance, financial management, human resources management, marketing and communications, as well as its work on taking forward the technical development of football including the organisation and training of the Hong Kong Teams, planning of the overall technical development of football as well as planning of the development of grassroots and youth football, girls' and women's football, football curriculum, coaches and referees. The posts funded by the HAB under the Five-year Plan also support the HKFA's other

initiatives in promoting football development, including the football development programmes funded by the Leisure and Cultural Services Department (LCSD) and the Hong Kong Jockey Club (HKJC), as well as the construction of the Football Training Centre (FTC) located in Tseung Kwan O. The majority of the funding provided by the LCSD and the HKJC to the HKFA is used to support the HKFA's football development programmes while only a small portion is used to fund the HKFA's posts, as the support for these programmes is provided by the posts funded by the HAB under the Five-year Plan. Taking into account the overall funding from the HAB, the LCSD and the HKJC, in 2019-20, the expenditures on funded post by the HAB, the LCSD and the HKJC only account for around 26%, 4% and 1% of the overall funding provided respectively¹. In other words, the expenditure of all of the funded posts account for around 31% of the overall funding. Details are shown in the table below.

	Overall funding earmarked in 2019-20 (\$ million)			
	HAB	LCSD	HKJC	Total
		25.00	20.69	24.01
	Number of subvented posts in 2019-20			
	HAB	LCSD	HKJC	Total
	Number of posts	26	7	1
Relevant funding earmarked (\$ million)	18.45	2.67	0.91	22.03
Percentage of the overall funding	26%	4%	1%	31%

These posts provide the HKFA with the required administrative and technical capabilities to implement the Five-year Plan. According to the half-yearly report submitted by the HKFA in March 2020, the HKFA has met 23 out of the 33 final indicators and targets included in the funding agreement. The efforts of the HKFA in expanding the grassroots and youth, girls and women's and futsal football programmes should be commended as the number of participants has far exceeded the relevant targets. It has also made considerable progress in its football curriculum, coach and referee development. The above shows that the HKFA posts funded by the HAB have made contribution to the development of local football.

¹ The earmarked funding of \$3 million for the operations of the FTC in the Five-year Strategic Plan is not included.

The HKFA's Five-year Plan from 2015-16 to 2019-20 was concluded in March this year. Due to the impact of the pandemic, the HKFA is still working to finalise its next five-year strategic plan, which would soon be presented to its Board of Directors for consideration. Upon receipt of the HKFA's formal submission on the new five-year strategic plan, the HAB will handle the funding application and consult the Football Task Force expeditiously. Therefore, the HAB has no information regarding the annual budgets for the HKFA in 2020-21.

Part 5: Funding for other sports programmes and schemes

- (b) In 2002, the HKFA, with the assistance of the LCSD, established 18 District Football Teams in 2002, which represent the District Councils (DCs) and compete in the leagues organised by the HKFA. Since the 2011/12 football season, the HAB has implemented the District Football Funding Scheme (DFFS) with the aim of improving the performance and governance of the District football teams, strengthening the cohesion of the community and fostering greater enthusiasm for football at the district level. The performance targets of the average number of spectators in "home" matches and community building activities are designed for monitoring the performance of the district teams in community building and generating interests in football.

In reviewing the effectiveness of the DFFS, the HAB would make reference to the district teams' mid-term reports and final reports submitted to the District Offices (DOs), the district teams' achievements against the four performance targets and the DOs' evaluation.

The DFFS provides funding support to 18 district teams with the aim of improving their performance and governance. The funding can be used to cover expenses in coaching, transportation, equipment and administrative staff, among other areas. When the district teams were established in 2002, 12 district teams participated in the lowest Third Division of the HKFA's league in the 2002/03 football season, while the remaining six district teams joined the other teams to participate in the same division of the HKFA's league in the 2003/04 football season. The district teams have become stronger, with many of them qualifying

for promotion to higher divisions of the league. In the 2019/20 football season, there are three district teams participating in the Hong Kong Premier League (HKPL), six in the First Division, six in the Second Division and three in the Third Division. In the 2018/19 football season, Tai Po Football Club won the HKPL championship and was the first ever district team to attain this achievement. District teams have all along been providing young players with training and competition opportunities, which are conducive to improving the standard of play in Hong Kong. The above demonstrated that the DFFS has been effective in promoting football development at the district level.

- (c) Indicators (i) to (iii) in the table below were introduced in 2014 following a review of the DFFS by the Football Task Force (FTF). Indicator (iv) was added in 2017 after another review by the FTF.

Indicator	Minimum target
(i) Average number of training hours with coaches per month	40 hours (HKPL teams) 12 hours (other teams)
(ii) Average number of spectators in “home” matches	500 (HKPL teams) / 100 (First Division teams) / 50 (Second and Third Divisions teams)
(iii) Relative position in league compared with previous season	No lower than the position achieved in the previous season
(iv) Community building activities	At least 3 projects / activities

We will review the DFFS, including the related indicators, in the light of the recommendations of the Director of Audit.

