

THE GOVERNMENT MINUTE

in response to the

**REPORT OF
THE PUBLIC ACCOUNTS COMMITTEE
No. 71**

of February 2019

15 May 2019

**THE GOVERNMENT MINUTE IN RESPONSE TO THE
PUBLIC ACCOUNTS COMMITTEE REPORT NO. 71
DATED FEBRUARY 2019**

**REPORT ON THE RESULTS OF VALUE FOR
MONEY AUDITS
(Report No. 68)**

MATTERS OUTSTANDING

Monitoring of charitable fund-raising activities
(Chapter 2 of Part 4 of PAC Report No. 68)

Government departments concerned have been following up on the recommendations made by the Audit Commission (Audit) and the Public Accounts Committee (PAC) on the monitoring of charitable fund-raising activities. The progress made is reported below.

2. Home Affairs Bureau (HAB) has been assigned to co-ordinate inputs from relevant Bureaux/Departments (B/Ds) in formulating a response to the Law Reform Commission (LRC)'s recommendations for the Government's overall consideration. HAB is actively following up the matter and will make reference to the improvement measures recommended in the Audit Report as well as in the PAC Report.

3. The Government notes public concerns over the accountability of charities, in particular in relation to charitable fund-raising activities. HAB has co-ordinated with the relevant departments, and the Government introduced a series of administrative measures with effect from 1 August 2018 after making reference to the recommendations in the LRC Report, the Audit Report and the PAC Report, with a view to enhancing the transparency of charitable fund-raising activities, safeguarding the interests of donors and facilitating the conduct of fund-raising activities.

4. Since 1 April 2019, the Government has introduced a logo for charitable fund-raising activities for display by holders of licences and permits relating to charitable fund-raising during charitable fund-raising activities for identification by members of the public.

5. A summary of the latest progress on follow-up actions of the specific recommendations of Audit and PAC is at Enclosure 1.

Management of squatter and licensed structures

(Chapter 3 of Part 4 of PAC Report No. 68)

- Encl. 2 6. The Government has been taking follow-up actions as appropriate to address Audit's recommendations. A summary of the updated progress of the outstanding items is set out in the Enclosure 2.

Kai Tak Cruise Terminal

(Chapter 5 of Part 4 of PAC Report No. 68)

7. The Government agrees with the recommendations made by the Director of Audit regarding Kai Tak Cruise Terminal and the overall cruise tourism development in Hong Kong. The Tourism Commission (TC), together with relevant departments, has implemented in full all the recommendations except the recommendation for the TC to monitor the expected economic benefits brought by the cruise industry, the progress of which is reported in paragraph 8 below.

8. In response to Audit's recommendation, TC is processing data collected in 2018 with regard to the number of ship calls, cruise passenger throughput and cruise passenger spending for a mid-term assessment of the economic benefits brought by the cruise industry and to closely monitor industry performance. We will make available the findings of the mid-term assessment to the public and the Legislative Council (LegCo) when ready.

- Encl. 3 9. A summary of the latest progress made by the Government in implementing the recommendation in paragraph 8 above is at Enclosure 3.

Management of projects financed by the Lotteries Fund

(Chapter 6 of Part 4 of PAC Report No. 68)

10. The Social Welfare Department (SWD) has taken appropriate actions to follow up on the recommendations made by the Audit regarding the management of projects financed by the Lotteries Fund.

11. Regarding the assignment of the social centre for the elderly to the Government in Case 7, SWD has since October 2005 been urging the grantee and the developer, through the Government Property Agency (GPA) and the Lands Department (LandsD), to complete the assignment as soon as possible. After rounds of exchange on its multiple submissions with GPA, the solicitor of the developer (the solicitor) submitted the revised title documents relating to the Government Accommodation, the draft legal opinion and the further revised draft assignment to GPA on 17 January 2019. After vetting, GPA informed the solicitor on 23 January 2019 that there was no further comment on the revised draft assignment but requested the solicitor to submit the revised assignment plan duly certified by an Authorized Person. The solicitor submitted the revised assignment plan on 27 March 2019, and GPA informed the solicitor on 9 April 2019 that they had no further comment on it. The assignment procedure will be completed pending the solicitor's confirmation of the conditions of assignment and payment arrangement.

12. SWD will continue to work with GPA and LandsD with a view to completing the assignment procedure as soon as possible. When the assignment document is finalised between GPA and the developer, the assignment procedure will be completed, and SWD will arrange finalisation of the project accounts after reimbursement of the project cost to the developer.

**REPORT ON THE RESULTS OF VALUE FOR
MONEY AUDITS
(Report No. 68A)**

MATTERS OUTSTANDING

Government's support and monitoring of charities
(Chapter 1 of Part 4 of PAC Report No. 68A)

13. Government departments concerned have been following up on the recommendations made by the Audit and the PAC on the Government's support and monitoring of charities. The progress made is reported below.

Administration of tax exemption of charities and tax-deductible donations

14. The Inland Revenue Department (IRD) has proactively followed up and implemented the recommendations of Audit and PAC on the administration of tax exemption of charities and tax-deductible donations. Regarding the recommendation that IRD should review the taxability of the income derived by the relevant charities from the commercial operations of the 13 sites for revenue protection, the latest progress is set out at Enclosure 4. As all the follow-up actions on the recommendations have been completed or will continue to be implemented on an on-going basis, we recommend that this part should be deleted from the next progress report.

Encl. 4

Administration of land granted to charities for operating welfare/social services

Monitoring of application and proper use of income generated from hostel/serviced residence on site granted by private treaty grant

15. For the cases named in the Audit Report in which the leases specifically permitted the running of hostel/dormitories, the LandsD has continued to liaise with the relevant supporting B/Ds to confirm if the current use or operation of the hostels/dormitories is to their satisfaction. As at February 2019, the relevant B/Ds have confirmed that they are satisfied with the current use or operation of hostels/dormitories under Leases F, G, H, I, J, M and N. For details, please refer to the progress report at Enclosure 4.

Stock-taking exercise for private treaty grants granted at nil/nominal/concessionary premium

16. As at May 2019, LandsD had completed the stock-taking of private treaty grants (PTGs) granted at nil/nominal/concessionary premium during the period from 1 January 2012 to 31 December 2017. LandsD will continue to undertake the stock-taking exercise in phases and share the findings with relevant B/Ds, subject to the priority of other tasks in hand, with a view to reminding the relevant B/Ds of their monitoring roles and responsibilities under the relevant protocol in respect of the PTGs overseen by them.

Regulation of Chinese temples

17. In respect of the issue of renewing the expired delegation agreements of two delegated temples, the Chinese Temples Committee (CTC) re-entered into an agreement with one of the delegated organisations in December 2017. The CTC Secretariat has also been actively discussing with the other delegated organisation with a view to re-entering into an agreement as soon as possible.

18. The CTC has actively enhanced the transparency of the operation of its temples. Specific measures include uploading the financial information of the directly administered and delegated temples onto the CTC's website for public inspection, and advising registered temples to adopt the "Good Practice Guide on Charitable Fund-raising" (the Guide) issued by the Government.

19. The CTC Secretariat has also stepped up its monitoring work to ensure that the delegated organisations make timely submission of reports as required under the delegation agreement.

Way Forward

20. The LRC made recommendations on the regulation of charitable organisations and charitable fund-raising activities in its Report in December 2013. The recommendations touch upon the duties and responsibilities of a number of Government B/Ds. The HAB has been assigned to co-ordinate inputs from relevant B/Ds for formulating a response to LRC's recommendations for the Government's overall consideration. It is actively following up the co-ordination in formulating a response for the Government's consideration. In this process, HAB will make reference to the improvement measures recommended in the Audit Report as well as in the PAC Report Nos. 68 and 68A (PAC Reports).

21. Meanwhile, the Government notes the public concerns over the accountability of charities, in particular in relation to charitable fund-raising activities. HAB has co-ordinated with relevant departments, and the Government introduced a series of administrative measures with effect from 1 August 2018 after making reference to the recommendations in the LRC Report, the Audit Report and the PAC Reports. The measures aim to enhance the transparency of charitable fund-raising activities, safeguard the interests of donors and facilitate the conduct of fund-raising activities. They include –

- (a) upload all audited accounts submitted by organisations, which file applications on or after 1 August 2018 and obtain approval to organise charitable fund-raising activities from SWD or charitable lottery events from the Home Affairs Department (HAD), to the fund-raising activities page of GovHK for reference by the public;
- (b) set up a dedicated hotline (telephone no.: 3142 2678) for handling enquiries or complaints in relation to charitable fund-raising activities held by organisations in public places;
- (c) SWD, HAD and the Food and Environmental Hygiene Department (FEHD) have jointly issued the Guide to replace the “Reference Guide on Best Practices for Charitable Fund-raising Activities” previously promulgated by SWD, and will step up promotion to encourage the adoption of the Guide by charitable organisations. The Guide has also been uploaded to the fund-raising activities page of GovHK for public information and evaluation of the performance of charitable organisations in organising fund-raising activities. The Guide also facilitates public understanding of donors’ rights;
- (d) provide a one-stop service for charitable fund-raising activities organised on government land so that charitable organisations are no longer required to separately apply to LandsD for temporary occupation of government land, when applying for permit or licence for different kinds of fund-raising activities. The permit or licence approval authority will consult LandsD and notify the charitable organisations direct of the application results; and
- (e) provide a one-stop service for processing application for waiver of Temporary Hawker Licence in connection to Public Subscription Permit (PSP) involving charity sale fund-raising activities. SWD will forward the relevant information with regard to charity sale submitted via the PSP application form to FEHD for processing the waiver application so that the organisation needs not submit separate applications to FEHD. FEHD will notify the organisation direct of the application results.

In addition, on 1 April 2019 the Government also introduced a logo for charitable fund-raising activities for display by holders of licences and permits relating to charitable fund-raising during charitable fund-raising activities for easy identification by members of the public.

22. A summary of the latest progress on the follow-up actions of specific recommendations of Audit and PAC is at Enclosure 4.

Provision of district council funds for community involvement projects
(Chapter 2 of Part 4 of PAC Report No. 68A)

23. HAD has taken actions to follow up on the recommendations of the Audit and the PAC on management of conflicts of interest in Community Involvement projects by issuing guidelines on “other declarable interests” (the Guidelines) and good practice in handling declaration of interests and making rulings at meetings by Chairpersons (the Good Practice) to District Council (DC) Secretariats. As at 15 April 2019, 14 DCs have adopted the Guidelines and 16 DCs have adopted the Good Practice. The remaining DCs are in the process of adopting the Guidelines and the Good Practice. As the recommendations have been implemented, we recommend that this part should be deleted from the next progress report.

**REPORT ON THE RESULTS OF VALUE FOR
MONEY AUDITS
(Report No. 69)**

MATTERS OUTSTANDING

Efforts of the Rating and Valuation Department in safeguarding revenue on rates and government rent

(Paragraphs 3 to 5 of Part 3 of PAC Report No. 69)

Encl. 5 24. The Rating and Valuation Department has taken appropriate actions to follow up on the recommendations of the PAC. Regarding the remaining items mentioned in PAC Report No. 71, a summary of the progress is set out at Enclosure 5.

25. As all the recommendations have been completed or will be implemented on an on-going basis, we propose deleting this part from the next progress report.

Fresh food wholesale markets

(Paragraphs 6 and 7 of Part 3 of PAC Report No. 69)

Encl. 6 26. The Food and Health Bureau and the Agriculture, Fisheries and Conservation Department have been actively following up the recommendations in the Audit Report and are liaising with relevant departments and stakeholders to implement the improvement measures as recommended by the Director of Audit. A summary of the progress made is reported in the Enclosure 6.

Hong Kong Academy for Performing Arts

(Paragraphs 10 and 11 of Part 3 of PAC Report No. 69)

Encl. 7 27. The Government and the Hong Kong Academy for Performing Arts (HKAPA) generally accept the recommendations made by the Audit and the PAC of the LegCo. HAB and HKAPA have continued to take appropriate actions to take forward Audit's recommendations. Details of the progress made are set out at Enclosure 7.

Management of water supply and demand

(Paragraphs 11 and 12 of Part 4 of PAC Report No. 69)

Encl. 8 28. The Water Supplies Department (WSD) has been taking follow-up actions as appropriate to address Audit's recommendations. A summary of progress of the outstanding items is set out in Enclosure 8.

Planning, construction and redevelopment of public rental housing flats

(Paragraphs 13 to 15 of Part 4 of PAC Report No. 69)

Encl. 9 29. The Housing Department has taken appropriate actions to follow up on the subjects reported to PAC. A summary of the progress of implementing the recommendations is set out at Enclosure 9. As all the recommended measures have been completed or will be implemented on an on-going basis, we recommend that this part should be deleted from the next progress report.

Recoverability of the outstanding advances to the United Nations High Commissioner for Refugees

(Paragraphs 16 to 18 of Part 4 of PAC Report No. 69)

30. The Government has continued to urge the United Nations High Commissioner for Refugees (UNHCR) to make renewed efforts to appeal to the international community for donations with a view to settling the outstanding advances, which remain at \$1,162 million. The Security Bureau (SB) reiterated again by letters to the Hong Kong Sub-office of the UNHCR in August 2018 and March 2019 and at a meeting with the Representative of UNHCR in China in December 2018 the Government's stance and registered the Hong Kong community's expectation of an early recovery of the outstanding advances.

31. The Government noted the PAC's concern about the progress of recovery of the outstanding advances, and its recommendation for the LegCo Panel on Security to further follow up the matter. SB has brought the concern on early recovery of the outstanding advances to UNHCR's attention in its letter issued in March 2019.

32. Although the Government is not optimistic that repayment can be made by UNHCR in the near future, we will continue to pursue an early repayment of the outstanding advances from UNHCR.

Footbridge connections between five commercial buildings in the Central District

(Paragraphs 19 to 22 of Part 4 of PAC Report No. 69)

33. Based on the location and connection points of the proposed Footbridge A as agreed by the owner of Building I, the owner of Building II submitted the revised proposal of the Footbridge to the LandsD in September 2018 in order to explore its feasibility. Among others, relevant departments have concern that the revised design will affect the width of Theatre Lane which is currently serving as an emergency vehicular access. The departments' comments have been conveyed to the owner of Building II for follow-up and necessary revisions to its proposal.

Small house grants in the New Territories

(Paragraphs 23 to 27 of Part 4 of PAC Report No. 69)

34. The Court of First Instance handed down a judgment on 8 April 2019 on a judicial review of the small house policy, and ruled that the Free Building Licence arrangement under the policy, being a lawful traditional right and interest of the indigenous inhabitants of the "New Territories" within the meaning of Article 40 of the Basic Law, is lawful and constitutional, while the PTG and Land Exchange arrangements under the policy are not. The Government will consider whether to lodge an appeal after studying the judgment in detail and seeking legal advice. The judicial review and subsequent appeals, if any, would have implications on the small house policy.

35. The review of the policy itself involves complicated issues in aspects such as legal, environment, housing, land use planning and demand for land. At the moment, the Development Bureau (DEVB) has to accord priorities to the more pressing policy issue of increasing land supply in the short to medium term. The review of the small house policy is not a priority task for the time being.

Direct land grants to private sports clubs at nil or nominal premium

(Paragraphs 28 to 31 of Part 4 of PAC Report No. 69)

Review of the Private Recreational Lease (PRL) Policy

36. An inter-departmental working group (the working group) was convened by HAB in 2014 to conduct the review. The working group has considered from the angle of sport development, land use, expectation of the public, PRL lessees and their members as well as other stakeholders in working out the way forward. The working group completed the policy review and made the following recommendations –

- (a) handling the leases held by “community organisations” and “private sports clubs” differently and granting new special purpose leases (instead of PRLs) to sports and recreational sites held by “community organisations”;
- (b) continuing to handle the sites held by private sports clubs under PRL policy but the lease conditions should be significantly modified to better meet the dual needs of supporting sports development and optimising land use;
- (c) taking into account the contribution of private sports clubs in promoting sports development in Hong Kong when considering the renewal of their leases upon expiry;
- (d) requiring private sports clubs suitable for lease renewal to pay a concessionary premium to be set at one-third of the Full Market Value land premium;
- (e) requiring private sports clubs to further open up their facilities to eligible outside bodies up to 30% of their total sports capacity and partner with sports organisations to organize sports programmes that can be open for enrolment by individual members of the public with a minimum sports programme hours of 240 per month;
- (f) drawing up the list of allowable sports supporting facilities and ancillary facilities for PRLs;
- (g) enhancing the monitoring of PRLs and the corporate governance of the lessees; and
- (h) defining the principles in approving applications for new sites for sports and recreational use.

37. HAB launched a six-month consultation on 20 March 2018 to solicit views from the public and stakeholders on the recommendations of the review. A total of 4 250 submissions were received. The public consultation report is available for viewing at HAB’s website (https://www.hab.gov.hk/en/publications_and_press_releases/consultation_prls.htm).

38. HAB briefed the Executive Council and the LegCo Panel on Home Affairs on the outcome of the public consultation on 19 and 25 February 2019 respectively. Before expiry of the current leases, HAB will consider whether they should be renewed and whether to impose additional conditions in the new leases to implement the recommendations in paragraph 36 above.

Implementation of the “opening-up” requirement

39. HAB placed another round of advertisements in the print media in February 2019 to encourage eligible bodies to make use of sport facilities operated by PRL lessees. It will continue to identify appropriate platforms to promote the opening-up schemes.

Monitoring of compliance with lease conditions

40. HAB has been monitoring the utilisation rates of sports facilities on PRL sites, in particular with regard to the implementation of the opening-up schemes. It will continue to conduct annual inspections of PRL sites held by 24 private sports clubs to ensure their compliance with the approved opening-up schemes.

41. LandsD, in consultation with HAB and other relevant B/Ds, has completed all the required follow-up actions on cases of irregularities and suspected non-compliance with lease conditions identified in the Audit Report. LandsD has also conducted site inspections of PRLs where lease renewal is not yet due and will follow up in consultation with HAB as appropriate.

Progress made in implementing Audit’s and PAC’s recommendations

Encl. 10 42. A summary of progress in implementing Audit’s and the PAC’s specific recommendations is at Enclosure 10.

43. The Government has concluded the PRL policy review and implemented all recommendations made by Audit and PAC. We thus recommend deleting the item from the next progress report.

Management of roadside skips

(Paragraphs 32 to 35 of Part 4 of PAC Report No. 69)

44. With the co-ordinated actions of the Joint Working Group on Management of Roadside Skips¹ (JWG), the Government has continued its efforts to enhance the management and control of roadside skips through providing two short-term tenancy (STT) sites in Tseung Kwan O and Tuen Mun for the skip trade to store idling skips. It has also engaged a dedicated term service contractor to

¹ The JWG is led by the Environment Bureau and the Environmental Protection Department and comprises the Development Bureau, the Transport and Housing Bureau, the Food and Environmental Hygiene Department, the Highways Department, the Hong Kong Police Force, the Lands Department, the Transport Department, and the Home Affairs Department (on a need basis).

assist enforcement departments in speeding up the removal of skips found to be posing serious obstruction to traffic and/or imminent danger to the public. As at the end of 2018, the JWG conducted a total of 45 joint enforcement operations to tackle the malpractice of indiscriminate placement of idling skips at a number of black spots, including Tseung Kwan O, Sai Kung, Kowloon Bay, Kai Tak and Chai Wan areas, thereby prompting skip operators to store their idling skips at the STT sites.

45. In addition to providing the trade with suitable skip storage sites, stepping-up joint enforcement operations have also enhanced the deterrent effect and hence effectively reduced the number of idling skips placed on the roadside or in public places. The extent of indiscriminate placement of idling skips at these black spots has now been noticeably improved. The JWG will continue to closely monitor these black spots through regular patrols and having regard to the situations at other black spots, duly organise joint enforcement operations as necessary to enhance the deterrence against the malpractice of indiscriminate placement of skips at roadside.

46. As regards the further work in managing and facilitating skip operations, the JWG has engaged a consultant since June 2018 to work with skip operators and other stakeholders (such as construction trade associations, property management companies and insurance trade association, etc.) to explore the setting up of a trade-led voluntary skips registration system and draw up the proposals concerned. The study is still ongoing and the JWG aims to support the skip operator trade to kick off the voluntary skips registration system in the second half of 2019. The voluntary registration system for skips will be instrumental in addressing the trade's concern and facilitating their compliance with government requirements and guidelines, thereby enhancing the standards of skip operations.

47. A summary of the progress of implementing the Audit's recommendations is at Enclosure 11. As the Audit's recommendations have been implemented and will be carried out on an on-going basis, we recommend that this part be deleted from the next progress report.

Encl. 11

Provision of long-term care services for the elderly
(Paragraphs 36 to 38 of Part 4 of PAC Report No. 69)

48. The Government has been taking actions to actively follow up on the recommendations of the Audit on strengthening the provision of long-term care services for the elderly. We would like to highlight the latest developments in the ensuing paragraphs.

