

**INFORMATION NOTE FOR
BILLS COMMITTEE ON HONG KONG SPORTS
DEVELOPMENT BOARD (REPEAL) BILL**

**LATEST DEVELOPMENTS OF THE NEW ADMINISTRATIVE
STRUCTURE ON SPORTS DEVELOPMENT**

This note informs members on the latest development of the new administrative structure on sports development since the issue of the two Legislative Council briefs respectively on 8 July 2003 and 4 November 2003.

Responsibilities of HKSI outdoor/indoor facilities

2. Taking into account views expressed by SDB staff, both outdoor and indoor facilities of the HKSI will continue to be managed by the future HKSI. We have also formally informed SDB staff of this decision in November.

Setting up of the Major Sports Events Committee and Community Sports Committee

3. The Community Sports Committee and the Major Sports Events Committee have been set up and have met for the first time in October 2003. The early setting up of these two Committees would enable them to acquire the necessary knowledge and experience during the transitional period and to make up for inadequacies in these two areas in the existing structure. The two committees have also held group brainstorming sessions to determine the priority and focus of work within their purview.

Setting up of the Provisional HKSI Limited

4. The Provisional Hong Kong Sports Institute Limited (PHKSIL) has been incorporated in late October. The main task of PHKSIL is to embark on the preparatory work for the new administrative structure on sports development. It would determine the organisation structure and establishment of the future HKSI and launch the recruitment exercise to minimize anxiety of SDB staff arising from the job uncertainty during the transition.

5. In working out the organisation structure of the future HKSI, the former Preparatory Committee had set up four working groups to consult the supervisors and staff on the present situation and the way forward in the respective areas of coaches, athletes, technical support and corporate services. The PHKSIL has therefore duly considered the views of existing staff in the process.

6. Adopting an athlete centred approach, PHKSIL has drawn up its organization structure and establishment with a view to streamlining the structure, targeting financial and human resources on athletes, and also taking into account that some of the existing duties of SDB will not be taken up by the future HKSI. At the same time, PHKSIL has taken into account the interests of SDB staff with an aim to minimize the impact of restructuring on the staff .

7. On the establishment of the future HKSI, the PHKSIL Board of Directors plans to create 250 posts. Through priority internal recruitment, it is expected that more than 80% of the incumbent post holders of SDB's approved establishment will be employed by the future HKSI. The Board considers that the establishment and organisation structure of the future HKSI has attained a suitable balance whilst meeting the targets of streamlining the structure, reducing administrative costs and enabling the majority of SDB staff to be employed by the future HKSI, with a view to ensuring that the future HKSI will encompass adequate manpower and expertise to continually promote the development of elite sports.

8. In order to objectively determine the terms of employment for the staff of the future HKSI, the Board has commissioned an international human resources consultant company to draw reference from the salary level of other organisations in recommending the salary range of 250 posts in the future HKSI. Before determining individual salary level, the Board could also exercise discretion to take into account the economic implication of pay adjustment on the staff. Information on the establishment, organisation structure and salary range of individual posts has been announced to all SDB staff on 5 December 2003. We will maintain communication with the staff.

Future funding for NSAs

9. LCSD will set up a new sports funding office to take care of all future sports subvention to National Sports Associations (NSAs) duties in accordance with the established criteria and guidelines laid down by the Administration on the advice of the Sports Commission.

10. LCSD will be the single funding body for subventing NSAs upon the dissolution of SDB. To ensure smooth transition, all existing funding principles and subvention criteria of SDB and LCSD shall remain unchanged for provision of funding to NSAs for 2004/05. The 2004/05 subvention will be no less than the actual subvention in 2003/04 (not affected by Government Savings Programme)

11. NSAs had already been briefed on the future funding allocation and the NSAs were supportive of the new system. We will continue to brief them on details and listen to their feedback.

Preparation for the dissolution of SDB

12. The Corporate Management Committee of SDB has set up in August a Winding up Task Force, with representatives of HAB and LCSD as members, to handle the dissolution of the SDB.

13. We have also maintained formal/informal communication with the SDB staff members since the announcement of the new administrative structure in sports development in July 2003.

Home Affairs Bureau
8 December 2003