- (d) Currently, district football teams are required to provide explanations to the DOs in case of significant differences between the indicators and the actual situation. In reviewing the DFFS, we will provide the definition for “significant difference”.
- (e) The LCSD allocates natural turf pitches as home venues of district football teams participating in the HKPL. In 2019/20 football season, the home venues of the three HKPL district teams are the Mong Kok Stadium (the Aberdeen Sports Ground, which is the usual home venue of the Southern District-based football team, was closed for

maintenance in the first half of the football season), the Yuen Long Stadium and the Tai Po Stadium respectively. Regarding the other district teams participating in the First, Second and Third Divisions, the LCSD allocates artificial turf pitches for the HKFA to conduct the matches concerned, and the HKFA would endeavour to arrange several fixed venues for the district teams to play their home matches. However, due to rental and supply situation of public football pitches, the home matches of district teams participating in the First, Second and Third Divisions would sometimes be conducted in venues outside their respective districts, which would lower the interest of district-based fans to watch the matches.

- (f) The following table shows the situations where district football teams could not meet the indicators (i) and (iii) as mentioned in response (c) above during the 2015/16 to 2018/19 football seasons –

District football team	Situations where district football teams could not meet the indicators during the 2015/16 to 2018/19 football seasons
<i>(i) Average number of training hours with coaches per month</i>	
B	Team B did not meet the indicator twice. The DO made enquiries with the team and noted that the team could not arrange venue for training. The DO reminded the team that it should make venue booking early for training.
C	Team C did not meet the indicator three times. The DO made enquiries with the team and noted that training was affected by weather conditions. The DO reminded the team of the need to meet the indicator.
D	Team D did not meet the indicator five times. The DO made enquiries with the team and reminded the team to step up efforts to meet the indicator.
K	Team K did not meet the indicator once. The DO made enquiries with the team and reminded the team to step up efforts to meet the indicator.
M	Team M did not meet the indicator twice. In one case, the DO made enquiries with the team and noted that the team could not arrange venue for training. The DO reminded the team that it should make venue booking early for training. In the other case, since the team had trained for 11.8 hours per month on average which was very close to the indicator of 12 hours, no particular follow-up action was made.
P	Team P did not meet the indicator once. The DO made enquiries with the team and reminded the team to step up efforts to meet the indicator.
Q	Team Q did not meet the indicator once. The DO made enquiries with

	the team and noted that training was affected by social events. The DO suggested the team to consider using other venues for training.
<i>(iv) Community building activities</i>	
B	Team B did not meet the indicator twice. The DO reminded the team to step up efforts to meet the indicator.
C	Team C did not meet the indicator once. The DO made enquiries with the team and noted that a community activity was cancelled due to a failure to find a suitable date and venue for the activity. The DO reminded the team of the need to meet the indicator.
D	Team D did not meet the indicator twice. The DO made enquiries with the team and reminded the team of the importance of community building activities.
R	Team R did not meet the indicator once. The DO made enquiries with the team and noted that a community activity was cancelled because the participants could not find a suitable venue for the activity. The DO would keep in view the team's performance under this indicator in the following football season.

The HAB preliminarily considers the indicator of 12 hours of training with coaches per month on average reasonable and notes that there were a few cases where district teams could not meet this indicator, and in a few other cases the district teams missed the indicator narrowly. We will review the DFFS, including the related performance targets.

- (g) Example (1): District football team E could not meet the indicator of average number of spectators in home matches in 2017/18 football season. The DO made enquiries with the team and noted that the team's home venue was damaged due to typhoon and the team had to use a venue in another district as its home venue, which resulted in lower attendances. At the DO's reminder, team E stepped up its marketing efforts.

Example (2): District football team F could not meet the indicator of relative position in league compared with previous season in 2017/18 football season. The DO made enquiries with the team and noted that some key players in the team were injured. To follow up with the team's performance, the DO conducted random inspection of team F's training and competitions.

- (h) District football teams are authorised by the DCs to represent their respective districts to participate in the league. Under the current system, there is only one district team in each district. Since the launch of the DFFS in 2011/12 football season, the DCs of Kowloon City, Sai Kung and Yuen Long have, in 2012, 2012 and 2013 respectively, changed the team that they authorised to represent the district in the league.

Under the DFFS, the district teams are required to sign an undertaking form, confirming their promise to commit to achieve the four indicators and understanding that their funding applications in the future might not be accepted if they do not comply with the relevant requirements. We will review the DFFS and consider ways to increase the incentives for district teams to improve their performance and meet the performance indicators.