Increasing service places for the elderly and strengthening premises planning

49. The Government continues to increase service places for the elderly through a multi-pronged approach. The Government is implementing 34 development projects for the provision of new contract residential care homes for the elderly (RCHEs), contract RCHEs cum day care units for the elderly and day care centres for the elderly. It is estimated that about 3 600 residential care places (including subsidised and non-subsidised places) and 1 250 day care places for the elderly will be progressively provided from 2019-20 onwards.

50. The Government will continue to implement the Special Scheme on Privately Owned Sites for Welfare Uses (Special Scheme) to encourage non-governmental organisations to make better use of the sites owned by them through expansion, redevelopment or new development to provide additional welfare services, including elderly facilities which are in keen demand. If all the projects for elderly services under the Special Scheme could be implemented smoothly, a total of about 9 000 additional service places for the elderly would be provided, including about 7 000 residential care places and about 2 000 day care places for the elderly. In response to the aspiration of the welfare sector, the Government launched a new phase of the Special Scheme in April 2019, so as to further increase the provision of much-needed subvented and self-financing welfare services, including elderly services. In parallel, we will continue to press ahead with the progress of project proposals submitted under the first phase of the Special Scheme.

51. In the light of the recommendations of the Elderly Services Programme Plan (ESPP) formulated by the Elderly Commission, the Government stipulated in December 2018 the population-based planning ratios in the Hong Kong Planning Standards and Guidelines in respect of subsidised residential care services and community care services, district elderly community centres and neighbourhood elderly centres. This facilitates early reservation of suitable sites for provision of elderly services and facilities by relevant Government departments in planning new residential development projects.

Progress of other initiatives to enhance elderly services

52. The \$1 billion Innovation and Technology Fund for Application in Elderly and Rehabilitation Care (the Fund) was launched in December 2018 to subsidise eligible elderly and rehabilitation service units in the procurement, rental and trial use of technology products. The number of subsidised RCHEs/service units providing community care and support services for the elderly eligible for application for the Fund reaches over 800. The first round of applications closed on 28 February 2019, with a total of over 200 service units applied. The service units can make use of technology products to improve the quality of life of the elderly and other service users as well as reducing the burden and pressure on care staff and carers.

53. To enhance support for the social and rehabilitation needs of service users of RCHEs, the Government has launched a four-year Pilot Scheme on Multi-disciplinary Outreaching Support Teams for the Elderly sequentially since February 2019 for setting up district-based multi-disciplinary teams including social workers, physiotherapists, occupational therapists and speech therapists to provide outreach services for the service users of private RCHEs. Apart from service users of private RCHEs, the outreach speech therapy service under the Pilot Scheme would also be provided to the elderly of contract RCHEs as well as self-financing RCHEs/nursing homes to address their swallowing difficulties or speech impairment.

54. Furthermore, the Government has launched a five-year scheme by phases since March 2019 to provide full subsidies for home managers, health workers and care workers of all RCHEs and residential care homes for persons with disabilities in the territory to enroll in Qualifications Framework-based training courses, with a view to enhancing their management skills in regard to the homes concerned and ability to take care of the elderly. The Government will also launch a five-year scheme in the second quarter of 2019 to provide full subsidies for all private RCHEs to join accreditation schemes, thereby enhancing their service quality.

The 2018 Policy Address

55. An array of initiatives to strengthen elderly services were promulgated in the 2018 Policy Address and Policy Agenda announced by the Chief Executive in October 2018. These initiatives include –

- (a) purchasing an additional 1 000 EA1 places under the Enhanced Bought Place Scheme (EBPS) each year in the next five years (i.e. from 2019-20 to 2023-24, with a total of 5 000 places) to increase the supply of subsidised residential care places for the elderly and enhance the overall service quality of private RCHEs;
- (b) providing an additional 2 000 service quota under the Enhanced Home and Community Care Services within 2019 to enhance community care and support services for the elderly;
- (c) providing an additional 1 000 vouchers under the Second Phase of the Pilot Scheme on Community Care Service Voucher for the Elderly, bringing the total to 7 000, in 2019-20 to support ageing in place for elderly persons with moderate or severe impairment;
- (d) providing designated residential respite places in private RCHEs participating in the EBPS in 2019-20, with a view to increasing the number of residential respite places for the elderly and relieving the stress of carers; and

- (e) setting up day care units for the elderly at qualified private and self-financing RCHes through purchase of places from them within 2019 with a view to providing about 120 day care places for the elderly, thereby increasing the supply of day care services for the elderly within a short period of time.

The 2019-20 Budget

56. The 2019-20 Budget proposed allocating additional resources for implementing the initiatives announced in the 2018 Policy Address as well as other measures in regard to elderly services, involving recurrent expenditure of \$1.36 billion. The 2019-20 Budget also announced that \$20 billion would be allocated to implement an initiative for the Government to purchase suitable premises from the market for the provision of accommodation in operating welfare facilities. This initiative involves more than 130 welfare facilities, scattering around 18 districts and are to be planned for purchase in three years, including neighbourhood elderly centres, etc.

Looking ahead

57. The Government will actively implement the various initiatives and recommendations set out in the Policy Address, the Budget as well as ESPP, and continue to explore appropriate measures to enhance elderly services. The Labour and Welfare Bureau (LWB) will also continue to brief the LegCo Panel on Welfare Services on matters related to elderly services.

Administration of the air traffic control and related services

(Paragraphs 39 to 42 of Part 4 of PAC Report No. 69)

58. The Civil Aviation Department (CAD) fully commissioned the new Air Traffic Management System (ATMS) on 14 November 2016 and addressed teething issues identified. The ATMS has been operating smoothly for around two and a half years, providing round-the-clock air traffic services in a safe, reliable and smooth manner during the period.

59. In 2018, the total number of aircraft movements handled by the ATMS increased by 7.1% as compared with 2017, affirming the performance of the ATMS, frontline air traffic control officers and technical personnel. The ATMS also successfully handled the increased air traffic during the traditional busy travel periods. During the Lunar New Year peak, the ATMS handled 2 467 aircraft movements on 2 February 2019, setting a new single-day record.

60. The ATMS is also capable of overcoming challenges brought by adverse weather and clearing the traffic backlogs caused by severe weather successfully. In August 2017, when the Hong Kong International Airport recovered from the impact of Super Typhoon Hato, 2 341 aircraft movements were handled by the ATMS over a 24-hour period. In September 2018, the ATMS handled 2 130 aircraft movements in a 24-hour period following Super Typhoon Mangkhut. The ATMS performed satisfactorily and no irregularity was detected during the period.

61. The Transport and Housing Bureau (THB) and CAD will continue to closely monitor the performance of the ATMS and optimise the system and enhance system functionality in order to cope with continued growth in air traffic in the future.

62. As all the recommendations from the Audit and PAC on ATMS have been implemented, we recommend deleting this part from the next progress report.

Use and disposal of vacant school premises

(Paragraphs 46 to 48 of Part 4 of PAC Report No. 69)

Allocating vacant school premises (VSP) for educational or other uses

63. In respect of the two VSP on private land that were not earmarked for any use, one of them has already been redeployed by the school sponsoring body for other educational use. The Education Bureau (EDB) was discussing with the school sponsoring body on the surrender of the remaining VSP.

64. In the last progress report, it was reported that follow-up action would be required in respect of the remaining 48 VSP under the purview of LandsD. Taking into account clarifications on legal issues regarding the land status of another case previously classified as not requiring follow-up action (the case is now confirmed to be falling on government land instead of private land), follow-up action would be required for 49 VSP as at end-January 2019. Since the last report, LandsD has taken possession of two VSP on private land, meaning that the 49 VSP under LandsD's purview now comprise four VSP on private land that had a cessation/diminution of user clause in the land lease and 45 VSP on government land. For the four on private land, LandsD is processing proposals submitted by the lessees for other uses. For the remaining 45 VSP on government land, LandsD processed planned uses from government B/Ds or short-term tenancy/private treaty grant applications in respect of 29 VSP and 11 VSP were/would be included in the list of vacant government sites available for application for short-term use on the "GeoInfo Map" website. The remaining five VSP are not available for short-term use for the time being due to technical reasons, such as possible slope problems, and their situations are kept under review.

Handling cases of VSP not surrendered

65. As at end-January 2019, among the 41 VSP the physical possession of which have not been delivered to the Government after cessation of school operation which warrant further action, 19 were under EDB's purview. Of the 19 VSP, 18 were being used for educational purposes. EDB planned to redevelop the only remaining VSP for reprovisioning use and was taking follow-up actions accordingly. Regarding the other 22 VSP, the suitable long-term uses for five would be reviewed; two VSP were reused for school and other educational purpose (hence in compliance with lease conditions); and LandsD had repossessed seven VSP² and would continue to recover possession of three VSP and process the proposals submitted by the lessees/occupiers for other uses in respect of five VSP.

66. EDB was discussing with the school sponsoring body with regard to Case 6 in Audit Report No. 65 and has settled the carving out arrangements with the school sponsoring body concerned about the other VSP arising from reprovisioning which was on both private land and government land. The required carving-out works for the latter has commenced since end-March 2019 for completion by end-December 2019.

Access to information about VSP available for application for short term uses

67. The list of VSP (amongst other vacant government sites) under LandsD's management and available for application for short-term use was uploaded onto the "GeoInfo Map" website and would be updated on an on-going basis. Non-governmental organisations or social enterprises may submit applications for renting such sites for community, institutional or non-profit making uses on a short-term basis.

68. With regard to the PAC's letter dated 7 January 2019 for information related to VSP, DEVB has provided a separate reply to provide supplementary information on the status of 183 VSPs with long-term uses reviewed by the Planning Department. The reply is at Enclosure 12.

Encl. 12

69. Since follow-up actions have either been completed or are being taken on an on-going basis to put the VSP to gainful use wherever practicable, we recommend deleting this item from the next progress report.

² For the seven VSP repossessed, two VSP were reallocated for temporary uses; four VSP were being considered for proposals for other uses; and the remaining one VSP was included into the list of vacant government sites available for application for short-term use on the "GeoInfo Map" website.

Operation of Hongkong Post

(Paragraphs 49 to 51 of Part 4 of PAC Report No. 69)

70. Hongkong Post (HKP) continues to take proactive follow-up actions to implement the recommendations made by the Director of Audit and the PAC on HKP's operation.

Encl. 13

71. A summary of the progress of implementing Audit's and the PAC's recommendations is set out at Enclosure 13. As all the recommendations of the Audit Report have been implemented or will continue to be implemented on an ongoing basis, we recommend that this part should be deleted from the next progress report.

Joint-office operation on water seepage in buildings

(Paragraphs 66 to 68 of Part 4 of PAC Report No. 69)

72. Subsequent to the Government's last report on 16 May 2018 and reply to the PAC on 29 January 2019, the Joint-Office (JO) set up by the Buildings Department (BD) and FEHD continued to actively follow up on the recommendations made by the Audit. The latest progress is reported below.

73. Since the commissioning of the new information system, Water Seepage Complaints Management System, in March 2018, JO has been closely monitoring its operation and providing feedback to the system contractor from time to time. JO is now enhancing the system by expanding its functions to include generation of letters, minutes, and memo to BD and WSD, generation of management reports, data analysis in support of the formulation of performance indicators for handling simple and straightforward cases, etc. The enhancement work is expected to be largely completed in the fourth quarter of 2019.

74. In addition, since the second half of June 2018, JO has applied testing technologies such as infrared thermography and microwave tomography in three pilot districts (i.e. Kowloon City, Wanchai and Central and Western). With the experience gained and data obtained through the pilot application of the above testing methods, JO will evaluate their effectiveness and refine the technical guidelines and procedures relating to the use of the testing methods. JO will progressively extend the use of these testing methods to other pilot districts starting from the third quarter of 2019.

75. Taking into account Audit's recommendations, JO has implemented a series of improvement measures. As all the follow-up actions have been taken or will be carried out on an on-going basis, we recommend that this part be deleted from the next progress report.

Maintenance and safety-related improvements of public rental housing flats
(Paragraphs 3 to 5 of Part 5 of PAC Report No. 69)

Encl. 14

76. Departments concerned have taken measures and actions following up on the Audit and PAC's recommendations regarding the maintenance and safety-related improvements of public rental housing flat. A summary of latest progress is set out in the Enclosure 14. As the recommendations have been implemented, we recommend deleting this part from the next progress report.

Procurement and maintenance of government vessels
(Chapter 2 of Part 8 of PAC Report No. 69)

Procurement of government vessels

77. The Marine Department (MD) had sustained its effort in expediting the procurement of government vessels. With strengthened management oversight and additional manpower specialising in vessel procurement, a total of eight project management consultancy services contracts were awarded in 2018 to speed up the procurement process. These measures continued to deliver good results. In 2018, eight tender exercises involving 69 vessels for five departments were conducted. In the years ahead, all vessel procurement projects would be planned according to the mechanism of the ten-year vessel procurement plans for user departments as promulgated in the Government Fleet Division Circular No. 3/2018 in March 2018, whereby clear principles and guidelines were set out to ensure that all vessel procurement projects would be conducted in an efficient and cost-effective manner.

Maintenance of government vessels

78. MD had strived to provide cost-effective maintenance services to the user departments continuously. In 2018, the vessel availability rate was 87.8%, which was above the target of 87%. In light of the recommendations in the Audit Report and the PAC Report, MD responded positively and has taken action to expand the scope of reporting to cover the vessel availability rates of all four major types of mechanised vessels (i.e. major mechanised vessels, high speed craft (large), high speed craft (medium) and minor mechanised vessels/small speed boat) in the 2019-20 Controlling Officer's Report (COR). In addition, the rate would take into account the downtime due to repair conducted inside and outside the Government Dockyard (GD). The changes in the calculation method of vessel availability had been set out in the 2019-20 COR.

79. To promote competition in the procurement for maintenance service of government vessels, the Competition Commission had made a number of suggestions to MD in its study on the principles and measures to ensure that the procurement process was fair and competitive to potential bidders. MD had taken forward the recommended measures to promote competition in the procurement of vessel maintenance services. Moreover, the Corruption Prevention Department of the Independent Commission Against Corruption (ICAC) had completed the review on the existing procurement arrangements for maintenance services. MD had accepted the recommendations of ICAC and would proceed to implement the measures to prevent risks of corruption in future.

Management of maintenance materials

80. Subsequent to the review and disposal exercise for over 8 400 slow-moving items in 2018, MD had introduced the long-term measure to enhance its stock management of maintenance materials by reviewing slow-moving items at regular intervals, followed by disposal of obsolete/dormant items as appropriate.

81. On dangerous goods (DG), MD submitted to the PAC in October 2018 the report from the DG consultant on how to better manage DG to meet both the department's operational needs and the requirements of the Dangerous Goods Ordinance (Cap. 295) and its subsidiary legislation. MD has incorporated the consultant's recommendations into GD's safety management manual and put into practice the various measures to improve the management of DG in GD satisfactorily.

Monitoring and supervisory role of THB

82. The Secretary for Transport and Housing and the Permanent Secretary for Transport and Housing (Transport) continue to have regular meetings, generally on a monthly basis, with the Director of Marine and his senior management team. Follow-up actions are put on record, followed up in accordance with established work procedures, and reported at the next meeting. Meanwhile, Division 5 of THB, responsible for house-keeping MD, maintains ongoing daily communications with MD on different issues requiring policy inputs. These enable THB to closely monitor and keep track of MD's overall work performance, obtain the latest progress on various issues, and discuss with MD issues requiring THB's attention so as to provide policy steer and formulate appropriate policies in a timely and effective manner.

83. Furthermore, certain indicators, as set out in MD's COR published annually, can help THB monitor and keep track of MD's work over time. THB could assess and monitor the performance of MD and examine any issues identified with reference to these indicators. As and when necessary, THB will discuss with MD and review if some of the assumptions and calculations could be revised and updated to more accurately and better reflect the performance of MD.

Measures of THB to meet challenges of the maritime industry

84. To nurture more talents for the long-term development of the maritime and port industry, the \$100 million Maritime and Aviation Training Fund (MATF) has been in operation since April 2014 to attract and encourage young people and in-service practitioners to receive aviation and maritime education and training, with a view to enhancing the overall competitiveness and the professional standards of the industries. As at end-February 2019, 12 maritime-related training subsidy and incentive schemes were implemented under MATF, benefitting over 4 060 students and maritime practitioners and involving an amount over \$61 million.

85. The Manpower Development Committee (MDC) has been set up under the Hong Kong Maritime and Port Board since the latter's inception in April 2016 to facilitate the formulation of manpower development strategies. For instance, in view of the manpower shortage problem faced by the industry, the MDC, upon recommendation of THB, has endorsed enhancement measures to two existing initiatives under the MATF, viz. the Sea-going Training Incentive Scheme (SGTIS)³; and the Ship Repair Training Incentive Scheme (SRTIS)⁴.

86. Besides, THB conducted a review exercise in mid-2018 to gauge feedback of the relevant stakeholders and to assess the overall effectiveness of the MATF and the implementation of individual schemes. Overall speaking, respondents opined that the objectives of MATF in attracting new blood to the industries and enhancing the overall professionalism and competency of the sectors had been met and they supported the continued implementation of the Fund and the respective schemes.

³ On top of the existing subsidies of SGTIS, a special financial subsidy of \$3,000 per month for up to six months is provided for cadet applicants during their on-shore study period preparing for the Certificate of Competency Class 3 (CoC3) examination. When the cadet successfully acquires CoC3 qualification and returns to work on board but remains as cadet, he/she will be given \$6,000 per month for a maximum period of six months. The enhancement introduced in January 2019 will help attract more local talents to join and retain in the seafaring sector as sea-going deck or engineering cadets.

⁴ The monthly subsidy of the SRTIS has been adjusted upwards from \$1,500 to \$3,000 per person for a maximum period of 36 months since April 2018, with a view to attracting more eligible Vocational Training Council graduates to join the ship repair industry as ship repair mechanic apprentices.

87. The Chief Executive announced in the 2018 Policy Address that the Government would inject \$200 million into the MATF to sustain the operation of existing schemes and initiatives, as well as implement enhancement measures and new training incentive schemes to groom more talents for the maritime and aviation industries. THB consulted the Panel on Economic Development of LegCo on 28 January 2019 and the Panel supported the proposed funding injection.

88. As the above improvement measures are being implemented on an on-going basis, we recommend deleting this part from the next progress report.

Hospital Authority's management of public hospital projects
(Chapter 3 of Part 8 of PAC Report No. 69)

89. The Government and the Hospital Authority (HA) have continued with the follow-up actions to take forward the Audit's recommendations. The progress made is reported below.

Project management of the Redevelopment of Caritas Medical Centre (Phase 2)

90. HA has reviewed the Cost Control Guidelines for Major Capital Projects in the first quarter of 2018 to include the requirement for project consultants to submit the design efficiency for major capital projects at each works stage of the projects and to explicitly state the adopted departmental grossing factors and hospital planning efficiency ratio. HA has also incorporated additional clauses to enhance consultant's role of proposing contract strategy into all new consultancy agreements as well as requirements for these strategies to be endorsed by the Project Executive Group, Vote Controller and Project Steering Committee.

91. HA has implemented measures identified in a review completed in the third quarter of 2018 for further safety enhancements, which include, among others, measures to ensure that its contractors report all site accidents to HA and its consultants. HA has reported the accident statistics of its capital works projects at the Supporting Services Development Committee (SSDC) meeting in November 2018.

Commissioning of facilities of the North Lantau Hospital (Phase 1)

92. HA has taken all of the required follow-up actions on the commissioning of hospital facilities as recommended by Audit, of which many are pursued on an on-going basis. HA has set up a reporting and review mechanism on service commissioning of medical services in completed projects in the second quarter of 2018 as a standing practice at both cluster level and corporate level. The first annual summary report to the Medical Services Development Committee (MSDC) on the progress of commissioning of medical services against the planned capacity in completed hospital projects was made in June 2018.

93. Moreover, there are on-going measures to put the unused areas at North Lantau Hospital (NLTH) Phase 1 into gainful use. Mechanism is also available for regular monitoring and reporting of the utilisation of major medical equipment at cluster level. The updated assessment and implementation plan was reported to MSDC in October 2018. With the opening of one more ward in September 2018, those not-in-use items at NLTH Phase 1 were fully utilised and the utilisation of major equipment will be increased.

94. Since 2018, HA has mechanism for regular review and monitoring of the implementation of the procurement plan for furniture and equipment (F&E) in all meetings of the Project Equipment Procurement Group. The standardised Procurement Planning of F&E for commissioning hospital projects was reported to SSDC in September 2018.

Management of minor hospital projects

95. HA has reviewed its internal guidelines for the planning of minor works projects and implemented in July 2018 the enhanced governance for rolling plan preparation and changes against the three-year rolling plan approved by the Chief Executive, HA.

