

OUR REF.: LHC 15/5
YOUR REF.: CB(3)/PAC/R46
TEL.: 2829 5206
FAX: 2511 4158

24 May 2006

Clerk,
Public Account Committee,
(Attn. Ms Dora WAI)

Dear madam,

**The Director of Audit's Report on the
Results of value for money audits (Report No. 46)**

I refer to your letter of 18 May 2006 and would like to provide additional information in the ensuing paragraphs.

As for Case 5 cited in paragraph 6.11 of the Report, Transport Department and the Judiciary Administrator have searched the relevant records and the findings are-

- (a) the defaulter is of the same person;
- (b) a chronology of the defaulter's payment records and vehicle licensing/transfer transactions is at Annex; and
- (c) the defaulter made cheque/cash payment to settle the outstanding traffic fines on or before the date he applied for transfer of ownership of vehicle or renewal of vehicle licence. At the time the defaulter applied for vehicle/driving licence renewal/transactions, he could either show the receipt issued by the Magistrates' Court as proof of settlement of traffic fines or the computer system indicated that the outstanding fines were paid.

With reference to the members' enquiry on whether the Commissioner for Transport could void the vehicle/driving licence issued to a defaulter who settled the traffic fines by dishonoured cheque, the legal advice is that, the cheque issued by the defaulter is not honoured does not affect the validity of the driving/vehicle licence. As the Commissioner has acted lawfully in issuing/renewing the vehicle/driving licence, the licence cannot be void or invalid under the law.

Should you need further information, we shall be happy to assist.

Yours sincerely,



(Miss LUI Ying)
for Commissioner for Transport

Encl.

c.c. Judiciary Administrator
Deputy Director of Public Prosecutions
Commissioner of Police
Deputy Commissioner of Police (Operations)
Secretary for Financial Services & the Treasury (Attn : Miss Amy TSE)
Director of Audit

Internal

PVLP
CL

Case 5A chronology of the defaulter's payment and vehicle licensing/transfer transactions

	Date	Cases Involved		Payment to Magistrates' Account Office	Transaction in TD	Existing Payment Status
		Case No.	Fine Amount \$			
1.	June 2001	STP 16735/00	1,080	Cheque payment of \$8,640 on 22.6.2001(which was later found dishonoured)	Transfer of ownership for vehicle 1 on 23.6.2001 (transferred in)	Paid on 1.12.05
		STP 16784/00	1,080			"
		STP 3211/01	1,080			"
		SPP 2071/01	1,080			"
		SPP 2302/01	1,080			"
		SPP 3280/01	1,080			"
		SPP 7101/01	1,080			"
		SPP 7655/01	1,080			"
2.	October 2001	STP 16735/00	1,080	Cheque payment of \$10,800 on 27.10.2001(which was later found dishonoured)	Transfer of ownership for vehicle 1 on 27.10.2001 (transferred out)	Paid on 1.12.05
		STP 16784/00	1,080			"
		STP 3211/01	1,080			"
		SPP 2071/01	1,080			"
		SPP 2302/01	1,080			"
		SPP 3280/01	1,080			"
		SPP 7101/01	1,080			"
		SPP 7655/01	1,080			"
		KCP 2289/01	1,080			"
		STP 7634/01	1,080			"
3.	February 2002	STP 16735/00	1,080	Cheque payment of \$14,040 on 11.2.2002 (which was later found dishonoured)	Licence renewal for vehicle 2 on 15.2.2002	Paid on 1.12.05
		STP 16784/00	1,080			"
		STP 3211/01	1,080			"
		SPP 2071/01	1,080			"
		SPP 2302/01	1,080			"
		SPP 3280/01	1,080			"
		SPP 7101/01	1,080			"