- (i) DOs are familiar with the operations of the district football teams and have a good understanding of the district teams' performance. When a district team fails to meet an indicator, the DO would make enquiries and take follow-up action as appropriate. We agree that the DOs should document their follow-up action properly. When the HAB reviews the DFFS, we will devise clearer guidelines for the DOs on the documentation of their assessment and follow-up actions.
- (j) In the mid-term reports and final reports submitted by the district football teams to the DOs, the district teams are required to report information on their training and community activities held. Since league positions of district teams are listed on the HKFA's website, they do not need to be reported. The above information is useful for the DOs in their assessment of the teams' performance in meeting the indicators. However, we have not specifically required district teams to report the average number of spectators in home matches currently, and such information is reported by district teams on their own initiatives or upon request by the DOs. When the HAB reviews the DFFS, we will devise clearer guidelines to improve the situation.
- (k) The HAB and the DOs are responsible for evaluating the reports submitted by the district football teams.

- (1) The Government has all along supported youth sports development. We have been promoting sports culture in schools and encouraging students to develop and active and healthy lifestyle. Since 2001, the LCSD partnered with different “national sports associations” (NSAs) to run the School Sports Programme (SSP), which enables students of primary, secondary and special schools in joining multiple sports programmes conducted by professional coaches of the NSAs on the campuses. The SSP aims to nurture students’ interest in sports, raise the sport performance standard among students of and identify potential student athletes for further training. Currently, there are 90% of schools in Hong Kong participating in the SSP, covering 47 types of sports, including football. The resources allocated to the SSP, number of students participated and number of programmes organised in the past 3 years are set out as follows –

Year	Subvention (\$million)	Number of students	Number of programmes conducted by professional coaches ²
2019-20	27.5	612 762	6 895
2018-19	23.6	635 212	6 747
2017-18	22.2	629 000	6 623

In order to help the NSAs establish an effective feeder system for the early identification of young potential athletes, the LCSD launched Feeder System Scheme (“FSS”) under the Sports Subvention Scheme. Potential young people so identified can join the FSS organised by various NSAs where more training and competitions opportunities are given to elevate their performance to a higher level. Since its launch in 2009-10, the FSS has achieved very good results. As at December 2019, FSS has successfully identified 4 060 athletes for promotion to higher level squads for further training. Of these, 916 athletes have been promoted to junior squads of different sports. The amount of subvention allocated to the FSS, number of participants and the NSAs participated in the past 3 years are set out below –

² LCSD does not hold the exact number of coaches involved.

Year	Subvention (\$million)	Number of participants	Number of NSAs participated ³
2019-20	22.0	8 532	53
2018-19	19.0	8 718	52
2017-18	17.1	8 629	52

Besides, the Government provides annual funding to the Hong Kong Sports Institute (HKSI) through the Elite Athletes Development Fund and provides direct financial support, elite training programmes and comprehensive support services to around 1 300 athletes (including around 400 junior athletes). In 2020-21, about \$737 million will be allocated to the HKSI.

In addition, the Retired Athletes Transformation Programme launched by the HAB is currently subsidising 43 secondary schools to employ retired athletes as school sports promotion coordinators to help promote sports and improve the levels of sports performance at schools.

Part 6: Governance of the Sports Commission and its committees

- (m) In 2015-2019, seven working groups have been formed under the Sports Commission (SC) or its committees (i.e. the Community Sports Committee (CSC), the Elite Sports Committee (ESC), and the Major Sports Events Committees (MSEC)) as tabulated below –

	Working group	Committee	Year involved	Work	Number of meetings held
1.	Task Force on Kai Tak Sports Park	SC	2015-2016	To advise on the planning of the Kai Tak Sports Park	5
2.	Working Group on Sports Facilities	SC	2015-2019	To review the level of demand for different types of sports facility	6
3.	Territory-wide Physical Fitness Survey for the Community Advisory Committee	CSC	2019-2020	To coordinate the execution of the Territory-wide Physical Fitness Survey for the Community	2
4.	Hong Kong	CSC	2015-2019	To oversee and	8

³ LCSD does not hold the exact number of coaches involved.

	Games Organising Committee			coordinate the Hong Kong Games	
5.	Student Sports Activities Co-ordinating Sub-committee	CSC	2015-2019	To provide advice on the sports curriculum and policy objectives for schools of primary form 1 to higher education.	5
6.	Elite Vote Support Scheme Working Group	ESC	2016-2017	To consult NSAs, review and make recommendations on the Elite Vote Support Scheme	3
7.	Vetting Panel	MSEC	2015-2020	To conduct assessment of applications for “M” Mark events, and make recommendation to the Major Sports Events Committee for consideration	20

- (n) In 2020, the SC and its committee have started to make use of video conferencing according to their respective needs to encourage active participation of members.
- (o) The attendance rates of members of the SC and its committees in 2015-16, 2017-18 and 2019-20 (as at May 2020) are at **Annex 1**.
- (p)(i) If a member has potential conflict of interest in any discussion item under the meeting agenda, the member concerned shall declare it before the discussion. The Chairperson may decide whether to allow the member to participate in the discussion and vote.
- (p)(ii) We will strengthen our implementation of the requirements on declaration of interests, such as requiring members to declare their interests in writing before the meeting.
- (p)(iii) The memorandum “Advisory and Statutory Bodies – declaration of interests” formulated by the HAB is at **Annex 2**.
- (p)(iv) In 2019, at the start of the new term of SC and its committees, we introduced the work, responsibilities and obligations of the relevant committees, including the requirements on declaration of interest, to newly appointed members Members of the SC and its committees. We

arranged meetings or verbal briefings for this purpose with individual members to suit their schedules. No briefing sessions were held.