96. HA launched the new information system for processing works orders on 31 March 2018 for better monitoring the implementation progress of minor works projects and the related works orders. HA reported the information on project progress including status of account finalisation of minor works projects to SSDC in November 2018.

Progress made in implementing Audit's recommendations

97. A summary of the progress of implementing Audit's recommendations is at Enclosure 15.

Encl. 15

Regulation of non-franchised bus and school private light bus services (Chapter 4 of Part 8 of PAC Report No. 69)

98. Having regard to the views and recommendations made by the Audit and the PAC on the regulation of non-franchised bus and school private light bus services, the Government has taken follow-up actions as appropriate. The latest progress made is reported below.

Regulatory controls over unauthorised operations

99. In January 2018, the Transport Department (TD) established an inter-departmental working group to review the situation of the erection of stop signs for residents' service, having regard to the actual situation, the trend of unauthorised operation activities, as well as the repair and maintenance of the relevant stop signs, etc. At the same time, a review was conducted on the stop signs erected by individual operators on public roads. After reviewing, the working group considered it necessary to provide stop signs for some residents' service, and to update the design of stop signs. TD and relevant departments have conducted a study on the use of technology such as mobile phone application and QR code, etc. in showing stop locations, and the details involved in terms of design, operation and maintenance, etc. TD expects to select about 40 pick-up points in some districts for conducting a one-year trial scheme by the end of 2019, with a view to ascertaining the effectiveness of the new stop signs.

100. TD continues to explore with relevant departments on preventing the offending Passenger Service Licence (PSL) holders from avoiding sanctions by transfer of ownership of their vehicles, as well as the feasibility of additional enforcement tools including the use of fixed penalty tickets for tackling cases of breaching the PSL conditions which are more easily identified. We will seek advice from the Department of Justice (DoJ), with a view to exploring and formulating measures which are feasible for implementation in the long term.

Progress made in implementing Audit's recommendations

Encl. 16 101. A summary of the latest progress of implementing Audit's recommendations is set out at Enclosure 16.

Operation of the Land Registry
(Chapter 5 of Part 8 of PAC Report No. 69)

Encl. 17 102. The Government has taken proactive actions to follow up the recommendations made by the Audit regarding the operation of the Land Registry. The latest progress is set out at Enclosure 17.

Hong Kong Design Institute
(Chapter 7 of Part 8 of PAC Report No. 69)

103. The Government and the Vocational Training Council (VTC) have taken follow-up actions on the recommendations made by the Director of Audit on Hong Kong Design Institute. The progress made is reported below.

Management of Programme

104. The VTC discussed the proposal on monitoring graduation rates of full-time programmes at its relevant Management Committee in February 2019 and the proposal was endorsed for implementation in the academic year (AY) 2018/19.

Campus Development and Management

105. Regarding the recommendation that VTC should assess the cost estimates before the Jury Panel decide on the result of the design competitions where entry designs are mandated to fulfil budget requirements, all VTC staff were reminded in the Divisional Meeting held in February 2018 that the recommended procedures for design competitions should be strictly adhered to in all capital works projects. VTC would draw up relevant guidelines as appropriate when design competitions are organised in the future.

106. For measures to ensure the accuracy of the utilisation rates of teaching venues, VTC has enhanced the calculation of utilisation rates in its timetabling system with effect from AY 2018/19.

107. As regards the long escalator the service of which had been suspended, the consultant submitted interim reports in August 2017 on its findings on the breakdown cases and suggested remedial measures and alternatives to the incident. After studying different options as proposed by the consultant in its final report, VTC had decided and arranged improvement and repair works so that the long escalator could resume service as soon as possible. The repair works were underway for completion in June 2019.

108. Once the repair works for the long escalator are completed, VTC should submit application for renewal of the user permit for the escalator concerned. EMSD would conduct audit inspection to the escalator where necessary.

Way Forward

109. EDB will continue to maintain close liaison with VTC to ensure that prompt follow-up action be taken on the recommendations made in the Audit Report.

Progress made in implementing Audit's recommendations

Encl. 18 110. A summary of the progress in implementing Audit's recommendations is at Enclosure 18.

Provision of government office accommodation and utilisation of government sites

(Chapter 8 of Part 8 of PAC Report No. 69)

Encl. 19 111. GPA has taken appropriate actions to follow up on the recommendations made by the Audit on the provision of government office accommodation and utilisation of government sites. A summary of the progress made is set out at Enclosure 19.

Occupational safety and health

(Chapter 9 of Part 8 of PAC Report No. 69)

Encl. 20 112. The Labour Department has taken actions to address the recommendations made by the Audit as appropriate. A summary of the progress of implementing the recommendations is at Enclosure 20.

**REPORT ON THE RESULTS OF VALUE FOR
MONEY AUDITS
(Report No. 69A)**

MATTERS OUTSTANDING

**Administration of lump sum grants by the Social Welfare Department
(Part 4 of PAC Report No. 69A)**

113. SWD has been actively following up on the views and recommendations of the Audit and the PAC regarding the administration of lump sum grants by SWD, and continues to conduct a comprehensive review with the sector on how to optimise the Lump Sum Grant Subvention System through the Task Force for Review on Enhancement of Lump Sum Grant Subvention System. The Government plans to report to the LegCo Panel on Welfare Services in July 2019 the progress of the aforementioned review, and will inform the PAC in the fourth quarter of 2019 on the latest position on the matters outstanding in the Government Minute tabled in LegCo on 31 October 2018.

REPORT ON THE RESULTS OF VALUE FOR MONEY AUDITS (Report No. 71)

Chapter 1 – Centre for Food Safety: Management of food safety

114. The Government accepts the views and recommendations made by the Audit and the PAC on the management of food safety by the Centre for Food Safety (CFS) of FEHD.

115. CFS has set up a task group, chaired by its Controller, to take forward the recommendations. The task group has commenced comprehensive reviews on the CFS' operational manuals and guidelines, staff management and supervision arrangements, training requirements, and manpower and resource requirements. CFS has started to roll out concrete and effective short-, medium- and long-term measures to enhance its effectiveness by phases, including updating the guidelines where there are inadequacies or ambiguities, enhancing training and supervision of the frontline staff, and strengthening staff's law enforcement mindset and the keeping of data and records. The progress is as follows.

Assessment of food safety risks

116. CFS is committed to collecting and updating data on the dietary patterns of the Hong Kong people and carrying out risk assessment studies (RAS) to facilitate policy formulation, the setting of food safety standards and regulatory arrangements, and the implementation of a food surveillance programme (FSP) using a risk-based approach. In this regard, CFS conducts population-based food consumption surveys (FCS), total diet studies (TDS) and RAS on a regular basis as appropriate.

117. FCS is a challenging exercise in terms of the complexity of food consumption data to be collected, the number of respondents to be interviewed and the sheer volume of data to be analysed. Notwithstanding the close supervision of CFS, the contractor for the second FCS has been lagging behind initially in interviewing respondents, partly because the contractor has not deployed sufficient service hours to carry out the interviews and the response rate of selected households has been low. Following further and closer supervision, guidance and specific requirements of CFS, the contractor is making progress. As at end of April 2019, the contractor completed interviewing around 45% of the targeted respondents. CFS will continue to instruct the contractor to deploy more manpower resources to expedite the fieldwork survey and gear up for the data processing work, with a view to completing the second FCS by mid-2021.

118. CFS will start planning for an FCS on the younger population, taking into account the experience from the second FCS and other competing priorities. The CFS will keep in view the need and the feasibility for conducting FCSs more frequently, taking into account the experience gained from conducting FCSs and other competing priorities. It is rather common for other economies to conduct similar FCS at an interval of around 10 years or longer.

119. Like FCS, TDS is a large-scale and complex exercise. CFS conducted an evaluation exercise on the first TDS and will take into account the evaluation results in conducting the second TDS upon the completion of the second FCS.

120. CFS will continue to formulate its annual plan for RAS, taking into account the advice of the Expert Committee on Food Safety (the Expert Committee), and monitor the operation of the new scoring system to select topics for inclusion in its annual plan for RAS as recommended by the Expert Committee. CFS will continue to promulgate relevant supplementary information of RAS through different channels (for example, CFS' webpage and social media), and post the links of relevant supplementary information to the CFS's webpage to facilitate public's understanding of the RAS results.

Food Surveillance Programme

121. CFS regularly reviews the FSP along a risk-based approach, taking into account factors such as food surveillance results, food incidents in Hong Kong and other economies, and risk analyses. CFS has started to reallocate resources for testing pesticide residues in fruits and vegetables which are of relatively low risk to testing of other food hazards in foods, and has increased the proportion of online food samples for microbiological testing in 2019.

122. On the collection of food samples under the FSP, CFS has promulgated to frontline staff new operational guidelines to revise the sampling ratio for different types of food outlets at the retail level with effect from October 2018. CFS has also taken measures to step up the supervision of the work of sampling officers, and will continue to provide them with appropriate training and refresher courses, such as regular briefings on the sampling procedures.

123. Regarding the timeliness of delivering food samples to laboratories for testing, CFS has promulgated to its staff new operational guidelines which have come into effect in October 2018, setting out the timeframe for samples to be delivered to the laboratories and the contingency arrangements for possible changes of delivery schedules. CFS has also enhanced its monitoring and supervision on staff compliance with the guidelines, particularly the deadline for sample delivery, through better use of information technology (IT).

Management of food incidents and complaints

124. CFS is committed to making public unsatisfactory testing results relating to food incidents and complaints as soon as possible, and normally within 24 hours from the completion of risk assessment upon receiving the testing results. To minimise the lead time from taking food samples arising from food incidents or complaints to publicising the testing results of unsatisfactory samples, CFS has revised its guidelines to specify that enforcement samples should be taken without obtaining surveillance samples first if it is anticipated that there will be difficulties in collecting samples of those food products, in particular seasonal products, afterwards.

125. To monitor the follow up actions of food complaints, CFS has put in place a new measure to compile weekly complaint management information for review by its Food Complaint Risk Analysis Panel led by a directorate officer at regular intervals.

126. Regarding food recall exercises carried out by food traders, CFS has published updated guidelines to both the trade and its staff to specify clearly that food traders must dispose of the recalled foods under the supervision of CFS' staff. CFS has also formulated a template for food traders to submit regular progress reports and provide the required information for its enhanced monitoring of food recall exercises. CFS has issued new guidelines which require its staff to record the actions taken.

Communicating with the public on food safety risks

127. CFS has been providing food safety information and advice to the public through various channels, having regard to the circumstances of individual cases. In view of the increasing popularity of social media, CFS has further strengthened the use of its Facebook page to enhance communication with the public. CFS has also enriched its multimedia materials on the Internet, and extended the operating hours of its roving exhibitions to reach a wider audience.

128. CFS has completed a review on the Food Safety Charter and considers it worthwhile to continue to promote food safety and hygiene to the food trade through this voluntary scheme. CFS will enhance publicity on the Charter. CFS has replaced the "Reduce Salt, Sugar, Oil. We Do" Charter with the new initiatives launched by the Food and Health Bureau and CFS to promote territory-wide salt and sugar reduction in restaurants. As at end of March 2019, over 500 restaurants have provided customers with less salt and/or sugar options and/or specific less salt and sugar dishes.

129. Detailed progress of CFS' implementation of the recommendations of the Audit and the PAC is at Enclosure 21.

Chapter 3 – Procurement of operational equipment by the Hong Kong Police Force

130. The Government accepts the recommendations made by the Audit on the procurement of operational equipment by the Hong Kong Police Force (HKPF) and notes the views of the PAC of the LegCo. The Government has taken follow-up actions. The progress made is reported below.

Implementation of major information and communications technology projects

131. HKPF has been striving for continuous improvement in funding application and project tendering, management and implementation of information and communications technology (ICT) projects. HKPF has circulated the Audit's recommendations to all of its officers who are responsible for the implementation of ICT projects in the Information Systems Wing, and will arrange re-circulation half-yearly.

132. The project progress and financial position of ICT projects has been regularly reviewed and reported to the respective project steering committee or executive committee. Updated implementation progress will continue to be reported to the LegCo via the Annual Progress Reports coordinated by the Office of the Government Chief Information Officer (OGCIO). In accordance with Financial and Accounting Regulation 320, if HKPF has reason to believe that funds surplus to requirements exist under a subhead, it would immediately inform the Financial Services and the Treasury Bureau (FSTB) so that the excess may be reserved. In addition, HKPF has adopted the Standard Terms and Conditions for IT tenders jointly developed by the OGCIO, the DoJ, the Government Logistics Department (GLD) and the Intellectual Property Department since 2013 with a view to improving the preparation of HKPF's IT tender documents.

Procurement of police vehicles

133. HKPF has developed with the Electrical and Mechanical Services Trading Fund (EMSTF) appropriate procedures to ensure the return of any unspent balance of completed specialised vehicles procurement contracts funded under subhead 695.

134. To strengthen the monitoring of contractors' performance for the procurement of general-purpose vehicles, GLD has followed up closely with the contractors for the provision of vehicle availability reports during the warranty period and made use of the enhanced computer system of the EMSTF for following up cases that require extension of warranty in a timelier manner. GLD has also reviewed with EMSTF the contract terms for future procurement of electric

vehicles so as to better protect the Government's interest in case the contractors fail to carry out warranty repair within a reasonable time. Moreover, GLD will continue to identify environmental friendly vehicles to replace HKPF's vehicles subject to the availability of suitable models in the market that can fully meet HKPF's operational requirements.

Procurement of other operational equipment

135. HKPF is committed to complying with the government procurement rules and regulations. It will endeavor to seek continuous improvement in the procurement process with a view to equipping frontline officers with necessary operational equipment to embrace changes in the procurement system without compromising the operational capabilities.

136. The Audit's recommendations have been circulated to all formations to remind procuring staff to take appropriate actions for implementation and to take note of the importance of compliance with government procurement rules and regulations. The Audit's recommendations will be circulated half-yearly to remind officers concerned to seek continuous improvement in the procurement process.

137. In addition, HKPF conducted a seminar in January 2019 for its procuring staff to brief them on procurement matters, including the Audit's recommendations. HKPF will, on an on-going basis, continue to keep procuring staff abreast of any updates in the procurement rules and regulations, and to enhance their awareness of the procurement policies, principles and procedures as set out in the relevant circulars and Stores and Procurement Regulations through provision of training including briefings, seminars and workshops.

Progress made in implementing Audit's recommendations

Encl. 22 138. A summary of the progress in implementing the Audit's recommendations is at Enclosure 22. As all the recommended measures have been implemented or will be implemented on an on-going basis, we recommend that this part should be deleted from the next report.

Chapter 4 – Management of signboards by the Buildings Department

139. The Government welcomes the comments made by the PAC and the Audit on the Management of Signboards by BD and generally agrees to their recommendations. We have taken proactive follow-up actions to implement the recommendations as far as practicable. The progress made is reported below.

Signboard control schemes and surveys

Monitoring the effectiveness of the Minor Works Control System (MWCS) and the Signboard Validation Scheme (SVS)

140. Since the introduction of the MWCS, the number of minor-works (MW) submissions has increased from some 40 000 in 2011 to some 126 000 in 2018. This reflects that the MWCS has achieved its intent of providing a legal and simple means for building owners to carry out building works of less risk and smaller scale. All MW submissions, including the processing of audit cases, are managed and recorded in a computer system. BD has reviewed the categorisation of desktop and site audit results to improve the clarity of records and set time targets to timely capture more serious non-compliant cases. While internal guidelines for audit check have been put in place, BD is revamping the computer system to incorporate Audit's recommendations for more efficient tracking of audit cases as well as to monitor the operation and effectiveness of MWCS related to signboards. The revamp is anticipated to be completed in 2020.

141. The SVS provides an option to signboard owners who wish to retain their existing unauthorised signboards erected before 2 September 2013. Although the number of applications under the SVS is not substantial, the continuing receipt of such applications reflects that some signboard owners do prefer to join the SVS instead of removing and re-erecting their signboards under the MWCS. BD has been making efforts to publicise the SVS. A television and radio Announcement in the Public Interest with posters have been rolled out since September 2018 and the production of a new publicity leaflet is underway. In addition, BD in collaboration with FEHD will combine the SVS certificate for unauthorised signboards and certificate of Food Business Premises free of unauthorised building works to provide an option for restaurant license applicants to apply for the SVS voluntarily.

142. Signboards may be legally constructed through obtaining BD's prior approval of plans and consent for the commencement of works, or under the simplified requirements of the MWCS. To establish a database on legally constructed signboards that are already in existence as recommended by Audit, BD will need to undertake an extensive exercise to retrieve the respective approved plans, MW submissions and SVS submissions and extract the relevant information from these records. In this connection, BD will commence in second half of 2019 a trial for sizing up the manpower and time needed to extract such information from existing building records. It is expected that the trial will be completed in March 2020.

Reviewing the effectiveness of regular surveys

143. In addition to handling public reports, BD has been taking proactive and vigorous actions to remove dangerous or abandoned signboards through regular surveys of major streets. From surveys conducted in 2014 to 2018, BD inspected about 98 000 signboards and identified about 800 dangerous or abandoned signboards. BD has reviewed the mode of operation of the regular surveys to enhance their efficiency, such as recording the sections of streets inspected instead of counting the number of signboards inspected, and conducting more frequent surveillance of areas likely to have more dangerous or abandoned signboards and thus posing higher safety hazard to the public. In addition, BD has enhanced the computer system to monitor the progress of follow-up actions on targeted signboards identified in the surveys.

Large scale operations (LSOs) and handling of public reports

Reviewing and strengthening actions for completing LSOs

144. BD's Progress Monitoring Committee is closely monitoring the progress of the LSOs on large signboards and target streets. The annual targets for these two types of LSOs were reviewed and increased in 2018. The operational guidelines for LSOs on large signboards were revised and promulgated in 2018 to include large bulkhead signboards. BD has set targets for 2019 and is closely monitoring progress in achieving them. BD will regularly review the implementation and effectiveness of the LSOs.

Handling of public reports

145. BD's internal operational guidelines stipulated that Dangerous Structure Removal Notices (DSRNs) should be served as soon as practicable. BD has conducted a review and set a time target for issuing DSRNs within 30 days from the date of inspection.

146. From 2014 to 2018, BD attended to 10 933 public reports on unauthorised, dangerous or abandoned signboards. BD will make better use of the computer system to enhance the monitoring of these cases.

Follow-up actions of DSRNs and removal orders

147. From 2014 to 2018, BD issued about 3 800 removal orders against unauthorised signboards and about 3 800 DSRNs against dangerous or abandoned

signboards. During the same period, more than 12 000 unauthorised, dangerous or abandoned signboards were removed, repaired or validated⁵. The follow up actions on outstanding DSRNs and removal orders are being monitored in the computer system and by the Progress Monitoring Committee. Prosecution actions may be instigated against outstanding removal order in accordance with internal guidelines. Where necessary, BD will engage government contractors to remove those signboards posing imminent danger and with long outstanding removal orders in default of the signboard owners.

Progress made in implementing Audit's recommendations

Encl. 23 148. A summary of the progress in implementing Audit's recommendations is set out in Enclosure 23.

Chapter 5 – Radio Television Hong Kong: Provision of programmes

149. The Government agrees with the recommendations made by the Audit. The Radio Television Hong Kong (RTHK) and EDB have taken follow-up actions to address the recommendations as appropriate. The progress made is reported below.

Production of Programmes

150. In the light of the Audit's recommendations, RTHK has set up two high level working groups in its Radio and Corporate Programming and Television and Corporate Businesses Divisions in March 2019. Chaired by respective division heads at Assistant Director level, the working groups seek to examine the full palette of information for performance evaluation of individual radio and television (TV) programmes in a structured manner with a view to drawing up meaningful parameters and reviewing mechanism for programme planning decisions. The two working groups target to submit an interim report to RTHK's senior management by July 2019. On the Costing System, RTHK has identified that the inaccurate information was due to a technical error and has fixed the bugs accordingly. Internal guidelines and enhanced monitoring mechanism have been in place to ensure continual accuracy.

151. As recommended by the Audit, RTHK has completed a review on the employment of non-civil service contract (NCSC) staff. The results of the review have been endorsed by the Standing Committee on Contract Staff and Service Providers (SCOCS) chaired by the Deputy Director of Broadcasting (Developments). RTHK would convert positions that have long-term service needs to civil service posts under established mechanism. To monitor progress, SCOCS

⁵ About 6 000 unauthorised signboards have been removed or validated and about 7 000 dangerous or abandoned signboards have been removed or repaired.

will review the employment of NCSC staff half-yearly and RTHK will report NCSC staff position to the Commerce and Economic Development Bureau (CEDB) on a regular basis.

152. Regarding the engagement of Category II (Cat II) Service Providers, RTHK has stepped up the monitoring mechanism to ensure compliance with RTHK's policy and guidelines on an on-going basis. Enhancement measures were fully implemented in late February 2019. Guidelines will be circulated on a quarterly basis. There has been no covering approval case for engagement of Cat II service provider since early March 2019.

