

LEGISLATIVE COUNCIL PANEL ON HOME AFFAIRS

TSEUNG KWAN O SPORTS GROUND

SUPPLEMENTARY INFORMATION

INTRODUCTION

In considering the paper referenced LC Paper No. CB(2)938/05-06(01) on “Tseung Kwan O Sports Ground” presented to the Panel on Home Affairs on 23 January 2006, Members requested the Administration to provide additional information to the Panel on the following areas:

- (a) the pros and cons of adopting design-and-build (DB) approach for Government projects;
- (b) the situation of construction activities in neighboring markets other than Macau;
- (c) feasibility of speeding up the Tseung Kwan O Hospital, Haven of Hope Hospital and Sai Kung Hiram’s Highway Improvement Project;
- (d) Government support provided for the promotion of school sports and training of local elite athletes;
- (e) construction cost comparison between the Tseung Kwan O Sports Ground and similar facilities in Beijing and Shanghai; and
- (f) whether the organizing of 2009 East Asian Games (EAG) would adversely affect the investment level in and implementation timetable for other regular sports and recreation facilities and whether the Government would consider reinstating capital investment in sports and recreation facilities back to the Urban Council/Regional Council era level, i.e. about \$1.68 billion per year.

ADMINISTRATION'S RESPONSE

I. The pros and cons of adopting design-and-build (DB) approach for Government projects

2. The objective of the D&B contracts is to achieve value for money and buildability within the constraints of available resources. The contractor will have greater discretion to innovate and develop his design proposals while emphasising on complying the specifications prepared by the client (i.e. Employer's Requirements (ER)). The D&B procurement method seeks to:

- encourage more contractor involvement in the design and construction of the whole project;
- accelerate project delivery and enhance the certainty on cost through monitoring both design and buildability by the contractor;
- lower the level of the client's responsibilities through the provision of one-stop services; and
- increase the use of innovative ideas, latest technology and proprietary systems available in the market.

3. Under the arrangement of the D&B approach, the client normally invites tender in accordance with an outline/conceptual design, specifications and workmanship standards, completion time and other key information. The client and the contractor will enter into a single contractual relationship with the contractor responsible for the design and building of the project in accordance with the ER. The contractor will enter into a series of separate agreements with consultants, specialist sub-contractors and suppliers for the delivery of the completed project in accordance with the agreed ER. Since the contractor is solely responsible for all aspects of the project delivery process and that most of the risks associated with the D&B will be borne by the contractor, the client will be given greater protection. The features, pros and cons of the D&B approach are listed below:

The Features of the D&B Approach are:

- both the design and work in construction phases are executed by the contractor
- the contractor is responsible for the design
- the design development stage overlaps the tendering stage
- the design is normally checked by an independent party
- project financing and ultimate operation of the completed facility to be undertaken by the client

The Pros of the D&B Approach are:

- construction cost can be ascertained at the outset (after selection of the successful tender)
- employer's risk is reduced as the contractor is held solely responsible
- overall programme can be accelerated with more certainty of the implementation time
- the contractor's technical expertise is made use of in the design process
- different design solutions can be compared through competitive bidding
- channels for direct communication between designers and sub-contractors are provided

The Cons of the D&B Approach are:

- possibly more costly tender process

- possibly fewer contractors able to participate in the tender process
- constructing a building at the lowest cost in terms of life cycle may not be possible
- relatively more difficult in assessing variations/ changes

4. Since the first D&B procurement method was adopted in 1991, about 21 government building projects have been delivered by the Architectural Services Department (Arch SD) under the D&B approach. These projects are mostly government quarters and offices. For the time being, it may be difficult to conclude whether this approach is the best procurement method to deliver government projects. There is always room for improvements in any method. Nevertheless, the Arch SD has just held a D&B Symposium on 26 January 2006 to collect views from stakeholders in the construction industry. The findings will be closely examined and we will conduct on-going reviews on the way forward for the delivery of government projects under the D&B approach.

II. The situation of construction activities in neighboring markets other than Macau

5. The Administration has no information available on the situation of construction activities in neighboring markets other than Macau.

III. Feasibility of speeding up the Tseung Kwan O Hospital, Haven of Hope Hospital and Sai Kung Hiram's Highway Improvement Project

Tseung Kwan O Hospital and Haven of Hope Hospital

6. Public medical services in the Tseung Kwan O area are being provided by the Kowloon East Cluster of the Hospital Authority (HA), which comprises United Christian Hospital, Tseung Kwan O Hospital and Haven of Hope Hospital. The capacities of these hospitals are 1 417, 458 and 425 beds respectively, with corresponding average utilization rate of 85%, 83% and 92%.