Yours sincerely,

(Paul CHENG)
for Secretary for Home Affairs

**Overall Attendance of Members of the
Sports Commission and its Committees in 2015-16, 2017-18 and 2019-20**

Member	Committee	Year of service	Overall attendance¹
Ms Jamie WONG Wan-yiu	Major Sports Events Committee	2019-20	0%
Ms Joephy CHAN Wing-yan	Community Sports Committee	2019-20	0%
Alex CHUNG Hau-yeung	Major Sports Events Committee	2015-16, 2017-18, 2019-20	17%
Ms Robyn LAMSAM	Elite Sports Committee	2017-18, 2019-20	29% ²
Ms HON Sze-sze	Community Sports Committee	2015-16, 2017-18, 2019-20	31%
Timothy FOK Tsun-ting	Sports Commission	2015-16, 2017-18, 2019-20	33%
Stephen WONG Heung-sang	Community Sports Committee	2015-16, 2017-18, 2019-20	33%
Henry CHAN Chi-chiu	Major Sports Events Committee	2015-16, 2017-18, 2019-20	36%
	Community Sports Committee	2015-16	
Miss Sherry TSAI Hiu-wai	Major Sports Events Committee	2015-16, 2017-18	38%
Ms WAI Hoi-ying	Community Sports Committee	2015-16, 2017-18	38%
HUNG Chung-yam	All committees		40%
	Sports Commission	2015-16	40%
	Elite Sports Committee	2015-16	40%
WONG Kam-po	Elite Sports Committee	2015-16, 2017-18, 2019-20	48%
Alberto CRUZ	Community Sports Committee	2017-18, 2019-20	50%
KWOK Kai-fai	Major Sports Events Committee	2019-20	50%
Ms Lilian LEONG	Major Sports Events Committee	2015-16, 2017-18	50%
David MONG Tak-yeung	Major Sports Events Committee	2019-20	50%
Ms Emba LEUNG Wun-man	Major Sports Events Committee	2015-16	50%
Ms CHIU Wing-yin	Major Sports Events Committee	2015-16	50%
Eric LI Ka-cheung	Sports Commission	2015-16, 2017-18	58%
Mrs Stella LAU KUN Lai-kuen	All committees		58%
	Sports Commission	2015-16, 2017-18, 2019-20	66%
	Community Sports Committee	2015-16	33%
Michael LEE Tze-hau	Sports Commission	2017-18, 2019-20	59%
Nelson YIP Siu-hong	Elite Sports Committee	2017-18, 2019-20	59%

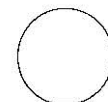
¹ As per request in the letter from the Public Accounts Committee Secretariat of the Legislative Council, we have listed out the overall attendance rates of all committees and individual attendance rates of each committee for those members who have been appointed as both members of the Sports Commission and its committee(s).

² Ms Robyn Lamsam originally could attend one of the meetings of the Elite Sports Committee in 2019, but eventually was unable to attend because of social events. If she were able to attend the meeting concerned, her overall attendance rate (as at May 2020) would be increased to 43%.