153. With respect to acquisition of programmes, RTHK has written to FSTB to seek advice on whether acquisition of programmes falls within the definition of procurement. Having carefully considered the information provided by RTHK and the legal advice from the DoJ, FSTB advised that RTHK's acquisition of TV and radio programmes was not a government procurement and not subject to the Stores and Procurement Regulations. As the acquisition of TV and radio programmes is confirmed to be a licensing arrangement, RTHK will review the policy on acquisition of TV and radio programmes accordingly.

154. As for the Community Involvement Broadcasting Service (CIBS), the selection process, application form as well as the submission mechanism for programme recordings, self-evaluation reports and Limited Assurance Engagement reports have been reviewed and revised in line with Audit's recommendations. The relevant enhancement measures will be carried out on an on-going basis. A questionnaire has been uploaded onto the CIBS website in March 2019 to collect audience views. Starting from the fourth quarter of 2019, RTHK will also organise focus group study on an annual basis to assess the cost-effectiveness of the projects.

155. For commissioning of TV programmes, a working group chaired by the Controller (Television) was formed in March 2019. It is in the process of reviewing the submission mechanism by contractors, mapping out the framework of the mechanism for collecting audience views and exploring the feasibility of further increasing the number of output hours. The working group targets to submit an interim report to RTHK's senior management in July 2019.

Broadcasting of Programmes and New Media Services

156. Starting from 1 April 2019, TV 31 has already extended its daily broadcast to 24 hours with programmes scheduled round the clock in line with RTHK's programming strategy. TV 31 no longer has non-operating hours and does not broadcast miscellaneous content. In response to the Audit's recommendation,

re-run programming strategies have been devised accordingly. For TV 32, the working group as mentioned in paragraph 150 above is in the process of reviewing its programming strategy. Consideration will be given to producing more programme varieties, such as live coverage of local sports events, live relay of important Mainland and overseas events, and short interview videos on various topics.

157. For content licensing, RTHK has set up a working group chaired by the Assistant Director (Television & Corporate Businesses) to review the licensing guidelines. In addition to reviewing the guidelines, the working group is now ascertaining the reasons for the decreasing number of licensing contracts and licensees as well as the decreasing licensing income; and reviewing the promotion strategy for content licensing. The working group targets to submit the report to RTHK's senior management by June 2019.

158. To keep in view the usage of new media services, RTHK has deployed a new web analytical tool since January 2019 to monitor the web traffic and the usage of RTHK online products. So far, the monthly visits to rthk.hk through mobile devices from January to March 2019 range from 10 563 000 to 11 603 000 which are steady and RTHK will keep CEDB updated on a regular basis. Two new indicators, "daily live streaming" and "daily visits" have been introduced for measuring the performance of rthk.hk and eTVonline in the RTHK's COR in 2019-20.

Evaluation of Programmes and Other Administrative Issues

159. A working group on audience surveys for TV and radio programmes chaired by the Deputy Director of Broadcasting (Programmes) has been set up in March 2019 and is undertaking a review of the procurement process having regard to the Audit's recommendations and the pro-innovation government procurement policy taking effect from 1 April 2019. The working group has revisited the need for the mandatory requirements in TV Appreciation Index (TVAI) Surveys and Radio Audience Surveys and agreed that the mandatory requirements be removed in future procurement exercises for TVAI and Radio Audience Surveys.

160. The working group as mentioned in paragraph 159 above is also in the process of reviewing, among others, the evaluation mechanism of TV and radio programmes in a holistic manner. For TV, the working group is looking into the scope of TVAI survey, including but not limited to (i) the strategy for the coverage of programmes; (ii) striking a balance between surveying more programmes and flagship programmes more frequently; (iii) the frequency for conducting TVAI; (iv) the procurement requirements; (v) the need for or otherwise continuing to include programmes from other TV stations; and (vi) the methodology for including acquisition and commissioning programmes. Besides, RTHK is in the process of planning to conduct a survey in the third quarter of 2019 to gather information and

statistics on the penetration/take-up pattern of the digital terrestrial television channels, viewing habits and preference of the audience to ascertain the reasons for low ratings as well as the performance of RTHK's TV programmes on cross-media platforms. Results of the survey are expected to be available in the fourth quarter of 2019. Based on the findings of the survey, RTHK will work out the necessary follow-up actions to enhance the popularity of its programmes and formulate indicators for RTHK's TV channels and its programmes for reporting in the COR. As regards radio, the working group is reviewing the strategy of the Audience Survey, including programmes to be included, frequency, methodology, etc., as well as identifying any other appropriate channels to keep in view the listenership. The working group is also mapping out measures to boost the number of listeners for radio channels with decreasing number of listeners and improve the appreciation index and awareness level of RTHK's radio programmes. Based on the findings, RTHK aims at reporting the share of the total listening time per channel and appreciation index of radio channels from next year's COR. The working group targets to submit an interim report to RTHK's senior management in June 2019.

161. In the light of the Audit's recommendations on the procurement of service for TVAI Surveys and Radio Audience Surveys, RTHK has reviewed its Supplier List under the category of "Radio/TV Audience Survey" and removed duplicate/incorrect/rarely responded service providers. RTHK has also invited potential service providers to join the Supplier Lists in March 2019. Besides, RTHK has asked service providers the reasons of not submitting bids in the past TVAI and Radio Audience Surveys procurement exercises. Replies of some service providers are still pending. RTHK will keep in view of their responses and the working group as mentioned in paragraph 159 will take into account their feedback in reviewing the strategy for TVAI and Radio Audience surveys.

Evaluation of school education television (ETV) programmes

Scaling up the commissioning of ETV programme productions

162. In light of development in the media and changes in how video resources are used by schools, teachers and students, ETV video resources have already been extended to beyond the confines of television programmes. EDB has proactively developed other multimedia resources and commissioned outside production houses to handle the technical aspects of production work. Examples include theme-based short videos, multi-ending micro movies, photos and sound tracks; as well as learning and teaching resource packages for kindergartens which contain picture books, numbered musical notations and music videos of nursery rhymes, videos, animations, puppets, etc.

163. As far as the production of ETV programmes by RTHK is concerned, EDB is not just exploring the possibility of increasing the scale of the commissioning of ETV programme productions in 2019-20, but also reviewing fundamentally the need for ETV's production as one of the various types of e-learning resources and, if the continued need for its production is established, its positioning and cost-effectiveness.

Review of RTHK's production of school ETV programmes

164. EDB is reviewing the need for the production of ETV programmes and their positioning as one of the various types of e-learning resources. In this regard, EDB consulted the Ad Hoc Committee on the Development of School ETV Programmes under the Curriculum Development Council (CDC) and the CDC Committee on Learning Resources and Support Services in March and April 2019 respectively. EDB also plans to seek CDC's advice in determining the way forward of ETV service.

Improving the design of survey on the use of ETV service

165. Given that the way video resources are used in the education sector has changed, EDB has already edited the programmes into chapters and short clips with a length of a few minutes. The short clips are uploaded to the Hong Kong Education City ETV website (<https://etv.hkedcity.net>) for schools' flexible use, of which over three million hits are recorded every year. Moreover, since the launch of the "ETV mobile application" by EDB, the cumulative number of downloads has been rising steadily. As at 20 March 2019, there were over 80 000 downloads.

166. Since the current annual school survey on schools' utilisation of ETV multimedia resources relates only to students' viewing ETV resources arranged by teachers in schools, the findings cannot reflect students' access to ETV resources over the Internet outside the classroom. EDB has reviewed the annual school survey and proposed modifications with a view to better understanding students' usage of ETV resources via the Internet outside the classroom. This will inform the review of the need for ETV's production, its positioning and cost-effectiveness as one of the various types of e-learning resources, and facilitate EDB to plan and deliver the related service more effectively. The modifications have been discussed by the Ad Hoc Committee on the Development of School ETV Programmes under the CDC and the CDC Committee on Learning Resources and Support Services. A modified survey will be tried out in the 2018/19 school year and preliminary survey findings are expected to be available by end of the 2018/19 school year.

Matters relating to the Charter of RTHK

167. In view of the Audit's recommendations, RTHK will submit the report on performance evaluation of RTHK and RTHK's compliance with performance evaluation indicators to the Board of Advisors (BoA) annually. RTHK will also compile an Annual Report for public inspection. The 2018-19 reports will be presented to the BoA at its meeting on 31 May 2019.

Progress made in implementing Audit's recommendations

Encl. 24 168. A summary of the latest progress in the implementation of the specific recommendations of Audit is at Enclosure 24.

Chapter 6 – Barrier-free access facilities at government premises

169. The Government agrees with all the recommendations made by the Director of Audit. Relevant B/Ds have taken appropriate follow-up actions on them. The progress made is reported below.

Work of LWB over barrier-free facilities at government premise and BD in updating Design Manual

170. LWB has reminded B/Ds of the need to maintain complete and up-to-date lists of barrier-free facilities under their management for monitoring and planning purposes, and publicise such lists for public information. LWB has also brought to the attention of B/Ds Audit's findings and recommendations with regard to FEHD and the Leisure and Cultural Services Department (LCSD) and asked B/Ds to review the barrier-free facilities under their management as appropriate.

171. BD has established an arrangement in that updating of the Design Manual: Barrier Free Access 2008 (DM 2008) will be triggered when five or more amendment items for improving DM are accumulated or within 12 months after the amendment items are endorsed by the Technical Committee on Design Manual: Barrier Free Access.

Work of FEHD and LCSD in providing and managing barrier-free facilities under their management

172. FEHD has reviewed the access audit checklists for various types of venues in consultation with the relevant government departments and is conducting a new round of annual access audits. It has also been compiling the lists of barrier-free facilities in various public venues which will be uploaded on FEHD's website by phases from mid-2019. The information will be updated on a regular basis with reference to the results of the annual access audits thereafter.

173. On the deficiencies in provision, maintenance and control of barrier-free facilities identified by Audit, FEHD has been following up with the relevant government departments and maintenance agents responsible for the maintenance works. All relevant repair, replacement or improvement of facilities have been completed, except for one location where feasible options for improving the barrier-free access route are being explored. Besides, FEHD has updated the relevant departmental guidelines and strengthened the training of Access Officers and their assistants to enhance the annual access audits, regular inspections and supervisory checks of barrier-free facilities at FEHD venues to ensure the availability of such facilities for use by persons with disabilities.

174. FEHD has undertaken to continue to proactively follow up on the remaining recommendations and report the progress made in implementing Audit's recommendations in due course.

175. LCSD has taken steps to rectify the deficiencies in the maintenance and control of barrier-free facilities and to improve the dissemination of useful information to users of barrier-free facilities via the department's website in response to Audit's recommendations. In addition, LCSD will kick-start a review of the departmental policy on providing a barrier-free environment for persons with disabilities in their premises and facilities, which includes the manner of conducting access audits and the format of the audit checklist; training of Access Officers and the availability of user feedback for the purpose of enhancing barrier-free facilities at the venues under its purview.

176. LCSD will seek technical advice and support of the Architectural Services Department (ArchSD) to enhance and strengthen the provision of barrier-free facilities beyond the basic requirements as appropriate, especially for new venues and major renovation projects.

Management of retrofitting works for barrier-free facilities at government premises

177. ArchSD has undertaken to improve project administration for retrofitting works. The Department has stepped up controls to closely monitor the contractors' submission of documents for works order completion certification, the status of overdue works orders, the issuance of works order and cost estimate. ArchSD will learn from the incidents involving slippery tactile guide paths, especially at outdoor venues. It will also explore other suitable materials to prevent recurrence of similar incidents with reference to the DM 2008 with a view to enhancing safety of users.

178. To further improve barrier-free facilities in government premises, ArchSD has undertaken to continue to work closely with the managing departments of government premises/facilities and provide assistance and technical advice for inclusion of barrier-free facilities in their premises/facilities as far as practicable during the implementation of improvement works. ArchSD will continue to collaborate with FEHD to complete the 14 outstanding projects under the Public Toilets Refurbishment Programme as soon as practicable.

Progress made in implementing Audit's recommendations

Encl. 25 179. A summary of the progress of implementing Audit's recommendations is at the Enclosure 25.

Chapter 7 – Education Bureau's efforts in harnessing information technology to facilitate learning and teaching

180. The Government accepts all the recommendations from the Director of Audit regarding the efforts of the Education Bureau in harnessing IT to facilitate learning and teaching in his Report No. 71. EDB has taken appropriate follow-up actions to take forward Audit's recommendations. The progress made is reported below.

Provision of resources to schools

181. The Fourth Strategy on Information Technology in Education (ITE4) has laid down the basic provisions in terms of hardware and resources to facilitate the practice of e-learning in schools. It enables schools to devise their own plans in consideration of their school contexts and development needs. EDB will continue to keep track of the progress of IT in education development in schools through various means and provide ongoing support to assist schools in implementing e-learning, including enhancing teachers' professional capabilities in using e-textbooks and e-learning resources at the right time in learning and teaching.

182. Taking Audit's recommendations into consideration, EDB will further promote the recommended practice of separating schools' WiFi networks from the existing networks and taking appropriate IT security measures. The EDB will also further encourage schools to enhance their reporting of the use of Composite Information Technology Grant (CITG) to their stakeholders, monitor the utilisation of the CITG and make more effective use of CITG and other related grants to promote the development of IT in education in schools.

Development of e-textbooks and procurement of e-learning resources

183. The Steering Committee on Strategic Development of Information Technology in Education (Steering Committee) has been keeping track of the development of ITE4, including enhancing the quality of e-learning resources and e-textbooks which is one of the six major actions under ITE4. EDB will continue to facilitate the future development of e-textbooks in consultation with the Steering Committee. Besides, EDB will also continue to monitor the development of the Recommended e-Textbook List and communicate with the publishing industry to improve the technical and functional design of e-textbooks to create favourable conditions for promoting the development and use of e-textbooks.

184. EDB will continue to monitor the implementation of the pilot project “e-Resources Acquisition Project” (eREAP) and assist the Hong Kong Education City Limited (HKECL) in adopting further measures to improve eREAP, taking into account the experience gained and consider the way forward of e-learning resources acquisition. EDB will also continue to liaise with HKECL to further promote the usage of Single Sign-On and EdBookShelf among HKECL members.

Professional development of school leaders and teachers

185. EDB has been evaluating the courses which aim to equip school leaders and teachers with the necessary knowledge and skills on the latest practice of e-learning on an ongoing basis for continuous refinement, including offering online courses in self-learning mode to enhance teachers’ participation and learning. EDB will continue to take measures to improve the certificate award rate and upload the course materials on EDB’s webpages biannually.

Monitoring of implementation of IT in education

186. EDB has taken steps to further enhance the response rate of the annual school survey for a holistic understanding of schools’ progress of the development of e-learning and to provide assistance, if necessary. EDB will continue to keep in view the development of IT in education in schools through different means in addition to the annual school survey with a view to fine-tuning the actions and identifying further support measures to schools, where appropriate.

Progress made in implementing Audit’s recommendations

187. A summary of the progress of implementing Audit’s recommendations is at Enclosure 26. As EDB has taken forward the Audit’s recommendations, and the follow-up actions and improvement measures have either been completed or will be implemented on an ongoing basis, we recommend deleting this part from the next progress report.

Chapter 8 – Trade and Industry Department’s work in supporting small and medium enterprises

188. The Government generally accepts the recommendations made by the Director of Audit regarding the “Trade and Industry Department’s Work in Supporting Small and Medium Enterprises” in his Report No. 71. The Trade and Industry Department (TID) has been taking appropriate follow-up actions to implement the recommendations. The progress is set out below.

Overview

189. TID attaches great importance to facilitate the development of small and medium enterprises (SMEs), and administers various funding schemes to assist Hong Kong enterprises in obtaining finance, exploring export markets and enhancing their overall competitiveness. We review the operation and the effectiveness of the funding schemes from time to time to ensure that appropriate support is provided to SMEs. TID has also injected funding and introduced enhancement measures to the various funding schemes having regard to the needs and circumstances of the trade, including increasing the grant ceilings, expanding the funding scopes, and improving the mode of operation to suit the needs of the trade. We will continue to closely monitor changes in the market and the needs of SMEs with a view to improving and enhancing the operation of the various funding schemes where appropriate.

SME Loan Guarantee Scheme (SGS) and Special Loan Guarantee Scheme (SpGS)

190. The number of applications received under the SGS in 2018 has increased by 1.8% as compared to 2017. With a view to improving the response rate of the SGS evaluation survey, TID has specified a deadline for returning the completed survey, and has been following up on the outstanding surveys. The response rate of the evaluation survey from end-August 2018 to end-March 2019 has increased from 2% in the past to about 51%. Nearly 90% of the respondents indicated that they were satisfied with the SGS.

191. TID has reinforced its efforts in promoting the SGS, including issuing letters to lending institutions and producing a new set of TV and Radio Announcements in the Public Interest (APIs) to further publicise the SGS. Besides, TID will launch an online enquiry service by end-June 2019 to facilitate SMEs in checking their available guarantee balances under the total guarantee limit of the SGS. TID will continue to monitor and review the operation of the SGS so as to assist SMEs in obtaining financing for business development.

192. To better tackle the issue of default claims of the SGS, TID issued “Letter of Intent on Termination” to the relevant participating lending institutions (PLIs) by batches during August 2018 and February 2019 for 170 cases which the PLIs concerned had not responded for over seven years. As at end-March 2019, TID issued “Letter of Termination” for 98 claims to terminate the guarantees concerned with immediate effect. For default claims which remained dormant for over two years under the SGS and the SpGS, TID had issued letters to the relevant PLIs to ascertain their intention to reactivate their claims and to take appropriate follow-up actions.

193. As TID has taken forward the Audit’s recommendations and the follow-up actions will be implemented on an on-going basis, we recommend deleting this part from the next progress report.

SME Export Marketing Fund (EMF)

194. TID has advanced the implementation of the enhancement measures to the EMF to August 2018, including increasing the cumulative funding ceiling of the Fund from \$200,000 to \$400,000 and removing the condition of use of the last \$50,000 of the grant⁶, as well as reinforcing promotion efforts including arranging briefings, setting up booths/panels at major trade exhibitions, and launching new TV and Radio APIs, with a view to boosting the number of applications and the utilisation of the increased grant ceilings of the EMF. Since the implementation of the enhancement measures and up to end-March 2019, the number of applications and the average grant per application have increased by 42% and 28% respectively as compared to the corresponding period in 2017 to 2018.

195. On the operation side, TID has improved the computer system and the vetting procedures of the EMF in July 2018 to ensure that the aggregated amount of grants received by connected enterprises will not exceed the cumulative grant ceiling. TID increased the checking ratio in October 2018 to review whether applicant enterprises fulfilled the eligibility requirement of having substantive business operation in Hong Kong. Furthermore, a computer programme was launched in April 2019 to automatically issue questionnaires and follow up on outstanding replies to further improve the response rate of the satisfaction survey.

196. As TID has taken forward the Audit’s recommendations and the follow-up actions will be implemented on an on-going basis, we recommend deleting this part from the next progress report.

⁶ That is, to remove the condition that the last \$50,000 of the grant be used only for participation in new export promotion activities not funded by the Fund before.

SME Development Fund

197. TID has put in place a mechanism for monitoring the submission of reports and return of residual funds by grantees, and has deployed manpower to expedite the preparation of the Reports on Completed Projects.

198. As TID has taken forward the Audit's recommendations and the follow-up actions will be implemented on an on-going basis, we recommend deleting this part from the next progress report.

Support and Consultation Centre for SMEs (SUCCESS)

199. Since the relocation of SUCCESS centre to the Trade and Industry Tower in February 2018, TID has closely monitored its operation and implemented measures to increase the utilisation of the services of SUCCESS. These included organizing more events in SUCCESS centre and enriching the content of the SUCCESS website. In the 13-month period after the relocation (i.e. March 2018 to March 2019), the number of visitors to SUCCESS centre and the number of visits to the SUCCESS website increased by 34% and 55% respectively over the corresponding period in 2017 to 2018.

200. On membership services and promotion of the services of SUCCESS, TID has stepped up publicity through various channels like participation in exhibitions, engaging trade and industrial organisations, and improvement in TID websites to enhance the awareness of SMEs so that they can make good use of the services. Furthermore, with reference to the outcome of a survey conducted in end-2018, TID has modified the arrangements of seminars and questionnaires for seminars to enhance attendance rate and response rate. New channels have also been added for SMEs to reflect their information needs.

201. On consultation services, TID has revised the performance target of the "Meet-the-Advisors" Business Advisory Service (BAS) in COR. TID has further enhanced the performance target of the BAS by shortening the time for processing applications from "ten working days" to "seven working days" since January 2019. Three additional partner organisations were recruited so that consultation meetings could be conducted as soon as possible. TID will also enhance the operation of the SME Mentorship Programme taking into account Audit's recommendations.