	Date	Cases Involved		Payment to Magistrates' Account Office	Transaction in TD	Existing Payment Status
		Case No.	Fine Amount \$			
		SPP 7655/01	1,080			"
		KCP 2289/01	1,080			"
		STP 7634/01	1,080			"
		STP 14561/01	1,080			"
		STP 15042/01	1,080			"
		STM 13326/01	1,080			"
4.	September 2002	STP 16735/00	1,080	Cheque payment of \$14,040 on 5.9.2002 (which was later found dishonoured)	Transfer of ownership for vehicle 3 on 6.9.2002 (transferred in)	Paid on 1.12.05
		STP 16784/00	1,080			"
		STP 3211/01	1,080			"
		SPP 2071/01	1,080			"
		SPP 2302/01	1,080			"
		SPP 3280/01	1,080			"
		SPP 7101/01	1,080			"
		SPP 7655/01	1,080			"
		KCP 2289/01	1,080			"
		STP 7634/01	1,080			"
		STP 14561/01	1,080			"
		STP 15042/01	1,080			"
		STP 4669/02	1,080			Paid on 12.5.05
5.	May 2003	STP 16735/00	1,080			Cheque payment of \$17,280 on 26.5.2003 at Tsuen Wan Magistracy (receipt No. 006975) (The cheque was later found dishonoured)
		STP 16784/00	1,080	"		
		STP 3211/01	1,080	"		
		SPP 2071/01	1,080	"		
		SPP 2302/01	1,080	"		
		SPP 3280/01	1,080	"		
		SPP 7101/01	1,080	"		
		SPP 7655/01	1,080	"		
		KCP 2289/01	1,080	"		
		STP 7634/01	1,080	"		
		KCP 8710/02	1,080	"		

	Date	Cases Involved		Payment to Magistrates' Account Office	Transaction in TD	Existing Payment Status
		Case No.	Fine Amount \$			
		STP 14561/01	1,080			"
		STP 15042/01	1,080			"
		STP 4669/02	1,080			Paid on 12.5.05
		STP 10132/02	1,080			Paid on 12.5.05
		STM 13326/01	1,080			Paid on 1.12.05
6.	November 2003	STP 16735/00	1,080	Cheque payment of \$17,280 on 26.11.2003 (which was later found dishonoured)	Licence renewal for vehicle 3 on 27.11.2003	Paid 1.12.05
		STP 16784/00	1,080			"
		STP 3211/01	1,080			"
		SPP 2071/01	1,080			"
		SPP 2302/01	1,080			"
		SPP 3280/01	1,080			"
		SPP 7101/01	1,080			"
		SPP 7655/01	1,080			"
		KCP 2289/01	1,080			"
		STP 7634/01	1,080			"
		KCP 8710/02	1,080			"
		STP 14561/01	1,080			"
		STP 15042/02	1,080			"
		STP 4669/02	1,080			(Payment of \$2,160 on 12.5.05 by cash at Shatin Magistracy)
		STP 10132/02	1,080		Paid on 12.5.05	
STM 13326/01	1,080		Paid on 1.12.05			
7.	January 2005	STP 16735/00	1,080	Cheque payment of \$15,120 on 13.1.2005 at Tsuen Wan Magistracy (receipt no. 43576011)	(a) Transfer of ownership for vehicle 3 on 13.1.2005 (transferred out) (b) Transfer of ownership for vehicle 6 and 7 on	Paid on 1.12.05
		STP 16784/00	1,080			"
		STP 3211/01	1,080			"
		SPP 2071/01	1,080			"
		SPP 2302/01	1,080			"
		SPP 3280/01	1,080			"
		SPP 7101/01	1,080			"
		SPP 7655/01	1,080			"
KCP 2289/01	1,080		"			

	Date	Cases Involved		Payment to Magistrates' Account Office	Transaction in TD	Existing Payment Status
		Case No.	Fine Amount \$			
		STP 7634/01	1,080			"
		KCP 8710/02	1,080			"
		STP 14561/01	1,080			"
		STP 15042/01	1,080			"
		STP 4669/02	1,080			Paid on 12.5.05
8.	May 2005	STP 16735/00	1,080	Cheque payment of \$17,280 on 12.5.2005 at Tsuen Wan Magistracy (receipt no. 41582099) (The cheque was later found dishonoured)	Transfer of ownership for vehicle 6 on 12.5.2005 (transferred out)	Paid on 1.12.05
		STP 16784/00	1,080			"
		STP 3211/01	1,080			"
		SPP 2071/01	1,080			"
		SPP 2302/01	1,080			"
		SPP 3280/01	1,080			"
		SPP 7101/01	1,080			"
		SPP 7655/01	1,080			"
		KCP 2289/01	1,080			"
		STP 7634/01	1,080			"
		KCP 8710/02	1,080			"
		STP 14561/01	1,080			"
		STP 15042/01	1,080			"
		STP 2343/05	1,080			"
		STP 2422/05	1,080			"
		STM 13326/01	1,080			"

Note :

- The defaulter settled all outstanding traffic fines on 1.12.05.
- No outstanding traffic fines are recorded under the defaulter's name.
- Two vehicles are currently registered under the defaulter's name.