Member	Committee	Year of service	Overall attendance¹
Carlson TONG	Sports Commission	2015-16, 2017-18	60%
LUI Tai-lok	Elite Sports Committee	2015-16	60%
Ms LU Hai	Major Sports Events Committee	2017-18, 2019-20	63%
Ms TUNG Kin-lei	Community Sports Committee	2015-16, 2017-18	63%
Miss Angel WONG Hiu-ying	Elite Sports Committee	2015-16, 2017-18, 2019-20	63%
Mr Patrick CHAN	Community Sports Committee	2015-16, 2017-18, 2019-20	64%
Miss Emba LEUNG Wun-man	Major Sports Events Committee	2019-20	65%
	Elite Sports Committee	2015-16	
LI Ching	Elite Sports Committee	2017-18, 2019-20	67%
Michael CHENG Ming-git	Elite Sports Committee	2017-18, 2019-20	67%
Philip LI Wing-kuen	Community Sports Committee	2015-16	67%
Miss LEE Ka-man	Sports Commission	2019-20	67%
Simon YEUNG Sai-mo	Community Sports Committee	2015-16	67%
Ms YU Chui-yee	All committees		68%
	Sports Commission	2017-18, 2019-20	92%
	Elite Sports Committee	2015-16	20%
Ms Fay HO Kim-fai	Major Sports Events Committee	2019-20	72%
	Elite Sports Committee	2015-16, 2017-18, 2019-20	
WONG Wai-shun	Community Sports Committee	2015-16, 2017-18, 2019-20	72%
CHAN Pok-chi	Community Sports Committee	2015-16, 2017-18, 2019-20	72%
LAM Tai-fai	All committees		73%
	Sports Commission	2017-18, 2019-20	84%
	Major Sports Events Committee	2015-16, 2017-18, 2019-20	67%
HE Yi-ming	All committees		74%
	Sports Commission	2017-18, 2019-20	71%
	Elite Sports Committee	2015-16	80%
Ms Eleanor KWOK LAW Kwai-chun	Major Sports Events Committee	2015-16, 2017-18	75%
LIN Chun-pong	Community Sports Committee	2017-18, 2019-20	75%
LUK Wai-hung	Major Sports Events Committee	2015-16, 2017-18, 2019-20	75%
Ms LEE Ching-nga	Community Sports Committee	2017-18, 2019-20	75%
POON Chun-yuen	Major Sports Events Committee	2015-16, 2017-18, 2019-20	75%
Edgar YANG Joe-tsi	Elite Sports Committee	2017-18, 2019-20	75%
Frank FU Hoo-kin	Sports Commission	2017-18, 2019-20	77%
CHAN King-yin	Community Sports Committee	2015-16, 2017-18	78%
Ms Melina NGAI	Sports Commission	2015-16, 2017-18	80%
Terry SMITH	All committees		80%

Member	Committee	Year of service	Overall attendance¹
	Sports Commission	2015-16	60%
	Major Sports Events Committee	2015-16	100%
Daniel LEE Chi-wo	Community Sports Committee	2015-16, 2017-18, 2019-20	81%
CHENG King-leung	Elite Sports Committee	2017-18, 2019-20	81%
	Community Sports Committee	2015-16	
Kenneth FOK Kai-kong	All committees		82%
	Sports Commission	2017-18, 2019-20	50%
	Elite Sports Committee	2017-18, 2019-20	100%
	Community Sports Committee	2015-16	71%
	Major Sports Events Committee	2015-16	100%
WONG Po-kee	Community Sports Committee	2015-16, 2017-18, 2019-20	83%
CHENG Ka-ho	Sports Commission	2015-16, 2017-18, 2019-20	83%
CHEUNG Ki-tang	Community Sports Committee	2015-16, 2017-18, 2019-20	83%
James LAM	Sports Commission	2015-16, 2017-18, 2019-20	85%
Ms CHU Lai-ling	Community Sports Committee	2017-18, 2019-20	88%
Ms Tina WONG Ting	Community Sports Committee	2017-18, 2019-20	88%
Langton CHEUNG Yung-pong	Community Sports Committee	2017-18, 2019-20	88%
Anson BAILEY	Major Sports Events Committee	2017-18, 2019-20	88%
Karl KWOK	All committees		88%
	Sports Commission	2017-18, 2019-20	71%
	Major Sports Events Committee	2015-16, 2017-18, 2019-20	100%
Patrick YUNG	All committees		88%
	Sports Commission	2017-18, 2019-20	88%
	Community Sports Committee	2015-16, 2017-18, 2019-20	89%
Lobo LOUIE Hung-tak	Elite Sports Committee	2015-16, 2017-18, 2019-20	89%
Ms Lisa LAU Man-man	Sports Commission	2015-16, 2017-18	90%
William TONG Wai-lun	All committees		90%
	Sports Commission	2015-16	80%
	Community Sports Committee	2015-16	100%
Ms Vivian LEE Ying-shih	Sports Commission	2015-16, 2017-18, 2019-20	92%
Arnold CHUNG Chi-lok	Community Sports Committee	2015-16, 2017-18, 2019-20	92%
David YIP Wing-shing	All committees		93%
	Sports Commission	2015-16, 2017-18, 2019-20	92%
	Community Sports Committee	2015-16, 2017-18, 2019-20	94%
CHAN Man-chun	Major Sports Events Committee	2017-18, 2019-20	100%
Tony CHOI	Sports Commission	2015-16	100%