202. As TID has taken forward the Audit's recommendations and the follow-up actions will be implemented on an on-going basis, we recommend deleting this part from the next progress report.

Small and Medium Enterprises Committee (SMEC) and Vetting Committee (VC)

203. VC⁷ and SMEC agreed to institute a quorum formally at their meetings in September and October 2018 respectively. TID will continue to encourage members to attend meetings.

204. As TID has taken forward the Audit's recommendations and the follow-up actions will be implemented on an on-going basis, we recommend deleting this part from the next progress report.

Progress made in implementing Audit's recommendations

205. As at 31 March 2019, actions have been duly taken for implementing all the Audit's recommendations. A summary of the progress made is set out at Enclosure 27.

Encl. 27

Chapter 9 – Training and development work of the Civil Service Training and Development Institute

206. The Government generally accepts the views and recommendations of the Audit and the PAC on the training and development work of the Civil Service Training and Development Institute (CSTDI) of the Civil Service Bureau (CSB). CSB will take appropriate follow-up actions, as set out below.

Management of training programmes

207. CSTDI has been using IT and other electronic means to enhance the management of training services, and will continue to explore wider use of e-forms or other electronic means to further streamline its administration processes. CSTDI will also encourage B/Ds to make wider use of IT to enhance management of training services on their front.

208. CSTDI will continue to monitor the demand for different training courses, including national studies programmes for middle-level civil servants, and arrange additional classes for those with high demand subject to availability of resources. CSTDI will improve its enrolment processes to accept as many participants as possible for the high demand courses while ensuring that the training quality would not be compromised.

⁷ VC is responsible to advise and make recommendations on matters relating to the Trade and Industrial Organisation Support Fund, and the former SME Development Fund and the Organisation Support Programme of the BUD Fund.

Promote e-learning

209. CSTDI's e-learning portal, Cyber Learning Centre Plus (CLC Plus), provides a wide range of e-learning resources with more than 2 400 learning items attracting more than 4.1 million page views per year. CSTDI will continue to enrich the learning content (including uploading more course materials) in CLC Plus and organise more promotional activities to encourage the use of CLC Plus. CSTDI has also enhanced mobile access to CLC Plus in 2018 to enable automatic adjustment of web pages to fit the screens of different mobile devices, and will continue to promote the use of the mobile application for accessing CLC Plus. CSTDI will also ensure that all e-learning resources requiring migration or retirement will be processed in a timely manner, and inactive accounts will be handled in accordance with the guidelines issued by the OGCIO.

Learning Resource Centre

210. CSTDI has extended the opening hours and simplified the membership registration procedures to improve the usage of the Learning Resource Centre.

Training Sponsorship Scheme

211. The Training Sponsorship Scheme provides financial assistance to civil servants for pursuing continuous learning. CSTDI has revised the guidelines issued to B/Ds, as the approving authority for individual sponsorship applications, for processing reimbursement claims of their staff under the Scheme to make it clear that financial assistance should not be used to cover any gift items.

Management of Training Venues

212. CSTDI will adopt different means to optimise the utilisation of the training venues and ancillary facilities, including enhancing the procedures for other B/Ds to book CSTDI's venues and remodeling the computer room and Multi-function Area 2. CSTDI has been operating in the existing North Point Government Offices since 1998. Some of the facilities are dated and could not meet modern day training needs. Upgrading of the existing facilities is not feasible due to the physical constraints of the building. As the Government has announced in the 2017 Policy Address, a new civil service college with upgraded facilities will be established to enhance training for civil servants.

Reporting of Performance Information

213. The actual outputs of the performance indicators were generally higher than those reported in the CORs in 2016 and 2017, as more time was required to collate and cross-check certain statistics, and a more prudent approach was adopted to compile the figures in the CORs. CSB has adjusted the data collection process to cut short the time required for collating and cross-checking key statistics to improve the timeliness of updating the performance indicators. CSB will also review the targets of the performance pledges to ensure that they remain useful in motivating continuous performance.

Progress in implementing Audit's and PAC's Recommendations

Encl. 28 214. The progress made on actions taken by the Government, in the light of the recommendations of Audit and PAC, is summarised in Enclosure 28.

Chapter 10 – Hong Kong Velodrome and Hong Kong Velodrome Park

215. The Government generally accepts the views and recommendations made by the Audit and the PAC on the Hong Kong Velodrome (HKV) and the Hong Kong Velodrome Park (HKVP).

216. As the first indoor cycling facility in Hong Kong that meets the standards of the Union Cycliste Internationale (UCI), HKV is a competition venue where world-class track cycling events can be hosted. HKV was built with the purposes of promoting the sustainable development of track cycling in Hong Kong and providing a local, stable and quality training venue for the Hong Kong Cycling Team (HKC Team) to identify and develop outstanding athletes, so that they can realise their full potential and bring honour to Hong Kong. We will take appropriate follow-up actions in response to the recommendations made by the PAC, with a view to further improving project management, as well as the operation, maintenance and utilisation of facilities. The progress is as follows.

Project Management

217. ArchSD had shared the experience in handling contract variations of the construction of HKV and HKVP with its staff and consultants, and had reminded them that, as far as practicable, the building design should be finalised and incorporated into the tender documents before issue of tender to minimise contract variations and facilitate fair and competitive tendering.

218. During the planning and design stages, LCSD and all stakeholders, including ArchSD and Cycling Association of Hong Kong, China (CAHK), worked closely to incorporate CAHK's requirements on the venue facilities, including track surface materials and design parameters, etc. into the tender documents, such that the new cycling tracks and other supporting facilities will suit the specifications required by UCI and meet the high-level training needs of the HKC Team. Ever since the opening of HKV in 2014, LCSD had been listening to the HKC team's comments on the venue facilities and cycling track. Based on the athletes' practical experience gained in the few months after the opening of HKV, LCSD decided to carry out track enhancement works to further improve the performance of the track surface so as to meet the requirements for hosting large-scale international competitions and better suit the training mode and actual needs of the HKC Team. In fact, after the commissioning of HKV in 2014, a number of world-class track cycling competitions, including "2016 UCI Track Cycling World Cup", "2017 UCI Track Cycling World Championships" and "2018 UCI Track Cycling World Cup", were successfully held in the venue. When planning for specialised sports facilities in future, LCSD would continue to strive to maintain close contact with all major stakeholders, so as to draw up design parameters after confirming various special requirements as early as possible in the planning and design stages, such that the facilities to be constructed would suit the specifications of the relevant international sports federations and also meet the actual training needs of elite athletes.

219. It was a new challenge for LCSD, ArchSD and CAHK to construct HKV. As there was no precedent for all stakeholders to follow in the planning, design, layout and construction of a velodrome, the changes in the distribution of facilities in the building upon handing over of the venue were not noticed or fully known immediately, resulting in some deviation from the originally approved Schedule of Accommodation (SoA). In response to the recommendations made by Audit, LCSD, upon discussion with ArchSD, would resubmit the latest SoA as well as relevant information to the Property Vetting Committee (PVC) for approval in accordance with the requirements of the Accommodation Regulations (ARs). Furthermore, LCSD had reminded all related sections and district leisure services offices to ensure compliance with the requirements of the ARs in the planning of new projects. When there are subsequent changes to an approved SoA, appropriate follow-up actions should be taken and an application for alteration should be submitted to PVC for approval.

220. In addition, ArchSD had reminded its staff that, in handling other projects in future, the net operational floor area (NOFA) provided for various accommodations should be checked against the area figures in the approved SoA at the design and construction stages. In case any design changes may alter the NOFA from the approved SoA by more than 10% for an individual item or more than 5% in the total NOFA, ArchSD should alert the client department to the need to seek approval from PVC.

Operation and Maintenance of the Facilities

Water seepage problem in the main hall

221. HKV is a specialised building with extra-long span metal roof structure that provides a column-free space for the cycling track, the multi-purpose arena and the spectator stand. To tackle the water seepage problem of the roof in the main hall of HKV, the Contractor had carried out a series of rectification works at the roof, including installation of waterproof membranes, application of sealant and protective coating at gutter joints, and addition of drip trays. After completion of these rectification works in 2017, the water seepage problem had been improved. LCSD would continue to collaborate with ArchSD in controlling the water seepage problem of the roof in the main hall of HKV to minimise the impact on users.

Management of facilities of the HKVP and the condition of the central lawn

222. LCSD had urged the venue staff of HKVP to inspect facilities of HKVP in accordance with the existing departmental guidelines and to keep a proper record of the inspection results and necessary follow-up actions, so as to ensure that the facilities are safe, clean, and properly serviceable for use by the public. In addition, in order to improve the condition of the central lawn and enhance the visual amenity of HKVP, LCSD arranged to returf the central lawn and re-establish the top soil of the damaged area. After the returfing exercise, the condition of the central lawn had been improved. Besides, to tackle the ponding problem of the central lawn, the venue staff returfed the lawn with sandy soil to further improve its drainage capacity.

Usage of Facilities

223. HKV has a core mission to provide a stable and quality training base for the HKC Team and to develop the sports of track cycling in Hong Kong. It is different from other general district recreation and sports facilities in terms of functionality and service targets, as well as daily management and booking arrangements. In order to meet the actual training needs of the HKC Team and to allow flexibility for their training, the venue management of HKV does not accept priority booking by organisations for the use of facilities in the arena during the training sessions of the HKC Team. When there is no training of the HKC Team, members of the public can make on-the-spot bookings for using the cycling track. Such an arrangement affects the utilisation rate of the cycling track to some extent.

224. To enhance the utilisation rate of the cycling track and further promote track cycling, LCSD has been working closely with CAHK to organise diversified track cycling training courses for participants with different levels of skills. The average utilisation rate of the cycling track is now about 35%,

representing an increase of almost 40% of the usage rate from the initial period upon commissioning in 2014. LCSD plans to increase the number of track cycling training courses and fun days in 2019-20. In fact, while expanding track cycling training courses, LCSD has to be mindful of the utilisation of the cycling track so as to ensure that the condition of the cycling track is kept at a high level to facilitate regular elite training and hosting of large-scale track cycling events. Besides, in 2018, CAHK and the Sai Kung District Sports Association (SKDSA) initiated the establishment of a cycling academy and a district cycling team respectively to develop track cycling systematically and nurture quality athletes as successors. It is believed that the utilisation rate of the cycling track would rise further with the above arrangement.

225. LCSD would continue rolling out various initiatives to enhance the usage of facilities in the future. Apart from organising more recreational and sports activities, LCSD would make good use of existing venue facilities and improve the ancillary facilities of activity rooms such as provision of movable mirrors and portable audio system. LCSD hopes that whilst providing a high quality competition venue to organise major track cycling competitions, more members of the public would be attracted to use other recreational facilities in HKV.

226. As the unique indoor cycling venue in Hong Kong, HKV has many function rooms to be used as technical zones, athletes' rest areas, meeting rooms, teams' storage rooms etc. during large-scale international competitions. At present, on non-event days, most of the rooms are open for use as activity rooms, table tennis rooms and dance rooms by the public. As some of the rooms are designed for special use (e.g. doping control rooms) or are located on independently secluded floors (e.g. VIP rooms), LCSD will not consider opening up these rooms for booking by the public for security reasons. However, government departments and "national sports associations" (NSAs) can book the function rooms such as meeting rooms for holding meetings, training courses or seminars on non-event days. Emails were sent to government departments and NSAs informing them of the booking details of meeting rooms in HKV.

227. LCSD will continue to work closely with the stakeholders, such as CAHK, the Hong Kong Sports Institute, SKDSA and other sports organisations, to make good use of the facilities in HKV with a view to further enhancing venue utilisation.

Conclusion and Recommendations

228. The progress of follow-up actions taken by the Government, in light of the views and recommendations of Audit and PAC on HKV and HKVP, is set out in Enclosure 29.

Monitoring of charitable fund-raising activities
Progress on follow-up actions of the recommendations of
the Audit Commission (Audit) and the Public Accounts Committee (PAC)

Para. No.	Audit's/PAC's Recommendations	Progress to Date
Part 2: Government's efforts to promote transparency and accountability of charitable fund-raising activities		
Page 17 of the PAC Report	PAC suggested that the Administration should consider introducing a symbol, which was easily recognisable in the form of a logo or badge, for display by holders of charitable fund-raising licences and permits during charitable fund-raising activities for identification by members of the public.	<p>On 1 April 2019, the Government introduced a logo for charitable fund-raising activities for display by holders of licences and permits relating to all approved charitable fund-raising during charitable fund-raising activities for identification by members of the public. Details are as follows –</p> <ul style="list-style-type: none"> (i) for flag days and general charitable fund-raising activities held on or after 1 April 2019, the logo must be printed on Public Subscription Permits issued by the Social Welfare Department. For flag days, the logo must be affixed on flag-selling bags. For general charitable fund-raising activities, the logo must be printed on fund-raisers' badges and tags affixed on the donation collection tools; (ii) for applications for lottery licences received and approved on or after 1 April 2019 by the Home Affairs Department for charitable lottery events, the logo must be printed on lottery licences and lottery tickets; and (iii) for applications for temporary hawker licences received and approved on or after 1 April 2019 by the Food and Environmental Hygiene Department to charitable organisations for fund-raising activities involving the sale of goods in public places, licensees

Para. No.	Audit's/PAC's Recommendations	Progress to Date
		<p>are required to display the logo at the stalls during charitable fund-raising activities.</p> <p>As the recommendation has been implemented, we recommend that this part be deleted from the next progress report.</p>
Part 6: The Way Forward		
Para. 6.11 of the Audit Report	<p>Audit has recommended that Secretary for Home Affairs should –</p> <p>(a) expedite the consultation with relevant bureaux and departments (B/Ds) with a view to formulating a response to all the recommendations of the Law Reform Commission (LRC) Report; and</p> <p>(b) take into account the areas for improvement identified in this Audit Report (such as enhancing the transparency and accountability of charitable fund-raising activities, and improving the co-ordination of the licensing departments in their licensing and monitoring of these activities), in co-ordinating inputs from relevant B/Ds for formulating a response to the LRC's recommendations for the Government's consideration.</p>	<p>HAB has been assigned to co-ordinate inputs from relevant B/Ds for formulating a response to LRC's recommendations for the Government's overall consideration. HAB is actively following up the matter and will make reference to the improvement measures recommended in the Audit Report as well as in the PAC Report.</p> <p>The Government notes public concerns over the accountability of charities, in particular in relation to charitable fund-raising activities. HAB has co-ordinated with the relevant departments, and the Government introduced a series of administrative measures with effect from 1 August 2018 after making reference to the recommendations in the LRC Report, the Audit Report and the PAC Report, with a view to enhancing the transparency of charitable fund-raising activities, safeguarding the interests of donors and facilitating the conduct of fund-raising activities.</p>
Page 42 of the PAC Report	<p>PAC urged Home Affairs Bureau (HAB) to –</p> <p>(a) expedite the consultation with relevant B/Ds with a view to formulating a substantive response to all recommendations in the LRC Report; and</p>	

Para. No.	Audit's/PAC's Recommendations	Progress to Date
	(b) take into account the areas for improvement identified in the PAC Report and the Audit Report in co-ordinating inputs from relevant B/Ds for formulating a substantive response to the LRC's recommendations with a concrete timetable for action.	

**Management of squatter and licensed structures
Progress of implementing Audit's Recommendations**

Para. No.	Audit's Recommendations	Progress to Date
Part 2: Monitoring of Squatter and Licensed Structures		
2.42	<p>Audit has recommended that, in monitoring squatter structures, the Director of Lands should –</p> <p>(a) take appropriate enforcement actions on surveyed Squatter Structures (SS structures) A1, A2, B1, B2, C2, D, E, F1, F2, G, H and I as well as the 48 SS structures located along the seafront in Kowloon in a timely manner; and</p> <p>(e) expedite actions to inspect the 77 SS structures located along the seafront at which SS Structures G, H and I situate.</p>	<p>The Lands Department (LandsD) has taken the following measures –</p> <p>LandsD has completed inspection of all SS structures (about 136 in number) currently occupied for commercial purposes along the concerned seafront in Kowloon, and is formulating an action strategy (including proposed enforcement priority as well as a pilot scheme for regularisation of individual cases justifying toleration) to handle cases with irregularities, taking into account any genuine difficulties encountered by the occupants and local sentiments, as well as any special policy considerations relevant to businesses operating in that particular area.</p>
Part 3: Rates, Government Rent and Licence Fees on Squatter and Licensed Structures		
3.25(a)	<p>Audit has recommended that the Director of Lands should expedite actions on conducting a review of the Government Land Licence (GLL) fee levels.</p>	<p>LandsD is conducting an overall review of the license fee charging mechanism for GLLs, taking into account the uses covered by some 15 000 GLLs and the history. The review also covers other associated arrangements for the implementation of any revised fees. LandsD has commenced file checking of these GLLs for data since early July 2018. In parallel, GLL data entry into the internal computer system is being carried out. It is expected that the digitisation of GLL records can be completed by 2020.</p> <p>Upon completing the checking of all GLLs and the aforementioned review, LandsD will report back to the Development Bureau for further directives.</p>

**Kai Tak Cruise Terminal
Progress of implementing Audit's Recommendations**

Para. No.	Audit's recommendations	Progress to date
Part 2: Developing Hong Kong into a leading regional cruise hub		
<i>Achievement of the expected economic benefits brought by the cruise industry</i>		
2.15 (a)	Tourism Commission (TC) should, as soon as the Kai Tak Cruise Terminal has gathered sufficient operational experience, conduct a mid-term assessment on the progress made by the cruise industry in achieving the expected economic benefits and the prospect of realising the expected benefits by 2023.	TC monitors closely the performance of the cruise industry in Hong Kong through keeping track of the key parameters of the economic benefits brought by the industry, namely the number of ship calls, cruise passenger throughput and cruise passenger spending.
2.15 (b)	TC should submit the results of the mid-term assessment of the economic benefits to Legislative Council (LegCo) when ready.	TC is processing the data of relevant key parameters in 2018 for conducting the mid-term assessment. The findings of the mid-term assessment will be made available to the public and LegCo when ready.

