

LegCo Panel on Housing
Recommendations of Investigation Panel on Staff Discipline in
Tin Chung Court and Yuen Chau Kok Incidents

INTRODUCTION

On 13 June 2000, the Secretary for Housing appointed an Investigation Panel to establish and collate evidence and to identify specific acts of misconduct, if any, of Housing Department (HD) staff in the Tin Chung Court and Yuen Chau Kok incidents to enable consideration of disciplinary proceedings to be taken against any staff member concerned.

2. The composition of the Investigation Panel is as follows:-
 - (a) Chairman: Mr Stephen Selby, JP, Director of Intellectual Property
 - (b) Member: Mr C M Chan, Chief Architect, Architectural Services Department
 - (c) Member: Mr K K Choy, Chief Structural Engineer, Buildings Department
 - (d) Member/Secretary: Mrs Wong Ma Wai-mei, Principal Executive Officer, Civil Service Bureau.

3. The terms of reference of the Panel are as follows:
 - (a) To establish and collate evidence, if any, of misconduct to enable consideration of disciplinary proceedings against any staff of the HD involved in Piling Contract No. 166/97 Shatin 14B Phase 2, and Piling Contract No. 36/96 Tin Shui Wai Area 31 Phase 1.
 - (b) To identify specific acts of misconduct, if any, which warrant administrative and/or disciplinary actions to be taken against any staff members.

- (c) To recommend to the Secretary for Housing whether administrative and/or disciplinary actions should be taken against any staff members.

4. In view of the provisions of the Personal Data (Privacy) Ordinance (Cap. 486) and to avoid any prejudice to subsequent administrative or disciplinary actions against HD officers identified, the Investigation Panel's recommendations can only be released in general terms in this paper.

BACKGROUND

5. Foundation problems were found earlier this year at the Home Ownership Scheme housing blocks under construction in Tin Shui Wai and Yuen Chau Kok. The Housing Authority appointed two independent panels to look into the cases. The panels, led separately by Mr Philip Nunn and Mr John Strickland, completed their investigations in March and April on the Tin Chung Court and Yuen Chau Kok incidents respectively. Their reports were subsequently submitted to the Housing Authority, the Chief Executive and the Legislative Council Panel on Housing.

6. The task of the Investigation Panel appointed by the Secretary for Housing was to review the performance of individual officers involved in the two incidents for consideration of disciplinary action, where appropriate.

SCOPE OF INVESTIGATION

7. In its investigation of the two incidents, the Investigation Panel researched into the Consultant Management system and the Contract Management system under which HD staff operated at the time of the projects, examined the role played by individual HD staff concerned, and considered the question of supervisory accountability in staff management.

METHODOLOGY

8. The Investigation Panel gathered information and evidence from the following sources:-

(a) Research

The Investigation Panel went through all available HD manuals, project files and documents, site records, drawings, committee papers and reports with a view to establishing the causes of the problems and the accountability of individual officers. The Panel noted the reports of the panels led by Mr Nunn and Mr Strickland, but took a decision at the outset not to make any assumptions based solely on evidence or conclusions set out in the two reports.

(b) Interviews

The Investigation Panel interviewed HD officers involved in the project and other parties concerned. Officers were told at the outset the Investigation Panel's terms of reference, and that any views they expressed would be recorded on tape and used exclusively for the purpose of the investigation.

(c) Site investigation

The Investigation Panel made site visits to Tin Chung Court and Yuen Chau Kok to understand the problems on site.

(d) Invitation of submissions

To gain a fuller picture of the two incidents, the Investigation Panel invited HD staff associations and other relevant parties to give their views on the two cases.

9. The Investigation Panel enjoyed no special investigative powers or privileges. All investigations were subject to the voluntary co-operation of the parties involved. The Investigation Panel noted that all parties including those potentially under investigation co-operated with

the investigation.

TIN CHUNG COURT INCIDENT

Causes of the problems

10. Having considered the evidence obtained, the Investigation Panel found that the foundation problems resulted from :

- (a) cost-cutting piling design and sub-standard piling works;
- (b) inadequate supervision of the design and piling works;
- (c) incompetence in site supervision; and
- (d) slack monitoring by HD officers.

11. This paper only deals with possible disciplinary proceeding concerning civil servants in the Housing Department, and not with non-civil servants.