7. The Government is always concerned about the quality and quantity of public medical services. The Health, Welfare and Food Bureau and HA have noticed the population growth in the Tseung Kwan O area as well as that in the other areas covered by the Kowloon East Cluster. In this connection, HA is in the course of examining the needs for the expansion of Tseung Kwan O Hospital and Haven of Hope Hospital, if necessary, and will submit its proposals to the Government for consideration as and when appropriate. Government will carefully study any such proposal as and when it is received.

The Hiram's Highway Improvement Project

8. The Hiram's Highway Improvement (the Improvement) aims at improving safety and increasing its capacity for the growing tourism traffic and traffic arising from the continuous development in the Sai Kung area. The improvement works involve dualling of the existing corridor between Clear Water Bay Road and Sai Kung Town, improving the substandard road bends and providing adequate pedestrian facilities.

9. Hiram's Highway is a major external transport corridor between Sai Kung Town and Clear Water Bay/Kowloon. Both the implementation and operation of Tseung Kwan O Sports Ground will have negligible traffic implication to Hiram's Highway.

10. The Improvement comprises two stages, namely, Stage I which covers the section between Clear Water Bay Road and Ho Chung; and Stage II which covers the section between Marina Cove and Sai Kung Town.

Stage I

11. Stage I of the Improvement is implemented in 4 phases and the first 3 phases has been completed. Phase 4, which is for the sections near Clear Water Bay Road and Marina Cove, is now in the planning stage and its detailed design will commence by late 2006. Subject to the availability of resources, the target completion date for Stage I, Phase 4 of the Improvement is end 2009. The construction works for Stage I, Phase 4 will be under a very tight programme. It is difficult to further compact the programme.

Stage II

12. We are now studying the technical feasibility for Stage II of the Improvement and we aim at completing the Technical Feasibility Statement in first quarter 2006. Subject to the feasibility and availability of resources, the target completion date for Stage II of the Improvement is end 2013.

13. Stage II of the Improvement will involve extensive land resumption and complicated traffic diversion schemes which may lengthen both the planning and implementation of the works. Taking into account the time required for statutory procedures and resolving objections, among all others, we consider the current target of completing Stage II in 2013 reasonable. Nevertheless, we will from time to time review and revise our implementation timetable as and when appropriate.

IV. Government support provided for the promotion of school sports and training of local elite athletes

Promotion of Sports in Schools by the Leisure and Cultural Services Department

14. The Leisure and Cultural Services Department (LCSD) has been active in rolling out the School Sports Programme (SSP) since 2001 (please refer to **Annex I** for details). The SSP aims to provide youngsters studying in primary, secondary and special schools with sports information and various types of sports training, enhance students' knowledge of and interest in sports, and encourage them to participate actively in sports activities. The number of activities organised under the SSP has increased by 440% from 1 188 in 2001 to 6 424 to date. The number of participating schools has increased from 574 in 2001 to 875 to date. The number of participation of students has more than doubled from the initial stage of 234 000 to the present 473 000. The number of sports items under the SSP has now increased to 29 in total.

Co-operation between the LCSD and the EMB in Future

15. This year, the LCSD and the EMB will continue strengthening their co-operation to further promote sports in schools. They will work jointly with the Student Sports Activities Coordinating Sub-committee under the

Community Sports Committee to explore deeply the future specific strategies for achieving the goal of “one student, one sport”. Also, the LCSD will continue developing specific school sports training courses to dovetail with the elite sports training framework with the aim of boosting the development of school sports at a high level.

16. The LCSD will also keep on using the EMB’s existing information platform to disseminate to teachers the latest news on SSP activities and information on sports education. In the meantime, the LCSD will also co-operate with the EMB to incorporate contents relating to the SSP in the continuous professional training programmes offered to PE teachers so as to strengthen the role of the SSP in the development of school sports.

17. In mobilising and encouraging students to participate constantly in sports activities, the LCSD will enhance collaboration with the EMB to introduce a series of award schemes employing “the recognised yardstick to measure the level of sports skills”, “the assessment indicators for physical fitness” and “the progress indicators for continuous participation in physical training” as the assessment benchmarks. By means of these awards, schools’ efforts to promote sports development and students’ participation in sports activities both inside and outside school will be positively recognised. Efforts will be made to encourage students to select at least one specific sport for continuous training and competitions and participate more frequently in sports activities so that they can enjoy the fun of taking up sports by going through the process of learning the skills of sports, participating in sports and finally becoming enthusiasts for sports.