Government's support and monitoring of charities
Progress on follow-up actions of the Audit's and PAC's Recommendations

Para. No.	Audit's/PAC's Recommendations	Progress to Date
Part 2: Administration of tax exemption of charities and tax-deductible donations		
Page 71 of the PAC Report	PAC strongly urged the Administration to review which B/Ds should be more appropriate to be responsible for the overall regulation and monitoring of the operation of charities, such as making sure the charities comply with their governing instruments, bearing in mind that Inland Revenue Department (IRD)'s main duty is to administer tax-related matters.	The Home Affairs Bureau (HAB) is tasked to co-ordinate inputs from relevant B/Ds for the purpose of formulating a response to the LRC Report for the Government's consideration. HAB is actively following up the co-ordination in formulating a response for the Government's consideration. Recommendations in the Audit Report and the PAC Reports will be taken into account in this process.
Part 3: Administration of land granted to charities for operating welfare/social services		
Para. 3.25 of the Audit Report	<p>Audit has recommended that the Director of Lands should –</p> <p>(c) require Grantee M to provide regularly sufficient information to demonstrate its compliance with the lease requirements and related conditions in the letter of approval of 1989 (see para. 3.13) and, where appropriate, seek the assistance of the Social Welfare Department (SWD) in scrutinising the statements of accounts obtained from Grantee M; and</p>	<p>LandsD's inputs to para. 3.25(c) and (d) of the Audit Report are as follows –</p> <p>In September 2018, Grantee M submitted the audited accounts of the hostel for year 2016 and 2017 with a Certificate from a Certified Public Accountant certifying that the hostel income for year 2016 and 2017 have been applied towards the improvement and/or extension of the charitable services provided by the Grantee.</p> <p>SWD also confirmed on 8 March 2019 that they were satisfied with the operation of the welfare/welfare-related facilities of Lease M.</p> <p>As the grantee has submitted the audited accounts as required to demonstrate compliance, and since the monitoring work will be taken on an</p>

Para. No.	Audit's/PAC's Recommendations	Progress to Date
	<p>(d) for leases with clauses governing the use or operation of the hostels/dormitories, seek confirmation from the relevant B/Ds on whether the current use or operation of the hostels/dormitories is in line with their policy intent and to their satisfaction, and take necessary follow-up actions in case of any breach of the lease conditions.</p>	<p>ongoing basis, we recommend that this part be deleted from the next progress report.</p> <p>Among the eight private treaty grants (PTGs) named in the Audit report which contain particular clauses in governing the use or operation of the hostels/dormitories (i.e. Leases F, G, H, I, J, L, M and N), SWD has confirmed that they are satisfied with the current operation of the hostels of Leases F, G, H, I, J, and M. HAB has also confirmed that the two catering facilities of Lease N are operated as part of the hostel in an ancillary manner.</p> <p>Lease L is still under investigation and replies from the grantee and B/Ds are pending. Latest reminder for the submission of an audited report was sent to the grantee on 11 March 2019.</p>
Para. 3.28 of the Audit Report	<p>Audit has recommended that the Commissioner of Inland Revenue should review the taxability of the income derived from the commercial operations of the 13 sites for revenue protection.</p>	<p>IRD is reviewing the taxability of the profits derived from the commercial operations of facilities on the 13 sites as specified in the Audit Report after the issue of Profits Tax returns to all the seven charities involved, in order to protect revenue.</p> <p>As the follow-up actions of this recommendation will continue to be implemented on an on-going basis, we recommend that this part be deleted from the next progress report.</p>
Para. 6.7 of the Audit Report and Page 74 of the PAC	<p>Audit has also recommended that the Secretary for Development and the Director of Lands, in collaboration with the supporting B/Ds, review the implementation of the 2014 Protocol to see whether there is room for improvement.</p>	<p>As at May 2019, LandsD had completed stock-taking of PTGs granted at nil/nominal/concessionary premium during the period from 1.1.2012 to 31.12.2017. LandsD would continue to undertake the stock-taking exercise in phases and share the findings with the relevant B/Ds, subject to priority of other tasks in hand, with a</p>

Para. No.	Audit's/PAC's Recommendations	Progress to Date
Report		view to reminding the relevant B/Ds of their monitoring roles and responsibilities under the relevant protocol in respect of the PTGs overseen by them.
Part 5: Regulation of Chinese temples		
Para. 5.15 of the Audit Report	<p>Audit has recommended that the Secretary for Home Affairs, as the Chairman of the Chinese Temples Committee (CTC), should –</p> <p>(a) for the two temples with expired delegation agreements (see para. 5.7), expedite action to resolve the long-outstanding issues with the two delegated organisations concerned with a view to renewing the delegation agreements as soon as practicable; and</p> <p>(b) work out with the delegated organisations of the 11 temples (see para. 5.9) agreements and means to disclose the financial information and operations of the temples.</p>	<p>In December 2017, the CTC re-entered into an agreement for three years with one of the delegated organisations. The CTC Secretariat has also been actively discussing with the other delegated organisation with a view to re-entering into an agreement as soon as possible.</p> <p>There are currently 20 delegated temples, including the 11 temples mentioned in the Audit Report. The management of these temples is delegated to eight organisations, including charitable and district organisations. Currently, one delegated organisation has uploaded the financial information of the temple on its website. The delegation agreements with the other six delegated organisations have been revised with clauses added to specify that the CTC is authorised to disclose the financial information of the temples for public inspection onto its website. The CTC will impose the same clauses on the agreement of the remaining delegated organisation which is pending re-entry.</p>

Para. No.	Audit's/PAC's Recommendations	Progress to Date
Part 6: Way Forward		
<p>Para. 6.6 of the Audit Report</p> <p>Page 69 of the PAC Report</p>	<p>Audit has recommended that the Secretary for Home Affairs should take into account the areas for improvement identified in the Audit Report (see para. 6.4) in coordinating inputs from relevant B/Ds for formulating a response to the LRC's recommendations for the Government's consideration.</p> <p>PAC strongly urged HAB to –</p> <p>(a) expedite the consultation with the relevant B/Ds to formulate a substantive response to all LRC's recommendations, taking into account the areas for improvement identified in the PAC Report and the Audit Report; and</p> <p>(b) explore administrative measures to improve the transparency and accountability of charities with a view to providing better safeguards to the public.</p>	<p>HAB has been assigned to co-ordinate inputs from relevant B/Ds for formulating a response to LRC's recommendations for the Government's overall consideration. HAB is actively following up the co-ordination in formulating a response for the Government's consideration. In this process, HAB will make reference to the improvement measures recommended in the Audit Report as well as in the PAC Reports.</p> <p>Meanwhile, the Government notes public concerns over the accountability of charities, in particular in relation to charitable fund-raising activities. HAB has co-ordinated with the relevant departments, and the Government introduced a series of administrative measures with effect from 1 August 2018 after making reference to the recommendations in the LRC Report, the Audit Report and the PAC Reports. The measures aim to enhance the transparency of charitable fund-raising activities, safeguard the interests of donors and facilitate the conduct of fund-raising activities. In addition, on 1 April 2019 the Government also introduced a logo for charitable fund-raising activities for display by holders of licences and permits relating to charitable fund-raising during charitable fund-raising activities for easy identification by members of the public.</p>

**Efforts of the Rating and Valuation Department
in safeguarding revenue on rates and government rent
Progress of implementing Audit's and PAC's Recommendations**

Para. No.	Audit's/PAC's Recommendations	Progress to date
Part 2: General Revaluations		
<p>Para. 2.16 (c) of the Audit Report</p> <p>Page 37 of the PAC Report (point (e))</p>	<p>Audit has recommended that Commissioner of Rating and Valuation should –</p> <p>(c) step up follow-up actions on repeated cases of non-compliance with Form R1A submission requirements, such as taking prosecution actions in warranted cases and issuing advisory letters in non-prosecuted cases.</p> <p>PAC urges RVD to –</p> <p>(e) take more stringent enforcement actions against cases of repeated non-compliance with Form R1A submission requirement.</p>	<p>The Rating and Valuation Department (RVD) has implemented various improvement measures to ensure timely return of accurate and full rental information from ratepayers. Apart from those improvement measures mentioned in the last Progress Report, RVD has implemented a mobile version for electronic services since November 2018 to facilitate submission of requisition forms through mobile devices. A “QR” code has also been printed on requisition forms to provide a shortcut access to the electronic services via RVD’s website. RVD will monitor closely the return rate of Form R1As after the implementation of the aforementioned measures.</p> <p>On the prosecution front, RVD will continue to monitor cases of repeated non-compliance and strengthen enforcement actions against such cases, for example, by requesting the Department of Justice (DoJ) to reflect the situation to the court in a bid to achieve a stronger deterrent effect.</p> <p>Since the measures have been implemented and will continue on an on-going basis, we recommend deleting this part from the next progress report.</p>

Para. No.	Audit's/PAC's Recommendations	Progress to date
Para. 2.16 (e) and (f) of the Audit Report	<p>Audit has recommended that Commissioner of Rating and Valuation should –</p> <p>(e) seek the assistance of the Buildings Department (BD) to improve the cost-effectiveness of obtaining rental information on subdivided properties for general revaluation purposes by targeting those identified by BD; and</p> <p>(f) make use of the information obtained from BD mentioned in (e) above to identify ratepayers of subdivided properties who have under-reported subdivided property information in their Form R1As (such as those mentioned in para. 2.15) for taking necessary follow-up actions.</p>	<p>Starting from August 2016, RVD has been provided with information on unauthorised building works and subdivided properties by BD on a quarterly basis. RVD has continued to collate rental information of these subdivided properties in order to reflect their actual value in the annual revaluations.</p> <p>RVD has issued a new departmental instruction to draw staff's attention to the work procedures after obtaining information from BD. The instruction has been put on RVD Knowledge Management System to provide easy access for staff.</p> <p>Since the recommendations have been implemented, we propose deleting this part from the next progress report.</p>
Part 4: Rates Exemption for Rural Properties		
Para. 4.22 (a) to (e) of the Audit Report	<p>Audit has recommended that Commissioner of Rating and Valuation should –</p> <p>(a) put in place compliance checking of rates exemption eligibility of the village houses in Designated Village Areas (DVAs) and seek the assistance of BD and LandsD to provide information on ineligible cases detected in the course of their enforcement work;</p> <p>(b) revoke the rates exemption of village houses that no longer meet the prescribed eligibility criteria laid down in the Rating Ordinance (including the 58 village houses mentioned in para. 4.6);</p> <p>(c) review the government rent</p>	<p>Since August 2016, BD has on a quarterly basis been providing RVD with information on unauthorised building works found in village houses during BD's enforcement work. This notification mechanism has continued to facilitate the detection of properties ineligible for rates exemption within DVAs so that follow-up actions can be taken to revoke the exemption.</p> <p>As indicated in the last Progress Report, RVD has worked out a programme to deal with the existing non-compliant cases. RVD completed the entire programme in December 2018 by providing rating assessments for about 800 ineligible village houses within DVAs.</p>

Para. No.	Audit's/PAC's Recommendations	Progress to date
	<p>records of the village houses within DVAs to see if there are ineligible cases of rates exemption (similar to the 18 village houses mentioned in para. 4.9) and take prompt actions to revoke their rates exemption;</p> <p>(d) put in place control mechanism to ensure that follow-up actions on ineligible rates-exempted cases found in the course of government rent assessments are promptly taken; and</p> <p>(e) seek the assistance of LandsD in providing information (such as advisory and warning letters issued) on unauthorised change of use of agricultural land and buildings identified in the course of its enforcement work for taking timely actions on ineligible rates-exempted cases.</p>	<p>The New Territories District Lands Offices of the LandsD have since May 2016 been providing copies of warning letters to RVD when taking enforcement actions against unauthorised structures on agricultural land. RVD has also set up a special team since April 2017 to handle these cases and revoke the rates exemption of the lots concerned with priority to tenements of higher rateable values. By the end of December 2018, RVD received 3 400 copies of warning letters from LandsD and handled 2 100 of them.</p> <p>As follow-up actions have been implemented and will continue to be carried out on an on-going basis, we propose deleting this part from the next progress report.</p>
Page 37 of the PAC Report (point (g))	<p>PAC urges RVD to –</p> <p>(g) put in place a control mechanism to ensure that follow-up actions on ineligible rates-exempted cases found in the course of government rent assessments are promptly taken; and</p>	
Page 38 of the PAC Report (point (h))	<p>(h) review the government rent records of the village houses within DVAs and take prompt actions to revoke the rates exemption of ineligible cases.</p>	

Fresh food wholesale markets
Updated progress of implementing Audit's Recommendations

Para. No.	Audit's Recommendations	Progress to date
Part 2: Utilisation of Public Fresh Food Wholesale Markets		
2.19	<p>Audit has recommended that the Director of Agriculture, Fisheries and Conservation should –</p> <p>(a) continue to monitor the unutilised pier at the Cheung Sha Wan Wholesale Food Market (CSWWFM) that has not been committed for other uses and consider whether it should be demolished to save maintenance costs.</p>	<p>Agriculture, Fisheries and Conservation Department (AFCD) has reserved Pier No. 4 in CSWWFM for use by the Transport Department which may need to execute its contingency plan for transporting dangerous goods vehicles across the harbour when the Kwun Tong Vehicular Ferry Pier and the North Point Ferry Pier are closed during the period from April 2017 to March 2019.</p> <p>AFCD is exploring with other government departments the possibility of utilising the pier and will consider the appropriate way forward with reference to the findings of the Technical Study on Potential Sites for Relocation of Wholesale Markets and for Other Industrial Uses in North West Tsing Yi (the Study) as commissioned by the Civil Engineering and Development Department (CEDD) for completion in Q1 2020.</p> <p>As the recommendation will be carried out on an on-going basis, we recommend that this item be deleted from the next progress report.</p>

Para. No.	Audit's Recommendations	Progress to date
2.39	<p>Audit has recommended that the Director of Agriculture, Fisheries and Conservation should –</p> <p>(c) address the two issues mentioned in para. 2.35 relating to the trading of live marine fishes in Fish Marketing Organization (FMO) markets in the context of the review of the roles and functions, and updating the legal framework, of FMO markets (see para. 5.11(a) and (b)(i)).</p>	<p>The issues will be addressed along with the current review of the roles and functions of FMO markets and update of the legal framework of FMO markets set in the Marine Fish (Marketing) Ordinance (Cap. 291) upon consultation with DoJ if needed.</p> <p>We recommend that this item be deleted from the next progress report as the progress of the said review will be reported under para. 5.11(a) and (b).</p>
Part 4: Reprovisioning of Private and Public Fresh Food Wholesale Markets		
<p><i>Kwun Tong Fish Market</i> <i>Cheung Sha Wan Vegetable Market</i> <i>Public fresh food wholesale markets on temporary sites</i></p>		
4.47	<p>Audit has recommended that the Director of Agriculture, Fisheries and Conservation should –</p> <p>(b) keep in view the progress made by the relevant B/Ds in exploring the options for reprovisioning the Kwun Tong Fish Market, with a view to taking forward the relocation of the Market in a timely manner;</p> <p>(c) critically review the site requirements for the reprovisioning of the Cheung Sha Wan Vegetable Market, taking account of the need for optimising the use of land resources, the decreasing throughput of the Market, and the intended future roles and functions of the Vegetable Market Organisation (VMO) in wholesale marketing of vegetables (see para. 5.11(a));</p>	<p>(b) to (e) With the inputs provided by AFCD and PlanD on the requirements for the reprovisioning of the Kwun Tong Fish Market and the Cheung Sha Wan Vegetable Market, CEDD commissioned the Study in June 2018 for completion in Q1 2020.</p> <p>As the Study has commenced and the recommendation will be carried out on an on-going basis, we recommend that items (b) and (c) be deleted from the next progress report.</p>

Para. No.	Audit's Recommendations	Progress to date
	<p>(d) work closely with the Planning Department (PlanD) and other relevant works departments to expedite the reprovisioning of the Cheung Sha Wan Vegetable Market and the release of the sites for housing developments;</p> <p>(e) formulate an action plan to take forward the reprovisioning of the Cheung Sha Wan Vegetable Market, and closely monitor the progress;</p> <p>(g) keep in view the development of the Government's policy on the live poultry trade, with a view to reprovisioning the Cheung Sha Wan Temporary Poultry Market and/or releasing its site at the earliest possible time; and</p> <p>(i) formulate action plans on the North District Temporary Agricultural Products Market (NDTWM) and the Cheung Sha Wan Temporary Poultry Market, and closely monitor the progress after deciding the way forward.</p>	<p>(g) and (i) Having thoroughly considered the Consultant's findings and recommendations on the study on the way forward of the live poultry trade in Hong Kong, as well as views collected during the public consultation period, the Government has agreed with the broad direction that the status quo for the live poultry trade should be maintained.</p> <p>Regarding the future arrangement for the relocation of Cheung Sha Wan Temporary Poultry Market, the Government is now exploring Fu Tei Au and other possible sites for relocation together with some other wholesale markets under the Study commissioned by CEDD.</p> <p>Depending on the study results and other considerations, Food and Health Bureau/AFCD will consult the relevant stakeholders and consider the way forward.</p>

Para. No.	Audit's Recommendations	Progress to date
		As to NDTWM, AFCD has formulated action plans on its relocation. AFCD would continue to liaise with the trade on the practical requirements of the re-provisioned market in terms of size, facilities and other needs. Building design and facility planning for the re-provisioned NDTWM have been undertaken by CEDD.
Part 5: Way Forward		
5.11	<p>Audit has recommended that the Secretary for Food and Health and the Director of Agriculture, Fisheries and Conservation should –</p> <p>(a) critically review the roles and functions of FMO and VMO in relation to those of AFCD in operating public fresh food wholesale markets, having regard to –</p> <p>(i) the roles and functions of FMO and VMO originally intended;</p> <p>(ii) their strengths, weaknesses, opportunities and threats (SWOT); and</p> <p>(iii) the need for enhancing their roles and functions to attain synergy and eliminate any duplication of resources in the operation of public fresh food wholesale markets; and</p> <p>(b) take measures to help FMO, VMO and AFCD perform their roles and functions effectively and efficiently, including –</p>	<p>(a) and (b)</p> <p>VMO is undergoing a review on its roles and functions, including an analysis on SWOT and will in consultation with DoJ update the legal framework to enable VMO to fulfil its responsibilities more efficiently and effectively.</p> <p>A review of the roles and functions of FMO with a SWOT analysis of FMO has been completed. AFCD and FMO will also consult DoJ on the legal issues regarding the direct import of fresh marine fish as well as the need to update the Marine Fish (Marketing) Ordinance (para. 2.39(c) above).</p>

Para. No.	Audit's Recommendations	Progress to date
	<p>(i) updating the legal framework under which FMO and VMO operate and take effective law enforcement actions; and</p> <p>(ii) regularising, where necessary, new activities required to be performed by FMO and VMO.</p>	

Hong Kong Academy for Performing Arts
Progress in implementing the Audit's Recommendations

Para. No.	Issues examined	Audit's Recommendations	Progress to date
Part 2: PROVISION OF ACADEMIC PROGRAMMES			
2.31	Admission of non-local students	Audit has recommended that Secretary for Home Affairs should – (a) in consultation with the Secretary for Education, draw up a policy on admission of non-local students for the Hong Kong Academy for Performing Arts (HKAPA), making reference to the principles of the policy applicable to University Grants Committee (UGC)-funded institutions; and (b) in consultation with Secretary for Education, pursue further with the HKAPA on setting a tuition fee level for non-local students to recover all additional direct costs.	The Home Affairs Bureau (HAB) will continue to follow up with HKAPA on the policy on admission of non-local students. Meanwhile, HKAPA has continued to review the tuition fee levels for non-local students with a view to recovering all additional direct costs as recommended by Audit. The tuition fees for the new cohorts of students admitted in the 2018/19 and 2019/20 academic years are set out below –

Para. No.	Issues examined	Audit's Recommendations	Progress to date																		
		unit cost and take effective measures to contain the increasing trend, making reference to student unit costs of UGC-funded institutions.	<p>civil service pay adjustment, the implementation of the new technology-enhanced teaching and learning strategy in academic programmes, and the commissioning of the new annex of HKAPA's Wan Chai Campus.</p> <table><tr><th>Academic year</th><th>Student unit cost (HK\$)</th><th>Change (%)</th></tr><tr><td>2015/16</td><td>328,260</td><td>+6.6</td></tr><tr><td>2016/17</td><td>324,860</td><td>-1.0</td></tr><tr><td>2017/18</td><td>329,803</td><td>+1.5</td></tr><tr><td>2018/19</td><td>342,964</td><td>+4.0</td></tr><tr><td>2019/20 (Estimated)</td><td>358,705</td><td>+4.6</td></tr></table> <p>Since student enrolment has a direct impact on student unit cost, HKAPA has taken measures to improve the enrolment situation. It plans to launch a new one-year Diploma in Foundation Studies programme which will provide an alternative entry pathway to the degree programmes for local applicants. In addition, HKAPA has issued admission offers earlier for admission in 2019/20, and will implement an online application system in 2019/20.</p> <p>We will continue to monitor the student unit cost of HKAPA.</p>	Academic year	Student unit cost (HK\$)	Change (%)	2015/16	328,260	+6.6	2016/17	324,860	-1.0	2017/18	329,803	+1.5	2018/19	342,964	+4.0	2019/20 (Estimated)	358,705	+4.6
Academic year	Student unit cost (HK\$)	Change (%)																			
2015/16	328,260	+6.6																			
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Part 3: GOVERNANCE AND GOVERNMENT MONITORING

3.40	Government monitoring	<p>Audit has recommended that Secretary for Home Affairs should –</p> <p>(a) update the Memorandum of Administrative Arrangements (MAA) with the Government's</p>	<p>HKAPA will further enhance the content of the audited financial report to meet the reporting requirements pointed out by the Audit in the latest audited financial report of HKAPA i.e. ending 2017-18. HAB will follow up with HKAPA to ensure full compliance of the requirements.</p> <p>On updating of the MAA, HKAPA has</p>
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Para. No.	Issues examined	Audit's Recommendations	Progress to date
		prevailing subvention guidelines.	recently proposed refinement of the current funding arrangements. HAB is in discussion with HKAPA over the new proposals and will revise the MAA to incorporate any proposals that are mutually agreed by both parties and are in line with the prevailing Government subvention guidelines in one exercise.

Part 5: CAMPUS IMPROVEMENT AND EXPANSION

5.16	Wanchai Campus expansion project	<p>Audit has recommended that HKAPA should –</p> <p>(a) endeavour to complete the on-campus expansion (OCE) project within budget by December 2017;</p> <p>(b) for future government-subsided capital works projects, implement the project in strict accordance with the scope of the project as approved by the Finance Committee (FC) of LegCo, and avoid making changes to the design and specifications of the project that would increase the approved project estimate after funding approval; and</p> <p>(c) make necessary arrangements to deal with the impact of the delay and reduction in scope of the OCE project on delivering its academic programmes and other services.</p>	<p>HKAPA has arranged the moving-in for the new facilities by phases, subsequent to the issue of the Occupation Permit on 15 August 2018. It is expected that the move-in will be completed in the second quarter of 2019.</p> <p>HKAPA is now working on the final account of the OCE project; and is preparing the requisite documents for submission together with the final account to the Architectural Services Department (ArchSD) for vetting.</p> <p>HAB will continue to monitor the progress of the HKAPA's work on the OCE.</p>
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Para. No.	Issues examined	Audit's Recommendations	Progress to date
5.17	Wanchai Campus expansion project	<p>Audit has recommended that Secretary for Home Affairs should –</p> <p>(a) monitor closely the progress of the OCE project to ensure that HKAPA completes it within budget by December 2017;</p> <p>(b) in performing the role of vote controller of subvented capital works projects, provide timely guidance to subvented organisations to remind them to implement subvented projects in strict accordance with the approved scope of the projects, and complete the projects on time and within budget; and</p> <p>(c) report the progress of the OCE project to LegCo with a detailed account of the delay and reduction in project scope.</p>	<p>For progress of the OCE project, please refer to the progress in paragraph 5.16 above.</p> <p>HAB reported to LegCo Panel on Home Affairs the progress of the project in March 2016. HKAPA has been reminded of the need to follow the relevant guidelines in implementing the OCE project, and complete it on time and within budget.</p>

Para. No.	Issues examined	Audit's Recommendations	Progress to date
5.32	Planning for further campus expansion	Audit has recommended that the Secretary for Home Affairs should, in consultation with the Secretary for Education, examine the basis adopted by HKAPA in its assessment of space requirement, including whether it should include the number of students of self-financing Master's degree programmes.	The space needs study conducted by HKAPA was completed. The student number of self-financing programmes was excluded in the assessment. HAB will continue to consult relevant B/Ds, including EDB, when planning for further campus expansion of HKAPA. As HAB and HKAPA have taken forward the Audit's recommendations, which will be implemented on an on-going basis as and when there is a proposal for campus expansion, we recommend deleting this part from the next progress report.

