

Laying of the Report Report No. 58 of the Director of Audit on the results of value for money audits was laid in the Legislative Council ("LegCo") on 18 April 2012. The Committee's Report (Report No. 58) was subsequently tabled on 4 July 2012, thereby meeting the requirement of Rule 72 of the Rules of Procedure of the LegCo that the Report be tabled within three months of the Director of Audit's Report being laid.

2. **The Government Minute** The Government Minute in response to the Committee's Report No. 58 was laid in the LegCo on 24 October 2012. A progress report on matters outstanding in the Government Minute was issued on 15 October 2013. The latest position and the Committee's further comments on these matters are set out in paragraphs 3 to 8 below.

Unlawful occupation of government land
(Chapter 2 of Part 4 of P.A.C. Report No. 58)

3. The Committee was informed that:

Publicity on prevention of unlawful occupation of government land

- the Lands Department ("Lands D") had prepared and uploaded on its website a publicity pamphlet on enforcement and prosecution actions against unlawful occupation of government land to remind the public not to occupy government land illegally;

Follow-up actions with Geotechnical Engineering Office on an individual case

- on the case involving an unauthorized platform built on government slope, a revised geotechnical assessment report was submitted in November 2012 by the consultant commissioned by the party concerned and was subsequently accepted by the Geotechnical Engineering Office of the Civil Engineering and Development Department. According to the report, the stability of the subject slope and the platform met the current engineering standards. The slope and the platform were considered to be in a stable condition, and taking strengthening measures was not necessary. A short-term tenancy for gardening use was issued to the applicant by the relevant District Lands Office in April 2013;

Revamping Land Control Information System ("LCIS") and the feasibility of using mobile devices to facilitate inspections

- in February 2012, the Lands D deployed resources to re-launch the LCIS revamping project. The feasibility study of using mobile devices to facilitate the Land Control Teams' inspections was incorporated into the works assignment brief of the tendering exercise conducted in June 2012 for the aforesaid project. Since all tender quotations received exceeded the estimated budget of the project, the Project Steering Committee of the Lands D resolved that the tendering exercise should be cancelled. In the second tendering exercise of the project, the feasibility study of using mobile devices was deleted from the works assignment brief to reduce the service cost as the original funding for the project did not cover the cost of such option. The project for revamping the LCIS commenced in April 2013 and was targeted for completion by the end of 2014. The Lands D would carry out the feasibility study of using mobile devices in a separate exercise subsequent to the implementation of the LCIS revamping project; and

Publishing the number of new and outstanding land control cases

- the Lands D had uploaded the number of new land control cases in a year and the number of outstanding land control cases at year end on its website. The information would thereafter be updated annually.

4. The Committee was informed that Lands D had completed the follow-up actions to address three of the seven audit recommendations. The four audit recommendations not yet fully implemented included:

- (a) reviewing the levels of penalty against unlawful occupation of government land;
- (b) introducing legislative provisions to the effect that a fine would be imposed for each day during which a pertinent offence (see (a) above) had continued, with reference to similar provisions under the Building Ordinance (Cap. 123);
- (c) making use of mobile devices to facilitate the Land Control Teams' inspections; and
- (d) revamping of the LCIS.

5. The Committee wishes to be kept informed of further development on the subject.

Youth Square

(Chapter 3 of Part 4 of P.A.C. Report No. 58)

6. The Committee was informed that:

Need for review and improvement in future contract and mechanism

- the Home Affairs Bureau ("HAB") was conducting a review, with the engagement of a consultant, on the Youth Square. The scope of the review covered the existing management and operation mode, the positioning, as well as the way forward of the Youth Square. In conducting the review, the consultant had taken into account the views and recommendations of the Committee and Audit, and had conducted in-depth interviews with stakeholders as well as focus group discussions. The review had been completed by the end of 2013;

Measures to improve operation and performance

- in consultation with the Youth Square Management Advisory Committee ("MAC") and the Financial Services and the Treasury Bureau, the HAB had launched two further discount offers for the hostel of the Youth Square since October 2012 which aimed at improving the hostel usage by youth organizations and youths (i.e. target users). The Management Contractor of the Youth Square had organized various attractive promotional events targeted at the youth, such as the Dancing Fest 2013, Book Crossing Festival 2013 and Volunteer Ambassador Programme. Promotional efforts had been stepped up to keep stakeholders updated of the events and information of the Youth Square through e-marketing and enhancing the Youth Square website and Facebook platform;
- improvements had been made in the usage of facilities and youth patronage at the Youth Square, in which the percentage of youth programmes had increased from 55% in 2011-2012 to 58% in 2012-2013, and the percentage of target hostel users had increased from 31% in 2011-2012 to 41% in 2012-2013;

- the consultant would review the overall rental strategy of the hostel and also evaluate the effectiveness of the above concession measures in its overall review. Subject to the outcome of the review on the Youth Square, the HAB would continue to explore means to improve the operation and performance of the Youth Square;

Planning and implementation

- the HAB had leased an area of 1 346 m² of the Youth Square (mainly rooms with low usage rate) to Hong Kong Art School. From a strategic point of view, the Administration had expected that synergy would be created through the lease as the School's activities fit in the focal theme of arts and culture to be established in the Youth Square; and
- on the composition of the membership of the MAC of the Youth Square, the HAB would continue to engage more representation from youth or youth organizations in the appointments.

7. The Committee was informed that as at end-September 2013, actions had been completed by the Administration to address seven of the 22 audit recommendations.

8. The Committee wishes to be kept informed of further development on the subject.