Member	Committee	Year of service	Overall attendance¹
Yuk-kwan			
Ms Peggy LEE Pik-ye	Community Sports Committee	2015-16	100%
TANG Hon-sing	Elite Sports Committee	2019-20	100%
LEUNG Pak-yin	Community Sports Committee	2019-20	100%
William KO Wai-lam	All committees		100%
	Sports Commission	2015-16	100%
	Major Sports Events Committee	2015-16	100%
Sam WONG Tak-sum	Sports Commission	2019-20	100%
Wilfred NG Sau-kei	All committees		100%
	Sports Commission	2015-16, 2017-18, 2019-20	100%
	Major Sports Events Committee	2017-18, 2019-20	100%
Mrs Cecilia WONG LAM Siu-ling	Community Sports Committee	2015-16	100%
Ms TSANG Tsz-lui	Community Sports Committee	2019-20	100%
Eric FOK Kai-shan	Major Sports Events Committee	2019-20	100%
Ronnie WONG Man Chiu	Community Sports Committee	2015-16	100%
CHU King-yuen	Community Sports Committee	2015-16	100%
LI Tak-nang	Major Sports Events Committee	2015-16, 2017-18, 2019-20	100%
Miss Amy CHAN Lim-chee	Sports Commission	2015-16	100%
Tony YUE Kwok-leung	All committees		100%
	Sports Commission	2015-16, 2017-18, 2019-20	100%
	Elite Sports Committee	2015-16, 2017-18, 2019-20	100%
Michael TSE	Major Sports Events Committee	2015-16, 2017-18	100%
Ms LEUNG Mee-lee	Major Sports Events Committee	2017-18	100%
	Community Sports Committee	2015-16, 2017-18	
	Elite Sports Committee	2015-16	
Patrick CHAN Ping-cheung	All committees		100%
	Sports Commission	2019-20	100%
	Elite Sports Committee	2015-16, 2017-18	100%
Anson CHEUNG Ho-yin	Community Sports Committee	2019-20	100%
Ms Judy CHEN Qing	Major Sports Events Committee	2015-16	100%
Secretary for Home Affairs	Sports Commission	2015-16, 2017-18, 2019-20	100%
Director of Leisure and Cultural Services	Sports Commission	2015-16, 2017-18, 2019-20	100%



M E M O

<i>From</i> Secretary for Home Affairs <i>Ref.</i> (44) in HAB CR 7/15/379 Pt.5 <i>Tel. No.</i> 2835 1368 <i>Fax. No.</i> 2591 6002 (Open)/2834 6176 (Conf) <i>Date</i> 17 August 2005	<i>To</i> Directors of Bureaux Heads of Departments <i>(Attn.:</i> _____ <i>)</i> <i>Your Ref.</i> _____ <i>in</i> _____ <i>dated</i> _____ <i>Fax. No.</i> _____ <i>Total Pages</i> 4 + 7
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**Advisory and Statutory Bodies –
Declaration of Interests**

This memorandum reminds bureaux and departments of the need to introduce a system for declaration of interests for each of the advisory and statutory bodies (ASBs) under their purview, and of the need to review from time to time the systems for declaration of interests already adopted by boards and committees under their purview.

Background

2. ASBs play an important role in the determination and implementation of public policy in Hong Kong. It is crucial that members of these bodies should, and be seen to, deliver objective and impartial advice and make decisions solely in terms of the public interest. A member (whether non-official or ex-officio) should declare a conflict of interest situation at the earliest opportunity.

3. A conflict of interest situation, in the context of a non-official member of an ASB, is a situation where his/her financial or personal interests compete or conflict with the interests of the board or committee on which he/she is serving, or conflict with his/her duties and responsibilities as a member of that board or committee.

4. At present, some statutory bodies (such as the Airport Authority, the Urban Renewal Authority, the Hong Kong Science and Technology Parks Corporation and the Estate Agents Authority) have a declaration of interest system which is stipulated in their enabling legislation. The system usually requires:

- (a) a board member to declare all relevant interests;

- (b) the statutory body to keep a register of all declared interests;
- (c) the statutory body to make available the register for public inspection;
- (d) a board member to declare any relevant personal or business interests which may conflict with his/her responsibilities as a board member during the discussion or determination of a matter under consideration by the board; and
- (e) a board member to withdraw from the meeting while the board is discussing or determining the matter in which he/she has declared interest unless permitted by the meeting to do otherwise.

5. Where there are no specific statutory provisions for interests to be declared, the common law requires that:

- (a) members of public bodies should not take part in the discussion or determination of matters in which they have a pecuniary interest; and
- (b) in the case of an interest which is not of a direct pecuniary kind (such as interests arising from membership of clubs and other organizations or family relationships), members should consider whether participation in the discussion or determination of a matter would suggest a real danger of bias.

Declaration of Interests

6. Arrangements for declaration of interests by members of ASBs were laid down back in 1994. Two different systems for declaration of interests have been developed, namely :

- (a) One-tier reporting system

Under this system, when a member of a board or committee perceives a potential conflict of interest in a matter placed before the board or committee, he/she should make a full disclosure of his/her interest. In this connection, it is the responsibility of the member to judge and decide if the situation warrants a declaration, and to seek a ruling from the chairman in case of doubt.

(b) Two-tier reporting system

This system applies to boards and committees with extensive powers over policy or financial matters. To maintain public confidence in the integrity of members, as well as in the impartiality of their advice tendered to the board or committee, members should disclose their general pecuniary interests on appointment to these boards and committees and annually thereafter, in addition to the report of conflicts of interest as and when they arise. To achieve greater transparency, such declarations should be recorded and made available for public inspection.