Departmental Management

12. The Investigation Panel considered that there should be no misunderstanding among the senior staff of Housing Department down to the professional level that the HA had the ultimate responsibility for the safety of its development projects including those run by Consultant Architects (AC). It was clear in the work manuals that the HD had the responsibility of managing the consultant's work. It was the duty of the Director's Representative and his team to take up with the Consultants for action if the Contractor was not deemed to be performing properly. The Consultants, as a named party in HA's contract with the Contractor, would have legal powers to deal with the Contractor.

13. The Investigation Panel found that the HD staff concerned were naïve in their total trust of the Consultants. HD staff, who were responsible for monitoring the performance of the AC and the Structural Sub-Consultant over technical matters, all took the line that where

consultants' projects were concerned, the focus of the HD staff concerned was mainly on time and cost. They considered that the Consultants had full responsibility for the project under the Agreement.

14. The Investigation Panel concluded that the HD staff concerned had failed to ensure satisfactory completion of the project.

15. The Investigation Panel recommended that consideration should be given to disciplinary proceedings against four officers in the case of Tin Chung Court.

YUEN CHAU KOK INCIDENT

Causes of the Problems

16. The Yuen Chau Kok Incident was a result of deliberate deception, poor management of the contract and the HD staff's failure to carry out site inspection properly throughout the construction process. Departmental work manuals and instructions provided adequate checks and balances in the system at the time for a project team to ensure the satisfactory completion of a piling contract by a Contractor. The problem in the Yuen Chau Kok case was that HD staff at various levels involved in the management of the piling contract and supervision of the piling works failed to do their job properly.

17. As the HD staff stated to the Investigation Panel, there were a number of checkpoints built into the system to ascertain pile depth. These included inspection of the founding levels, measuring temporary casings, bored holes and liners, performance of sonic tests and coring tests, etc. Unfortunately, the inspection duties of both the senior officers as set out in the step-by-step manual were delegated down to the most junior and inexperienced officer in the team. There was no conscious effort within the team to inspect the delegated job afterwards.

18. The HD staff concerned repeatedly put to the Investigation

Panel that they were overloaded with work and therefore could not afford the time to inspect the work or counter-check inspection themselves. The Investigation Panel was of the view that the Contractor's sub-standard work should have been easy to see by the officers concerned during their occasional inspection.

19. The Investigation Panel was also struck by the poor management of the Contract by the HD staff concerned. The bulk of the management work was put on an officer who did not have much experience in supervising the construction of Large Diameter Bored Piles. Further up the line, the senior management was preoccupied with the number of projects and the building programme at large. They relied on one officer to report problems. On many occasions, the HD staff failed to follow through problems at an early stage.

20. The Investigation Panel recommended that consideration should be given to disciplinary proceedings being initiated against 14 officers of the HD for their role in the Yuen Chau Kok incident.

WAY FORWARD

21. The Government takes a serious view of any act of misconduct or failure of duty by civil servants, and will not hesitate to take appropriate disciplinary or administrative actions against officers concerned. The recommendations of the Investigation Panel have been referred to the Secretariat on Civil Service Discipline. Disciplinary proceedings will be taken as soon as possible against HD staff identified in the report of the Investigation Panel where prima facie evidence has been established for misconduct or failure of duty. These proceedings will be conducted in accordance with established practices.

22. On the more general issue of ensuring quality in public housing projects, 50 initiatives were embarked upon in January this year by the Housing Authority to improve the monitoring and accountability system in building projects. Fifteen have been implemented. These measures

include :

- the deployment of resident engineers to all piling sites;
- the strengthening of control on piling works by ensuring that all contract requirements for installation of piles are met before pile caps are cast;
- the restriction of only one level of sub-contracting activities;
- the establishment of the Independent Checking Unit within the HD to parallel the regulatory checking of the Buildings Department; and
- the enhancement of staff reporting system and corruption prevention measures.

The other 35 initiatives will be launched in the coming months.

23. In addition, the Construction Industry Review Committee, appointed by the Chief Executive, is tasked to examine the current state of the construction industry, and to identify specific actions and good practices to improve the efficiency and cost-effectiveness of local construction industry. The Review Committee is expected to complete its deliberations by mid-January 2001. Their recommendations should have a positive effect in improving the quality of building projects in both the public and the private sectors.

24. Finally, the Ombudsman has also launched direct investigation into the management of HD construction projects. We understand that the Ombudsman's report will be ready in the second quarter of 2001.

Housing Bureau
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