Government support provided for training of local elite athletes

18. Regarding the Government support provided for training of local elite athletes, please refer to **Annex II**, which is supplementary information note presented to the Panel of Home Affairs.

V. Construction cost comparison between the Tseung Kwan O Sports Ground and similar facilities in Beijing and Shanghai

19. The following table shows the comparison of the costs of Tseung Kwan O Sports Ground (TKOSG) with those of overseas sports grounds and

major sports grounds in the Mainland (Beijing and Shanghai):

<u>Sports Ground</u> <u>/Stadium (Country)</u>	<u>Construction</u> <u>Floor Area (CFA)</u> <u>(m²)</u>	<u>Total Cost</u> <u>(HK\$)</u>	<u>Project Cost</u> <u>per m² of CFA</u> <u>(HK\$)</u>
1. Wembley (England)	173 000	4,795,400,800.00	27,719.00
2. Stade de France (France)	70 000	3,625,720,111.20	51,796.00
3. Telstra Stadium (Australia)	100 000	3,793,007,727.20	37,930.00
4. Arena Aufschalke (Holland)	58 796	2,453,881,075.20	41,736.00
5. Sapporo Dome (Japan)	53 800	3,345,043,637.60	62,176.00
6. TKOSG, Hong Kong (China)	17 985	352,000,000.00	19,572.00
7. Beijing National Stadium (China)	250 000	3,298,416,030.00	13,194.00
8. Shanghai Stadium (China)	170 000	1,290,000,000.00	7,588.00

Remarks

- (i) As the details and scope of development of each sports ground are different, the cost comparison is indicative only.
- (ii) Cost comparison is based on the cost per unit of construction floor area (CFA)
- (iii) It is difficult to identify overseas projects with scope and scale similar to the TKOSG for cost comparison. It is also difficult to update these project costs to current price level as no elaboration on details is provided at the source websites.
- (iv) To tally with the same method of calculation for other sports grounds and for comparison purpose, we adopt the figure of \$19,572/m² as the project unit cost of the TKOSG, which is calculated by dividing the overall project cost of \$352M by the total CFA proposed by the contractor. The

original unit cost of \$13,500/m² provided in the Home Affairs Panel paper was calculated by dividing the net building cost of \$242.1M (excluding site formation, external works and consultancy fee, etc.) by the total CFA proposed by the contractor.

- (v) Regarding the stadium projects in China listed as item 7 and item 8 in the above table, it should be noted that factors such as different economic growth and exchange rates, lower labour and material cost in China in the last decade are quite different from the situation in Hong Kong. It is therefore difficult to make a meaningful comparison between these construction costs. The information in this paper serves for indicative purpose only and should not be taken as direct cost comparison.

VI. Whether the organizing of 2009 East Asian Games (EAG) would adversely affect the investment level in and implementation timetable for other regular sports and recreation facilities and whether the Government would consider reinstating capital investment in sports and recreation facilities back to the Urban Council/Regional Council era level

20. The organizing of 2009 East Asian Games (EAG) would not adversely affect the investment level in and implementation timetable for other regular sports and recreation facilities.

21. At present, of the 139 outstanding ex-Municipal Council LCS projects, 19 have already been completed. There are 15 projects which have received approved funding (including those under construction or those which will commence construction soon) and 21 projects are under active planning work. Two other projects would be tried out as “Private Sector Finance” pilot projects. 12 projects have been deleted. The remaining 70 projects together with four projects requested by the District Councils (DCs) to be included, making a total of 74 projects, are put under review. After the completion of consultation with the DC’s early this year, the LCSD will report and present the next batch of projects proposed for implementation to the relevant subcommittee under the LegCo Panel on Home Affairs in March.

22. The planning work for the construction of TKOSG has commenced well before Hong Kong’s bid for hosting the East Asian Games (EAG) in 2003. On the one hand, the TKOSG project can cater for district

needs. On the other hand, it can support Hong Kong's long-term sports development and is suitable for holding international major track and field events. The tendering exercise for the project was completed in September last year and should not have been affected by the EAG held in Macau last November.

23. The planning for other community leisure facilities has not been adversely affected as a result of the preparation for the EAG. The implementation programme of each leisure facility is drawn up according to its own actual needs and planning progress, and each is subject to the annual resource allocation exercise for funds. It is therefore not feasible to rigidly fix the annual funding for the construction of LCS facilities.

24. It should be noted that apart from meeting the needs of holding the EAG, the construction of the TKOSG and the upgrading of other sports facilities will be beneficial to the local residents for their future use. These facilities can also serve to support the promotion of long-term sports development in Hong Kong.