7. A board or committee which has one or more of the following functions or characteristics should adopt the two-tier reporting system :

- (a) it has a high degree of management and financial autonomy;
- (b) it has extensive executive powers in matters of public interest;
- (c) it is instrumental in shaping major Government policies;
- (d) it has the power to award major Government contracts;
- (e) it has access to market sensitive information;
- (f) it is responsible for the control and disbursement of substantial public funds.

8. Guidelines on declaration of interests by members of ASBs as recommended by the Independent Commission Against Corruption (ICAC) for the one-tier reporting system and the two-tier reporting system are at Annexes A and B respectively. Bureaux and departments are requested to take into account the nature and special needs of each ASB in deciding which of the two systems to adopt.

Contracts

9. As a matter of principle, ASB members should, where practicable, avoid entering into any contract with the ASBs on which they are serving. Where this is unavoidable, it is important for the ASB to ensure that the bidding/selection process is fair and transparent, and also seen to be so. In this

regard, bureaux and departments are requested to advise ASBs under their purview to adopt, as far as practicable, the measures recommended by the ICAC to manage the possible conflict of interest arising from members bidding for contracts of ASBs as set out in Annex C.

Way Forward

10. Bureaux and departments are reminded to ensure that each of the ASBs under their purview should have a declaration of interest system. Such a system should be introduced when a new board or committee is formed. The system for declaration of interests for each of the ASBs under their purview should be reviewed from time to time to ensure that the system adopted by each ASB matches the needs of the body concerned.

Enquiries

11. Enquiries on the guidelines for declaration of interests should be directed to Group Head/C, Division 1, Corruption Prevention Department of the ICAC (Tel No. 2826 3215/Fax No. 2521 8479).

12. This memorandum supersedes memoranda referenced (32) in HAB CR 7/15/379 dated 1 September 1994 and (26) in HAB CR 7/15/379 Pt.4 dated 30 May 1995.

13. Bureaux and departments are requested to bring this memorandum to the attention of staff who deal with issues concerning ASBs.

Signed

(Stephen Fisher)
for Secretary for Home Affairs

c.c. Perm Secy, CEO
AA/CS
AA/FS
AA/SJ
Judiciary Administrator
The Ombudsman
Commissioner, ICAC

**Declaration of Interests by
Members of Public Sector Advisory and Statutory Bodies**

Guidelines for a One-tier Reporting System

General Principles

When a member (including the chairman) of a public council, board or committee has a potential conflict of interest in a matter placed before the committee, he should make full disclosure of his interest. The basic principle to be observed is that members' advice should be disinterested and impartial and it is the responsibility of each member to judge and decide if the situation warrants a declaration, and to seek a ruling from the chairman in case of doubt.

It is impossible to define or describe all the situations that would call for such a declaration, because each individual case differs, and because of the difficulty of catering for unusual and unforeseen circumstances. On the other hand, it is not intended that a member should make a declaration of interest simply because the committee is considering a matter in which he has knowledge or experience.

Potential Conflict of Interest Situations

The following are potential conflict of interest situations :

- (1) Pecuniary interests in a matter under consideration by the committee, held either by the member or by any close relative of his. Members are themselves the best judge of who, in the particular circumstances, is a "close relative".
- (2) A directorship, partnership, advisory or client relationship, employment or other significant connection with a company, firm, club, association, union or other organisation which is connected with, or the subject of, a matter under consideration by the committee.
- (3) Some friendships which might be so close as to warrant declaration in order to avoid situations where an objective observer might believe a member's advice to have been influenced

by the closeness of the association.

- (4) A member who, as a barrister, solicitor, accountant or other professional adviser, has personally or as a member of a company, advised or represented or had frequent dealings with any person or body connected with a matter under consideration by the committee.
- (5) Any interest likely to lead an objective observer to believe that the member's advice might have been motivated by personal interest rather than a duty to give impartial advice.

Declaration of Interests at Meetings

The following are guidelines governing declaration of interests at meetings :

- (1) If a member (including the chairman) has any direct personal or pecuniary interest in any matter under consideration by the committee, he must, as soon as practicable after he has become aware of it, disclose to the chairman (or the committee) prior to the discussion of the item.
- (2) The chairman (or committee) shall decide whether the member disclosing an interest may speak or vote on the matter, may remain in the meeting as an observer, or should withdraw from the meeting.
- (3) If the chairman declares an interest in a matter under consideration, the chairmanship may be temporarily taken over by a vice-chairman.
- (4) When a known direct pecuniary interest exists, the secretary may withhold circulation of relevant papers to the member concerned. Where a member is in receipt of a paper for discussion which he knows presents a direct conflict of interest, he should immediately inform the secretary and return the paper.
- (5) All cases of declaration of interests shall be recorded in the minutes of the meeting.