Management of water supply and demand
Progress of implementing the outstanding items

Para. No.	Audit's Recommendations	Progress to date
Part 2: Water Supply Management		
2.33	<p>Audit has recommended that the Director of Water Supplies should –</p> <p><i>Use of reclaimed water</i></p> <p>(a) expedite actions to implement the project for supplying reclaimed water for flushing in Northeast New Territories (NENT).</p>	<p>In regard to the supply of reclaimed water for flushing in NENT, Water Supplies Department (WSD) is implementing the related infrastructure works. Construction of a service reservoir and laying of trunk water mains commenced in April 2017. Laying of the first stage of the local distribution mains in Sheung Shui and Fanling commenced in September 2018. In addition, WSD is continuing the design of the remaining infrastructure works, including water reclamation facilities, a pumping system and the second stage of the local distribution mains in Sheung Shui and Fanling.</p> <p>At the same time, the preparatory work for legislation for supply of recycled water (including reclaimed water) is in progress, and the associated public consultation was completed in December 2018. Supply of reclaimed water for flushing is planned to commence in 2022.</p>
2.34	<p>Audit has also recommended that the Director of Drainage Services should, in collaboration with the Secretary for Development and the Director of Water Supplies, expedite actions to implement the Inter-Reservoirs Transfer Scheme (IRTS).</p>	<p>The works for the contract of IRTS, under the management of Drainage Services Department, commenced in February 2019 for completion in the last quarter of 2022.</p> <p>Since the construction works of IRTS are under way, we propose deleting this part in the next progress report.</p>

Para. No.	Audit's Recommendations	Progress to date
Part 5: Way Forward		
5.8	Audit has recommended that the Director of Water Supplies should – (a) consider setting a target date for achieving 10 litres of water saving per capita per day.	<p>The Government drew up in the Policy Agenda in October 2017 the target of reducing the per capita total fresh water consumption by 10% by 2030 at the earliest, using 2016 as the base year.</p> <p>As this recommendation has been implemented, we propose deleting this part in the next progress report.</p>

Planning, construction and redevelopment of public rental housing flats
Reporting of further development as per PAC's request

Para. No.	PAC's Recommendations	Progress to Date
Para. 13 of PAC Report Part 5	<p>PAC was informed that –</p> <p>the estimated total public housing production of the Hong Kong Housing Authority (HKHA) and the Hong Kong Housing Society (HKHS) in the five-year period from 2018-2019 to 2022-2023 would be 100 800 units according to HKHA's Public Housing Construction Programme as at September 2018. On land supply, the Administration had identified land for the construction of about 237 000 public housing units for the ten-year period from 2018-2019 to 2027-2028, assuming that all sites identified could be delivered on time for housing construction. The Administration acknowledged that there was a gap in the public housing supply target.</p>	<p>According to the latest long term housing demand projection under the Long Term Housing Strategy (LTHS), the Government has adopted 450 000 units as the total housing supply target for the ten-year period from 2019-20 to 2028-29. According to a 70:30 public/private split of new housing supply, the public housing target for the above ten-year period is 315 000 units (comprising 220 000 public rental housing (PRH)/Green Form Subsidised Home Ownership Scheme (GSH) units and 95 000 other subsidised sale flats).</p> <p>As at December 2018, the estimated total public housing production by HKHA and HKHS in the five-year period from 2018-19 to 2022-23 is about 100 400 flats, comprising about 74 200 PRH/GSH units and about 26 300 other subsidised sale flats¹. Comparing the above projected total public housing production for the five-year period starting from 2018-19 with that of the previous four five-year periods, the projected production shows a steady increase.</p> <p>The Government has been making public at regular intervals –</p> <p>(i) the housing supply target and the progress of public housing construction, which includes announcing the housing supply target for the next ten-year period and the progress of land supply</p>

¹ Flat numbers are rounded to the nearest hundred and may not add up to the total due to rounding.

Para. No.	PAC's Recommendations	Progress to Date
		<p>preparation in the LTHS Annual Progress Report; and</p> <p>(ii) the estimated production number of public housing in the next five years on website of Transport and Housing Bureau and LegCo submission.</p> <p>As the above work will be carried out on an on-going basis, we recommend deleting this part from the next progress report.</p>

**Direct land grants to private sports clubs at nil or nominal premium
Progress in implementing the Audit's and PAC's Recommendations**

Para. No.	Audit's/PAC's Recommendations	Progress to Date
General		
Para. 5.8 of the Audit Report	<p>Audit recommends that the Administration should –</p> <p>(a) work out a timetable for the policy review, so that new policy directions on Private recreational leases (PRL) would be in place before the expiration of a number of PRLs;</p> <p>(b) take into account the needs and demands of different stakeholders (namely, the interests of the private sports clubs on PRLs and their members, and the wider public interest) and strike a proper balance between different objectives;</p> <p>(c) set out key principles to be adopted for the renewal of existing PRLs and the granting of new PRLs in future, with a view that public interest will be better served; and</p> <p>(d) conduct a similar review of the 37 PRLs granted to non-governmental Organisations and other organisations (i.e. uniformed groups, welfare organisations, national/district sports associations and civil servants' associations) to ascertain if the Administration is facing similar problems and challenges ahead with these PRLs.</p>	<p>The interdepartmental working group (the working group) convened by the Home Affairs Bureau (HAB) completed the policy review on PRL and proposed the following recommendations –</p> <p>(a) different handling of the leases held by “community organisations”² and “private sports clubs” and granting new special purpose leases (instead of PRLs) to sports and recreational sites held by “community organisations”;</p> <p>(b) continuing to handle the sites held by private sports clubs under PRL policy but the lease conditions should be significantly modified to better meet the dual needs of supporting sports development and optimising land use;</p> <p>(c) taking into account the contribution of private sports clubs in promoting sports development in Hong Kong when considering the renewal of their leases upon expiry;</p> <p>(d) requiring private sports clubs suitable for lease renewal to pay a concessionary premium to be set at</p>

² “Community organisations” include non-profit-making organisations such as social and welfare organisations, religious organisations, uniformed groups, national sports associations, district sports organisations, civil service organisations and the Hong Kong Jockey Club.

Para. No.	Audit's/PAC's Recommendations	Progress to Date
		<p>one-third of the Full Market Value land premium;</p> <p>(e) requiring private sports clubs to further open up their facilities to eligible outside bodies up to 30% of their total sports capacity and partner with sports organisations to organise sports programmes that can be made available for enrolment by individual members of the public with a minimum sports programme hours of 240 per month;</p> <p>(f) drawing up the list of allowable sports supporting facilities and ancillary facilities for PRLs;</p> <p>(g) enhancing the monitoring of PRLs and the corporate governance of the lessees; and</p> <p>(h) defining the principles in approving applications for new sites for sports and recreational use.</p> <p>The Government launched a six-month consultation on 20 March 2018 to solicit views from the public and stakeholders on the recommendations of the policy review.</p> <p>A total of 4 250 submissions were received. The public consultation report is available for viewing at HAB's website (https://www.hab.gov.hk/en/publications_and_press_releases/consultation_prls.htm). HAB briefed the Executive Council (ExCo) and the LegCo Panel on Home Affairs on the outcome of the public consultation on 19 and 25 February 2019 respectively.</p>

Para. No.	Audit's/PAC's Recommendations	Progress to Date
		As the above recommendations will be implemented accordingly, we recommend deleting this item from the next progress report.
Page 59 of the PAC Report	<p>PAC urges that in renewing the PRLs for a 15-year term, HAB should ensure that the following conditions of the prevailing PRL policy are met –</p> <ul style="list-style-type: none"> (a) the site not being required for a public purpose; (b) there being no significant breach of lease conditions; (c) the lessee having a non-discriminatory membership policy; and (d) HAB having approved the “opening-up” scheme submitted by the lessee for fulfilling the greater access requirement. 	The working group proposed that the four conditions under the existing PRL policy should continue to apply in the renewal of PRLs in future. As this recommendation has already been implemented, we recommend deleting this item from the next progress report.
PART 2: Government policy decisions in 1969 and 1979		
Para. 5.9 of the Audit Report	<p>Audit recommends that the Administration should –</p> <ul style="list-style-type: none"> (a) examine individual PRLs on a case-by-case basis and consider how they should be revised/refined in the light of changes in circumstances, taking into account the key principles set in the forthcoming policy review on PRLs; 	LandsD and HAB will consider on a case-by-case basis whether additional lease conditions are necessary according to the recommendations of the policy review. For example, further opening-up requirements will be specified on the PRLs upon their renewal in future. As this will be implemented by HAB and LandsD on an ongoing basis, we recommend deleting this item from the next progress report.

Para. No.	Audit's/PAC's Recommendations	Progress to Date
	<p>(b) set up an effective mechanism to monitor the use of PRL sites, including the requirement to approve the developments on the PRL sites and the conduct of regular site inspections under the enforcement regimes of HAB/LandsD;</p> <p>(c) draw up planning standards to help assess how PRL sites should in future be reasonably apportioned among sports and non-sports facilities to meet the purpose of the PRLs;</p> <p>(e) step up controls to ensure that in future, commitments made to the ExCo relating to PRL policy are properly followed through for implementation; and</p> <p>(f) in future cases of sufficient importance, seek the advice of ExCo before granting the PRL.</p>	<p>The working group proposed HAB to enhance its monitoring on the PRL sites through annual inspections and quarterly reports, and LandsD to act on complaints and/or referrals regarding suspected cases of non-compliance with lease conditions (e.g. development clauses and engineering conditions) and take lease enforcement actions against lease breaches in consultation with HAB as appropriate. As these measures have already been implemented by HAB and LandsD, we recommend deleting this item from the next progress report.</p> <p>The working group drew up the list of allowable sports supporting facilities and ancillary facilities for PRLs and proposed parameters for the types and proportion of ancillary facilities that should be allowed on PRL sites. As this recommendation has been accepted, we recommend deleting this item from the next progress report.</p> <p>We are handling matters related to the PRLs in accordance with ExCo's policy decisions. Since there is no outstanding issue, we recommend deleting this item from the next progress report.</p> <p>The working group proposed that the granting of new PRLs to "private sports clubs" and new Special Purpose Leases for "community organisations" will be subject to ExCo's approval in future. As this recommendation has been adopted, we recommend deleting this item from the next progress report.</p>

Para. No.	Audit's/PAC's Recommendations	Progress to Date
PART 3: Implementation of the “opening-up” requirement		
Para. 5.9 of the Audit Report Page 67 of the PAC report	<p>Audit recommends that the Administration should –</p> <p>(i) continue stepping up publicity on the clubs’ facilities available for use by Outside Bodies and coordinating with the Education Bureau to encourage schools in the vicinity of the clubs to make more use of the clubs’ facilities; and</p> <p>(j) take note of the obstacles ahead which might discourage Outside Bodies from using the clubs’ facilities and take steps to overcome them as far as possible.</p> <p>PAC urges the Administration to step up its efforts to remind the clubs to promote the availability of their sports facilities.</p>	<p>The Education Bureau promotes the use of PRL sites through issuing an annual circular memorandum to all schools starting from 2018. Details of all the opening-up schemes are available on HAB’s website “http://www.hab.gov.hk/en/other_information/prls.htm” to facilitate public viewing.</p> <p>HAB placed another round of advertisements in the print media in February 2019 to encourage eligible outside bodies to use the clubs’ facilities, and will consider other publicity measures as necessary.</p> <p>HAB has followed up with individual lessees with low utilisation with a view to increasing usage rates.</p> <p>As the above measures are implemented on an ongoing basis, we recommend deleting this item from the next progress report.</p>
PART 4: Monitoring of compliance with lease conditions		
Page 70 of the PAC Report Page 60 of the PAC report	<p>PAC urges the Administration to –</p> <p>establish a proper monitoring mechanism over PRLs to ensure the clubs' compliance with the Conditions of Grant and to safeguard public interest, including exploring the development of a set of guidelines on PRL conditions and rules which the clubs are expected to observe.</p> <p>PAC also urges HAB and LandsD to expeditiously implement the relevant improvement measures to safeguard public interest.</p>	<p>The working group proposed HAB to enhance its monitoring on the PRL sites through annual inspections and quarterly reports, and LandsD to act on complaints and/or referrals regarding cases non-compliance with lease conditions (e.g. development clauses and engineering conditions) and take lease enforcement actions against lease breaches in consultation with HAB as appropriate. As these measures have already been implemented by HAB and LandsD, we recommend deleting this item from the next progress report.</p>

Para. No.	Audit's/PAC's Recommendations	Progress to Date
PART 5: Way forward		
Para. 5.9 of the Audit Report	<p>Audit recommends that the Secretary for Home Affairs should –</p> <p>(n) work collaboratively with the Secretary for Development and Heads of other relevant government departments to assess whether any of the PRLs due for renewal should be renewed;</p> <p>(o) review whether the current practice of only assessing alterations that have been made to the Memorandum and Articles of Associations (M&As) since the last renewals is sufficient to ensure that all clubs on PRL sites have duly met the non-discriminatory membership policy requirement; and</p> <p>(p) monitor the progress of the renewals for the 16 expired PRLs, including those clubs which had submitted timetables for rectifying breaches on PRLs.</p>	<p>The working group proposed that before expiry of the current PRLs, HAB should review in detail the contribution rendered by each of the private sports clubs towards sports development before giving policy support. As this recommendation has been accepted, we recommend deleting this item from the next progress report.</p> <p>When considering applications for PRL renewal, HAB will examine the M&As of the clubs concerned to ensure that they meet the non-discriminatory membership policy requirement. As this recommendation has been accepted, we recommend deleting this item from the next progress report.</p> <p>As at end-February 2019, of the 16 expired PRLs, 14 have been renewed as PRLs and one has been granted a special purpose lease. HAB and LandsD will proceed to renew the lease of the remaining PRL after revising its site boundary. As the remaining matters involving lease renewal are routine by nature, HAB and LandsD will closely monitor the progress. We thus recommend deleting this item from the next progress report.</p>

Management of roadside skips
Updated progress of implementing Audit's Recommendations

Para. No.	Audit's Recommendations	Progress to date
	<p>Audit has recommended that the Secretary for Development, the Secretary for the Environment and the Secretary for Transport and Housing should jointly, based on the results of para. 5.6(a) and (b) –</p> <p>5.6(c) (i) formulate strategies and action plans for regulating and facilitating skip operations; and</p> <p>(ii) assign a government department to take up the responsibility for regulating and facilitating skip operations.</p> <p>5.6(d) conduct a review to re-assess whether the current situation justifies Government actions to introduce a regulatory system to regulate and facilitate skip operations.</p>	<p>The Joint Working Group on Management of Roadside Skips (JWG) has continued to enhance the management and control of roadside skips by putting in place relevant measures.</p> <p>The Government has provided two sites, one adjacent to Tseung Kwan O Area 137 Fill Bank and one at Siu Lang Shui in Tuen Mun, through short-term tenancies, for use by the skips trade to store idling skips. It has also continued to engage a dedicated term service contractor to assist enforcement departments in speeding up the removal of skips found to be posing serious obstruction to traffic and/or imminent danger to the public, thereby enhancing enforcement efficiency and the deterrent effect.</p> <p>In addition, the JWG has conducted joint enforcement operations to tackle the malpractice of indiscriminate placement of idling skips at a number of black spots, including Tseung Kwan O, Sai Kung, Kowloon Bay, Kai Tak and Chai Wan areas. The JWG will continue to duly organise joint enforcement operations as necessary at black spots in various districts to enhance the deterrence against the malpractice of indiscriminate placement of skips at roadside.</p> <p>As regards the further work to enhance the management and facilitation of skip operations, the JWG has engaged a consultant since June 2018 to work with skip operators and other stakeholders (such as construction</p>

Para. No.	Audit's Recommendations	Progress to date
		<p>trade associations, property management companies and insurance trade association, etc.) to explore the setting up of a trade-led voluntary skips registration system and draw up the proposals concerned. The study is still on-going and the JWG aims to support the skip operator trade to kick off the voluntary skips registration system in the second half of 2019.</p> <p>The JWG will continue to explore options for enhancing the standards of skip operations. Taking into account the progress of the work proposed, the JWG will consider whether there is a need to introduce a new regulatory system in the long run.</p> <p>As the above tasks will be carried out on an on-going basis, we recommend that this part be deleted from the next progress report.</p>

政府總部
發展局
規劃地政科



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7 May 2019

By fax and by email

Mr Anthony CHU
Clerk, Public Accounts Committee
Legislative Council Secretariat
Legislative Council Complex,
1 Legislative Council Road,
Central, Hong Kong

Dear Mr CHU,

Follow-up to Public Accounts Committee Report No. 65

Use and disposal of vacant school premises

I refer to your letter of 7 January 2019 to the Secretary for Education with respect to the use and disposal of vacant school premises (VSPs). Further to the Education Bureau (EDB)'s reply of 11 February 2019 providing information on the VSPs under its purview, I provide herewith information on VSPs under the Development Bureau's purview. While your letter enquires about the Administration's actions arising from the Public Accounts Committee (PAC) Report No. 65, the information contained in this reply is **not** confined to the VSPs examined in the said PAC Report but covers all VSPs handled by our family departments, with a view to providing a complete picture on the matter to PAC.

2. It has all along been the government's policy objective to put VSPs to gainful use. Under the Central Clearing House mechanism of VSPs, when a VSP is no longer required by EDB for school or other educational use, EDB will inform the Planning Department (PlanD) and other relevant departments

(such as the Lands Department (LandsD) and Housing Department (HD)). PlanD will consider suitable alternative long-term uses, generally in terms of broad landuse zonings (such as government, institution or community (G/IC), residential and other uses), for the VSP. Upon identification of broad long-term uses for the VSPs, PlanD will inform the relevant departments for their follow-up. So far, PlanD has reviewed the long-term uses of 183 VSPs¹ with the details and recommendations set out on its website². Before the implementation of the identified long-term uses of the VSPs, the relevant departments will endeavor to put the VSPs to gainful short-term use where practicable to ensure effective utilisation of land resources.

3. As at end-January 2019, the status of the 183 VSPs were as follows.

27 VSPs on private land

4. Among the 27 VSPs located on private land, no follow-up action was required for 26 cases either because (a) the land lease for the private land concerned did not contain a cessation/diminution of user clause allowing the Government to re-enter the land after cessation of school use (which means that future use of the land was at the discretion of the lessees so long as the use complied with the lease, zoning and other regulations) (17 cases); (b) the sites were being reused for school purposes (2 cases); or (c) lease modification/building licence for other uses in line with the planning intention had been executed, or proposals from the relevant grantee for other uses were being processed in accordance with the prevailing policy (7 cases). For the remaining one VSP, LandsD would take appropriate actions to recover possession of the VSP under a cessation/diminution of user clause in its land lease.

132 VSPs on government land

5. 132 VSPs were on government land and under LandsD's purview. For 45 of them, actions had been completed, in that long-term/short-term uses had been approved or were ready to be taken forward while the processing of another 47 cases for alternative long-term/short-term uses were actively underway. In addition, 33 VSPs had been or would be included into the list of

¹ This includes VSP sites where the original VSP has been demolished

² https://www.pland.gov.hk/pland_en/access/pec/4.html

vacant government sites on the “GeoInfo Map” website available for public application for short-term use³. Three VSPs were not available for short-term use for the time being due to slope problems or other safety issues, and their situations were kept under review. For the remaining four VSPs, LandsD would take appropriate actions to recover possession of the VSPs.

24 VSPs on government land under the purview of other departments

6. The remaining 24 VSPs are located on government land and fall under the purview of other departments⁴. We trust the departments concerned have been following up as appropriate on the long-term uses of the VSPs.