Home Affairs Bureau
February 2006

School Sports Programme-Its Subsidiary Programmes

A. Sport Education Programme

It aims to provide students with the latest information on sports. The Programme includes five categories of activities:

1. **Sport Demonstration**
Staff assigned by the relevant NSAs will visit schools to introduce the basic skills and rules of sports. Students will be invited to enjoy the fun of various sports in the play-in sessions.
2. **Guided Tours to Major Sports Facilities**
Visits to major sports facilities will be arranged for students so that they will have a better understanding of the operation and management of the sports venues.
3. **Sport Exhibitions and Sport Talks**
Exhibitions featuring a set of display panels and a series of subject talks covering eight topics of sports are held so that students can have a better understanding of the benefits of regular exercise.
4. **Guided Tour for Major Sports Events**
To enable students to watch high-level international matches held in Hong Kong, pre-match training and demonstrations under the guidance of professional coaches, thereby enhancing their knowledge and appreciation power in watching sports events as well as their interest in individual sports.
5. **Olympism and 2009 East Asian Games (EAG)**
To prepare well for the hosting of the EAG in 2009, the Sports Federation and Olympic Committee of Hong Kong, China (SF&OC) have provided a wide range of educational activities, including subject talks, seminars and exhibitions, so as to promote Olympic spirit among students. These activities will

enable students to have a better understanding of Olympism and the organization of various international and major sports events.

B. Easy Sport Programme

It aims to enhance primary students' interest in playing sports and to boost their confidence through the provision of easy sport training course that suit their physique and some basic training of sport skill for them. To stimulate students' interest in learning easy sports, an Inter-school Easy Sport Competition will be organised every year and all primary schools are invited to take part in the event.

C. Outreach Coaching Programme

The main target group of this Programme is students in primary and secondary schools. Under the Programme, coaches assigned by the NSAs will visit schools to give training to students and assist schools to set up their school teams; and progressive training scheme is provided to foster students' sustained interest in various sports and to enhance their skills.

D. Sport Captain Programme

The target groups of this Programme are teachers, secondary students and their parents. The objective is to train sports professionals (such as coaches, sport administrators and sport coordinators) who will take up voluntary work in sports activities organised by schools and the NSAs.

E. Joint Schools Sports Training Programme

It aims to provide systematic and continuous training opportunities for students with potential in sports. Students who wish to participate in this Programme are required to undergo skills test or assessment conducted by coaches from the NSAs. Those with good potentials will be selected for high-level training by veteran coaches from the NSAs.

F. Badges Award Scheme

With the assistance of the NSAs, standards for assessing skills in different sports in the Scheme are set so that participating students of primary and secondary schools can have an idea of their level of skills through tests. Participants will undergo progressive training through the promotion system to enhance their performance. This will foster the sports development in schools. It is hoped that through this Scheme the concept of “one student, one sport ” can be put into practice.

**LEGISLATIVE COUNCIL
PANEL ON HOME AFFAIRS**

**THE 2009 EAST ASIAN GAMES
SUPPLEMENTARY INFORMATION
ON GOVERNMENT'S SUPPORT TO ELITE SPORTS**

Introduction

In considering the paper referenced LC Paper No. FCR(2005-06)40 on “The 2009 East Asian Games” presented to the Finance Committee on 13 January 2006, Members requested the Administration to provide supplementary information to the Panel on Home Affairs setting out the resources being provided to local athletes in preparation for the 2009 East Asian Games and other upcoming major sports games.

Policy objectives on sports development

2. The Administration is committed to promoting and developing a strong sporting culture in the community as well as raising our international profile on sports. Our policy objectives in respect of sports development are:

- (a) promoting “sports for all” – a sustainable and community-wide sporting culture whereby people of all age groups participate actively in sports in quest of sound physical and psychological health;
- (b) achieving sports excellence – a cadre of high performance athletes who can compete in major international sports events competitively, win glory for Hong Kong and become role models for our youth; and
- (c) promoting Hong Kong as an attractive venue for hosting major sports events and as the Events Capital of Asia – thereby bringing in more tourists and economic benefits.

3. Since the reorganisation of local sports administrative structure in 2004, we have successfully forged a close partnership with the Hong

Kong Sports Institute (HKSI), Sports Federation & Olympic Committee of Hong Kong, China (SF&OC), National Sports Associations (NSAs) and other relevant sectors (such as the educational sector, medical sector and business sector). These key stakeholders have been working together to achieve the policy objectives of sports for all, sports excellence and turning Hong Kong into a sports events capital. Accordingly, the Sports Commission and its three committees (i.e. Major Sports Events Committee, Community Sports Committee and Elite Sports Committee) have been in their full operation since 2005, advising the Administration on strategic matters in their respective areas in the promotion of sports in Hong Kong.