**Declaration of Interests by
Members of Public Sector Advisory and Statutory Bodies**

Guidelines for a Two-tier Reporting System

General Principles

Some public councils, boards and committees are autonomous and have extensive powers over policy and financial matters. To maintain public confidence in the integrity of members (including the chairman), as well as in the impartiality of their advice tendered to the committee, it is important that all members of such committees should disclose their general pecuniary interests on appointment to the committee, in addition to the report of conflicts of interests as and when they arise. To achieve greater transparency, such declarations should be made available for public inspection. By adopting this two-tier reporting system, members of these committees can be protected from criticism or embarrassment arising from the existence of any undeclared general financial interest which may have potential conflict with the work of the committee. The two-tier reporting system consists of the following :

(A) *Register of Members' Interests*

- (1) The chairman and members shall register in writing their personal interests, direct or indirect, pecuniary or otherwise, when they first join the committee, and annually thereafter, to the secretary of the committee. The registration shall be made on a standard form, a sample is at the Appendix.
- (2) The types of interests required for registration shall include :
 - (i) proprietorships, partnerships or directorships of companies;
 - (ii) remunerated employments, offices, trades, professions or vocations; and
 - (iii) shareholdings in a publicly listed or private company (e.g. 1% or more of the company's issued share capital); and/or

- (iv) other declarable interests, taking into consideration the nature of work of individual committees.
- (3) A register of members' interests shall be kept by the secretary which should be made available for inspection on request by any member of the public.

(B) Declaration of Interests at Meetings

The following are guidelines governing declaration of interests at meetings :

- (1) If a member (including the chairman) has any direct personal or pecuniary interest in any matter under consideration by the committee, he must, as soon as practicable after he has become aware of it, disclose to the chairman (or the committee) prior to the discussion of the item.
- (2) The chairman (or committee) shall decide whether a member disclosing an interest may speak or vote on the matter, may remain in the meeting as an observer, or should withdraw from the meeting.
- (3) If the chairman declares an interest in a matter under consideration, the chairmanship may be temporarily taken over by a vice-chairman.
- (4) When a known direct pecuniary interest exists, the secretary may withhold circulation of relevant papers to the member concerned. Where a member is in receipt of a paper for discussion which he knows presents a direct conflict of interest, he should immediately inform the secretary and return the paper.
- (5) All cases of declaration of interests shall be recorded in the minutes of the meeting.

Criteria for Adopting the Two-tier Reporting System

Public sector advisory and statutory bodies which have the following functions and characteristics should adopt the two-tier reporting system :

- (1) high degree of management and financial autonomy;
- (2) extensive executive powers in matters of public interest;
- (3) instrumental in shaping major Government policies;
- (4) award of major Government contracts;
- (5) access to market sensitive information (e.g. land development fees, charges and other forms of revenue, and licensing procedures);
- (6) control and disbursement of substantial public funds.

SAMPLE

Appendix

Register of Interests

(Name _____) requests that interests as listed below should be included in the Register of Members' Interests.

- A. Proprietorships, partnerships or directorships of companies, public or private

- B. Remunerated employments, offices, trades, professions or vocations

- C. Shareholdings in companies, public or private (1% or more of the company's issued share capital)

- D. Other declarable interests (to be specified)

Signed : _____

Date : _____

Note : The information provided in this form may be disclosed to the public in connection with your appointment as a member/the chairman of (name of the advisory or statutory body).

**Measures to Manage Possible Conflict of Interest
Arising from Members Bidding for Contracts of
Advisory and Statutory Bodies (ASBs)**

- (1) When the need for a contract is discussed, ASB members should be asked at the outset to declare whether they or any company associated with them are interested in bidding for the contract.
- (2) ASB members who have declared an interest to bid should not take part or be present at any subsequent discussions or meetings concerning the proposed contract, and should be prohibited from access to any information in relation to the contract (other than in the capacity of a bidder).
- (3) ASB members who have not declared an interest to bid (and the companies concerned) should not be allowed to bid subsequently.
- (4) When a member (or a company associated with him) has expressed an interest to bid, the advisory or statutory board should ascertain whether any information relating to the contract has already come to the possession of the ASB member in the course of his duties as a member. If so, such information should be made available to other bidders as well to ensure a level playing field.
- (5) If a member of an advisory or statutory body (or a company associated with him) has put in a bid, care should be taken to ensure that he subsequently has no access to the submitted tender documents which may contain commercially sensitive information.
- (6) Bidder identity should be anonymized before the evaluation of bids if a member of the advisory or statutory body (or a company associated with him) is one of the bidders.
- (7) If a member of an advisory or statutory body (or a company associated with him) is successful in bidding for the contract, he should withdraw from all discussions relating to the contract, except when attending in the capacity of a supplier or a service-provider.