Government subvention for elite sports development

4. The Administration has devoted considerable resources to various areas to promote and support sports development in Hong Kong. As for elite sports, our key objective is to enhance Hong Kong's competitiveness in the national, regional and international sporting arena. The HKSI works closely with the relevant NSAs to implement high-performance athlete training programmes, provides coach training and education as well as training of junior and pre-elite squads, and carrying out research projects on enhancement of elite sports performance. Our commitment to maintain a steady funding provision for elite sports training and development under the "athlete-centred" principle will be upheld.

5. In 2004/05, the Home Affairs Bureau provided an annual recurrent subvention of \$91 million to HKSI, the dedicated elite training centre in Hong Kong, for the conduct of its annual elite training programme. It should be noted that despite the across-the-board reduction in subvention to subvented organisations under the Enhanced Productivity Programme, there has been no deduction in subvention for HKSI since 2003/04, in recognition of the importance the Administration attaches to elite sports development.

Dedicated funds for elite athletes

6. In addition to the annual subvention provided by the Government, HKSI also administers a number of funding programmes to support the development of elite sports and athletes as follows:

- a) Sports Aid for Disabled Fund (SADF)

To provide financial assistance to disabled athletes with demonstrated performance and potential to achieve or maintain success in the international sports arena. In 2004/05, \$1.43 million was awarded to 47 elite disabled athletes from the SADF.

b) Sports Aid Foundation Fund (SAFF)

To provide financial assistance to athletes with demonstrated performance and potential to achieve or maintain success in the international sports arena. In 2004/05, \$8.145 million was awarded to 129 elite athletes, 51 junior athletes and 12 athletes from team only sports.

c) Hong Kong Athletes Fund (HKAF)

To provide grants for educational and other academic training to individual athletes to facilitate their pursuit for excellence in their chosen sport. HKAF also provides the athletes with the opportunity to develop alternative careers upon their retirement from competitive sport. In 2004/05, \$0.76 million was approved to cover the tuition fees of 7 athletes for furthering their studies.

d) Individual Athletes Support Scheme

To support individual athletes who have reached elite standard but are outside the existing Elite Sports Programme managed by HKSI. In 2004/05, \$1.235 million was granted to 12 athletes in 6 sports, including Bodybuilding, Mountain Bike, Diving, Karatedo, Shooting and Snooker.

Arts and Sport Development Fund

7. On top of the various funding sources mentioned in the preceding paragraphs, the Arts and Sport Development Fund (ASDF), under the auspices of the Secretary for Home Affairs, also provides funding for our athletes' preparation for and participation in major sports games. In 2005, a total of \$13.98 million has been approved from the ASDF for qualified athletes in their preparation for and participation in major games, including the 10th National Games in Nanjing, 4th East Asian Games in Macau and 1st Asian Indoor Games in Bangkok. In addition, a further sum of \$40 million has been earmarked for the upcoming major sports games, such as 2006 Doha Asian Games, 2008 Olympics Games and 2009 East Asian Games.

Additional “booster” for 2008 Olympic Games and 2009 East Asian Games

8. HAB has earmarked a total of \$9 million as an additional “booster” to enhance support through direct incentive to eligible HKSI scholarship athletes who are going to compete in the 2008 Olympic Games and 2009 East Asian Games. The HKSI Board has been consulted and shown full support to this arrangement. The HKSI management is currently working out a mechanism for providing this additional incentive to eligible athletes in an equitable and efficient manner. It is intended that the funds can be disbursed to the qualified athletes starting from the 2006/07 financial year.

9. With the concerted efforts from various sectors and support of the Government, Hong Kong athletes have been making remarkable improvement in their performance over the years, and have achieved good results in various major international sporting events. For instance, in 2004 Hong Kong athletes won a silver medal in Table Tennis-Men’s Doubles at Athens 2004 Olympic Games, the second Olympic medal won by the HKSAR. In 2005, Hong Kong sports teams won a gold medal in Cycling-Men’s BMX at the 10th National Games of the People’s Republic of China, and 14 gold medals, 11 silver medals and 16 bronze medals at the 4th East Asian Games and the 1st Asian Indoor Games.

10. The Government will ensure that adequate resources are provided to HKSI and its athletes for the effective training and development of elite sports. Besides, we will give due regard to the strategic advice tendered by the Sports Commission and the Elite Sports Committee, and continue to maintain a sustainable partnership relationship with all stakeholders concerned in the furtherance of elite sports development in Hong Kong.

Home Affairs Bureau
January 2006