Yours sincerely,



(Miss Polly Chong)
for Secretary for Development

c.c.	Secretary for Education	Fax No.: 2573 3467
	Secretary for Financial Services and the Treasury	Fax No.: 2147 5239
	Director of Audit	Fax No.: 2583 9063
	Director of Lands	Fax No.: 2868 4707
	Director of Planning	Fax No.: 2116 0755

³ https://www.map.gov.hk/gm/map/search/faci/___VGS?lg=en

⁴ The circumstances of these 24 cases are as follows –

- 14 VSPs are under the purview of HD;
- 9 VSPs are under the purview of EDB; and
- 1 VSP is under the purview of Government Property Agency.

Operation of Hongkong Post
Updated Progress of Implementing Audit's Recommendations

Para. No.	Audit's Recommendations	Progress to date
Part 1: Management of mail processing		
<i>Overtime of Mail Distribution Division</i>		
2.55(b)	Postmaster General (PMG) should ensure that beat revision exercises are carried out in a timely manner according to the prescribed schedule.	<p>The beat surveys for the two remaining delivery offices viz. Shek Wu Hui Delivery Office (now named as North District Delivery Office) and Shau Kei Wan Delivery Office (now named as Chai Wan Delivery Office) were completed in March and May 2019 respectively.</p> <p>As the recommendation has been fully implemented, we recommend deleting this section from the next progress report.</p>
Part 2: Management of Central Mail Centre and General Post Office Building		
5.20(a)	PMG should, in collaboration with the relevant government B/Ds, take appropriate measures to facilitate the Government's project for the reprovisioning of the General Post Office (GPO) Building.	<p>The reprovisioning of the GPO Building is being taken forward in step with the future development of "Site 3" on the New Central Harbourfront in accordance with the recommendations of the Urban Design Study for the New Central Harbourfront. The reprovisioning comprises two parts, viz. the district-tied facilities (i.e. the GPO Counter Office and the Post Office Box Section, the GPO Delivery Office, and the Speedpost Section) will be reprovisioned to the future development of Site 3 to meet the postal needs of the local community, while the Hongkong Post (HKP) Headquarters will be reprovisioned to a government site adjacent to the Central Mail Centre in Kowloon Bay.</p> <p>FC of LegCo had approved the funding of \$1,600.9 million for the project of reprovisioning of HKP Headquarters</p>

Para. No.	Audit's Recommendations	Progress to date
		<p>on 19 October 2018. The construction work would commence in Q2 of 2019 for completion by Q4 of 2022 and commissioning of HKP Building in Q3 of 2023.</p> <p>The reprovisioning of district-tied facilities to Site 3A of New Central Harbourfront is subject to the master development programme of "Site 3" of the New Central Harbourfront.</p> <p>As this recommendation will continue to be implemented on an ongoing basis, we recommend deleting this section from the next progress report.</p>

Maintenance and safety-related improvements of public rental housing flats
Progress of implementing Audit's Recommendations

Para. No.	Audit's Recommendations	Progress to date
Part 2: In-flat maintenance of PRH flats		
2.32	<p><i>Implementation of the Responsive In-flat Maintenance Services</i></p> <p>Audit has recommended that the Director of Housing should –</p> <p>(b) take measures to improve the performance of the estate offices, in particular those which failed to meet the service standards repeatedly.</p>	<p>The Housing Department (HD) has implemented the new Responsive In-flat Maintenance Services (RIMS) service standards since January 2018. Since the introduction of new measures, the performance of the RIMS service provided by estate offices has improved continuously.</p> <p>As this recommendation has been implemented, we recommend that this part should be deleted from the next progress report.</p>
Part 3: Follow-up actions on PRH's water sampling tests for lead		
3.31	<p>Audit has recommended that the Permanent Secretary for Transport and Housing (Housing) should –</p> <p>(b) continue the effort in contacting those households in the 11 affected PRH developments, whose flats had not been installed with water filters, to consider installing water filters or take other precautionary measures such as drawing water from the temporary water points for consumption.</p>	<p>The HKHA's contractors have substantially completed the rectification works inside the flats in the 11 affected PRH estates. For those cases where rectification works inside flats could not be carried out, they were mainly due to tenants' unwillingness in carrying out the works. The contractors will continue to persuade the concerned tenants to carry out the rectification works. We will disseminate relevant health information with respect to the risk of lead in drinking water to the tenants.</p> <p>The Water Authority (WA) has issued</p>

Para. No.	Audit's Recommendations	Progress to date
		<p>Form WWO 46 Part V certifying the completion of rectification works for those flats applying for inspection. All the test results of the water samples taken comply with the standards. Following WA's certification, the contractors have notified the tenants of the completion of rectification works inside flats and that the water test results are in compliance with the standards. The contractors have also arranged to remove the water filters for these tenants. Besides, the contractors have withdrawn the temporary water points at each floor. WSD has assisted HKHA in providing temporary water supply by means of standpipes within the estates to the affected tenants. In view of the substantial completion of the rectification works for water pipes inside the flats of the affected PRH estates, HKHA is arranging with WSD to progressively retreat the standpipes.</p> <p>As the rectification works in the 11 affected PRH estates have been substantially completed, we recommend that this part should be deleted from the next progress report.</p>
Part 4: Management of asbestos-containing materials in PRH estates		
4.24	<p><i>Monitoring of asbestos-containing materials (ACM) in PRH estates</i></p> <p>Audit has recommended that the Director of Housing should –</p> <p>(c) consider providing more guidelines on assessing the nature of damage found in condition surveys of ACMs in PRH estates in light of the six cases.</p>	<p>Frontline staff have been kept advised through regular reminders on the guidelines issued in 2017 relating to ACMs condition surveys, and have well implemented the guidelines accordingly.</p> <p>As the recommendation has been implemented, we recommend that this part</p>

Para. No.	Audit's Recommendations	Progress to date
		should be deleted from the next progress report.
4.35	<p><i>Control over works affecting ACMs in PRH estates</i></p> <p>Audit has recommended that the Director of Housing should –</p> <p>(d) take measures to prevent accidental disturbance to ACMs, including labelling all ACMs and posting the ACM notice on the notice boards of relevant estates at all times.</p>	<p>To alert the tenants and other stakeholders about the presence of ACMs in the estates, HD has, in addition to the installation of warning labels, enhanced the tenants' awareness by various means such as issuance of estate newsletters regularly.</p> <p>As the recommendation has been implemented, we recommend that this part should be deleted from the next progress report.</p>
Part 5: Replacement of laundry pole-holders		
5.21	<p><i>Implementation of the 2014 programme for replacing laundry pole-holders</i></p> <p>Audit has recommended that the Director of Housing should –</p> <p>(b) carry out a post-implementation review of the 2014 programme for replacing laundry pole-holders in good time; and</p> <p>(c) closely monitor the works progress of the 2014 programme for replacing laundry pole-holders to ensure that the target completion date of 2017 would be met.</p>	<p>HD completed the target to have the laundry pole holders either replaced by laundry racks or sealed as agreed with the tenants and also carried out the post-implementation review of the replacement programme in early 2018.</p> <p>As the recommendation has been implemented, we recommend that this part should be deleted from the next progress report.</p>

**Hospital Authority's management of public hospital projects
Progress of implementing Audit's Recommendations**

Para. No.	Audit's Recommendations	Progress to date
Part 2: Project management of the Redevelopment of Caritas Medical Centre (Phase 2)		
<i>Project planning</i>		
2.25	<p>Audit has recommended that the Chief Executive, Hospital Authority (HA) should –</p> <p>(a) when implementing hospital projects in future –</p> <p>(i) conduct more thorough site investigations with a view to identifying unrecorded utilities as far as possible, particularly for those projects involving redevelopment of old hospital buildings and at critical works locations;</p> <p>(ii) strengthen the coordination between works and medical staff on the scheduling and interfacing of construction works and medical operations at nearby hospital buildings; and</p> <p>(iii) explore the feasibility of specifying more stringent noise and vibration limits in hospital works contracts affecting medical operations at nearby hospital buildings during the construction works; and</p>	<p>For on-going projects, HA –</p> <ul style="list-style-type: none"> • has incorporated appropriate provisions regarding identification of unrecorded underground utilities and measures to minimise noise and vibration by the contractor in all HA construction contracts; • has discussed and agreed with medical staff on the noise and vibration limit as well as the scheduling of construction works close to sensitive equipment; and • has set up monitoring points for close monitoring of noise and vibration. <p>HA will continue to incorporate standard provisions related to unrecorded utilities, noise and vibration into new construction contracts.</p> <p>As follow-up actions will be taken on an on-going basis, we recommend deleting this part from the next progress report.</p>

Para. No.	Audit's Recommendations	Progress to date
	(b) take measures to ensure that the assessment of extension of time (EOT) claims is completed within a reasonable time period.	<p>HA has incorporated and will continue to incorporate the relevant provisions into the new consultancy agreements since the second quarter of 2018 to ensure that the assessment of EOT claims could be completed within a reasonable time period.</p> <p>HA has incorporated and will continue to incorporate standard provisions into new construction contracts to ensure that the assessment of EOT claims is completed within a reasonable time period.</p> <p>As follow-up actions will be taken on an on-going basis, we recommend deleting this part from the next progress report.</p>
Construction site safety		
2.43	<p>Audit has recommended that the Chief Executive, HA should –</p> <p>(a) when implementing hospital projects in future –</p> <p>(i) step up efforts to ensure safety of construction sites with a view to minimising site accident rate;</p> <p>(ii) strengthen measures to ensure that contractors report all site accidents to HA and its consultants; and</p> <p>(iii) report the accident statistics regularly to the HA Board/its relevant Committees, and publish them for enhancing transparency and public accountability.</p>	<p>HA has implemented measures identified in a review completed in the third quarter of 2018 for further safety enhancements, which would include taking measures to ensure that its contractors report all site accidents to HA and its consultants.</p> <p>Accident statistics were reported to the Supporting Services Development Committee (SSDC) and published in the Capital PlanD's internet website in November 2018, and will continue to be reported to the Committee and published annually.</p> <p>As follow-up actions will be taken on an on-going basis, we recommend deleting this part from the next progress report.</p>

Para. No.	Audit's Recommendations	Progress to date
Part 4: Management of minor hospital projects		
<i>Project planning</i>		
4.9	<p>Audit has recommended that the Chief Executive, HA should –</p> <p>(b) monitor the ageing conditions of public hospital buildings and take measures to ensure that the survey results of the building condition of public hospitals are reported to the HA's Chief Executive for vetting and approval of the three-year rolling plans.</p>	<p>The survey results of the building condition of HA's hospitals were reported to HA's Directors' Meeting and SSDC in November 2018.</p> <p>As follow-up actions will be taken on an on-going basis, we recommend deleting this part from the next progress report.</p>

Regulation of non-franchised bus and school private light bus services
Progress of implementing Audit's Recommendations

Para. No.	Audit's Recommendations	Progress to date
PART 2: ADMINISTRATION OF LICENSING REQUIREMENTS		
2.15(c)	Audit has recommended that the Commissioner for Transport should consider tightening the requirements on service contracts provided for each service endorsement to justify the number of vehicles required.	TD has communicated with the trade in respect of the proposal of tightening the requirements on service contracts provided for each service endorsement. The trade expressed strong reservation on the proposal as it would affect vehicle deployment and service provision. TD will continue to explore appropriate arrangement with the trade, having regard to the operational needs of non-franchised bus (NFB) services while allowing flexibility in vehicle deployment, in order to minimise the impacts on service users resulting from the stringent requirement on the vehicle number.
2.29	<p>Audit has recommended that the Commissioner for Transport should –</p> <p>(d) consider streamlining the licensing requirements of Passenger Service Licence Certificates (PSLCs), such as examining the feasibility of –</p> <p>(i) merging the two types of PSLC for public NFBs; and</p> <p>(ii) aligning the validity periods of PSLCs and related Passenger Service Licences (PSLs); and</p>	TD is studying the feasibility of merging the PSLCs for scheduled services and non-scheduled services of public NFBs, as well as aligning the validity periods of PSLCs and related PSLs. The review is expected to be completed in the second half of 2019.
	(e) improve the implementation of performance pledges for licensing services of NFBs and school private light buses (SPLBs), including considering the extension of the scope of the performance pledges to cover	TD is considering the extension of the scope of the performance pledges to cover renewal cases of PSL/PSLC of SPLBs. The new performance pledges are expected to be implemented in the second half of 2019.

Para. No.	Audit's Recommendations	Progress to date
	renewal cases of PSL/PSLC of SPLBs and PSLC of public NFBs.	
PART 3: REGULATORY CONTROLS OVER UNAUTHORISED OPERATIONS		
3.35	<p>Audit has recommended that the Commissioner for Transport should strengthen enforcement actions against unauthorised NFB operations. In particular, the Commissioner for Transport should –</p> <p><i>Enforcement actions against unauthorised operations</i></p> <p>(d) improve the efficiency and effectiveness of the enforcement actions, including –</p> <p>(ii) exploring feasible measures to plug the loophole in the existing inquiry mechanism whereby an offending PSL holder can avoid sanctions by transfer of ownership of vehicles; and</p> <p>(iii) exploring additional enforcement tools for tackling common breaches of PSL conditions; and</p>	<p>As regards short-term measures, TD will continue its efforts to shorten the time required for completing investigations and inquiries. At the same time, TD is consulting DoJ on long-term measures to prevent PSL holders from avoiding sanctions.</p> <p>TD is exploring the feasibility of issuing fixed penalty ticket to PSL holders who have breached PSL conditions in consultation with DoJ and the Hong Kong Police Force (HKPF).</p>
	<p><i>Publicity of authorised NFB services</i></p> <p>(e) complete the review on the need for the provision of stop signs for residents' service (RS) as soon as possible and in the interim –</p> <p>(i) take measures to keep the information displayed on the authorised stop signs up-to-date; and</p>	<p>In January 2018, TD established an inter-departmental working group to review the situation of the erection of stop signs for RS, as well as the situation of stop signs erected by individual operators on public roads.</p> <p>After reviewing, the working group considered it necessary to provide stop signs for some RS and update the</p>

Para. No.	Audit's Recommendations	Progress to date
	<p>(ii) take necessary actions against those operators who have erected stop signs without TD's approval.</p>	<p>design of the stop signs. TD and relevant departments have conducted a study on the use of technology in signifying stop locations, and the details involved in terms of design, operation and maintenance, etc. TD will take forward a trial scheme on the new stop signs as follows –</p> <p>(i) With a view to enabling a wider use of technology in signifying stop locations, TD updated its “HKeMobility” mobile application to provide the route information of RS (such as approved stopping points, timetables and routings) in end December 2018.</p> <p>(ii) TD will launch a trial scheme on the new design of RS stops, by installing signs on the pick-up points located at pedestrian sidewalk at grade, which would display QR code of individual stopping point information. Passengers will be able to access information of individual stopping point through “HKeMobility” by scanning the QR code. Details of the RS route information will be updated through “HKeMobility”.</p> <p>(iii) A total of 40 pick-up points will be selected from four districts with existing RS stops, including Yau Tsim Mong, Tuen Mun, Yuen Long and Central & Western Districts, for the trial.</p> <p>(iv) Having regard to the lead time required for arranging procurement, production and installation of the new stop signs</p>

Para. No.	Audit's Recommendations	Progress to date
		<p>by the relevant works department, the trial scheme is expected to commence by end 2019.</p> <p>TD and the relevant departments will assess the visibility, convenience, durability and public acceptability of the new stop signs through the trial scheme, before deciding whether to expand the coverage of the new stop signs to the remaining 600 pick-up points and other drop-off points across the territory.</p> <p>Before the full implementation of the new stop signs, TD will continue to strengthen the monitoring and implementation of the updated internal working guidelines on stop signs, in order to ensure the accuracy of the information displayed on RS stop signs. Meanwhile, if any stop signs erected by operators are found to cause serious obstruction or impose danger to traffic or pedestrians, TD will request the operators to remove them.</p> <p>As the aforementioned work has been implemented and/or will continue to be carried out on an on-going basis, we suggest deleting this part from the next progress report.</p>

Operation of the Land Registry
Updated Progress of Implementing Audit's Recommendations

Para. No.	Audit's Recommendations	Progress to date
Part 2: Provision of Services		
2.22(a)	The Land Registrar should update the Land Registry (LR)'s target completion date for the tidying up exercise of the land registers and endeavour to meet the target date.	<p>LR has reviewed and updated the target completion dates of the remaining two tasks of the tidying up exercise of land registers.</p> <p>For task (i), viz. filling in information of historical transactions not shown in the land registers, we completed checking and updated the concerned memorial entries in early March 2019 as scheduled.</p> <p>As for task (ii), viz. filling in the nature of registered documents of some historical transactions not shown in the land registers, we have started using the newly developed computer programme in November 2018 to expedite the updating of the land registers. The relevant work is progressing well. We expect the task to be completed by end of 2019 as scheduled.</p> <p>We will closely monitor the progress of task (ii) and endeavor to meet the target completion date.</p>
2.38(a)	The Land Registrar should keep under review and take measures to further improve the performance of New Territories Search Offices (NTSOs), taking into account the cost-effectiveness of operating these offices and the need for their services.	<p>After review, utilisation of office accommodation of the NTSOs was optimised in June 2018 and an area of 44m² was released for other uses of the department and relevant operating cost has been correspondingly reduced.</p> <p>LR will continue to monitor and implement feasible measures to optimise the use of the resources of the NTSOs for meeting the service needs of the public.</p> <p>As this recommendation will be implemented on an on-going basis, we recommend deleting this part from the next progress report.</p>

Para. No.	Audit's Recommendations	Progress to date
2.38(b)	The Land Registrar should in collaboration with the Director of Home Affairs, explore the feasibility of computerising the owners' corporation records.	<p>LR submitted a proposal on computerisation of owners' corporation records to HAD in May 2018. After further discussion amongst LR, HAD and the Office of the Government Chief Information Officer (OGCIO), LR submitted an optimised proposal to HAD in December 2018 in light of HAD's comments.</p> <p>LR will continue to discuss with HAD on how to take the matter forward.</p>
Part 3: Implementation of Land Title Registration System		
3.31(a)	The Secretary for Development and the Land Registrar should fully assess the complexity of the issues and the work involved in taking forward the implementation of the Land Title Registration System (LTRS).	The LTRS is inherently complicated as it involves complex legal issues and carries significant implications. The Government has never underestimated the complexity of the issues and the work involved in implementing the Land Titles Ordinance (LTO) and the LTRS, and has been endeavouring to bridge different expectations of pertinent stakeholders on the LTRS. The Government has all along been keeping members of the LTO Steering Committee (LTOSC) informed of the progress of the LTO review.
3.31(b)	The Secretary for Development and the Land Registrar should set a target LTRS implementation date and devise an action plan with timetable for implementing the LTRS as soon as practicable, having regard to the assessment of the complexity of the issues and the work involved, views of stakeholders and the experience gained in the past years.	The Government is now actively pursuing the implementation of the LTRS on newly granted land first (i.e. "new land first" proposal) in order to enable early implementation of the LTRS in Hong Kong. The Government is seeking a consensus with the key stakeholders on the details for implementing the "new land first" proposal, including the definition of new land, the scope of indemnity etc., and is consulting the LTO Review Committee on these issues.
3.31(c)	The Secretary for Development and the Land Registrar should report the target LTRS implementation date and submit the action plan to the LTOSC for consideration.	Assuming that consensus could be reached with the stakeholders on the details of the "new land first" proposal by the third quarter of 2019, we plan to consult the LTOSC on the proposed major amendments to the LTO by end 2019. We will refine the Land Titles (Amendment) Bill according to the comments

Para. No.	Audit's Recommendations	Progress to date
		of LTOSC and work out a more concrete timetable.
Part 4: Financial Issues and Performance Reporting		
4.26 (a) and (c)	The Land Registrar should critically review the compilation of actual performance information for the 24 performance targets to ensure that the actual performance information is fairly presented and consider using more technology in compiling the LR's actual performance information as far as practicable.	<p>LR has completed the enhancement to the Integrated Registration Information System for improving the actual service performance information of all performance targets. Amongst the 24 performance targets, the performance information on 22 performance targets has already been provided by the system directly. The performance information of the remaining two performance targets will be provided by the system directly by the second quarter of 2019.</p> <p>As follow-up actions on this recommendation have been completed, we recommend deleting this part from the next progress report.</p>
4.26(f)	The Land Registrar should, in consultation with the Director of Home Affairs, consider setting and publishing performance targets for the owners' corporation services.	<p>LR has consulted HAD on the proposed performance targets for the owners' corporation services which are scheduled to be implemented by mid-2019.</p> <p>As follow-up actions on this recommendation have been completed, we recommend deleting this part from the next progress report.</p>

Hong Kong Design Institute
Progress in implementing the Audit's Recommendations

Para. No.	Audit's Recommendations	Progress to date
Part 2: Management of Programmes		
<i>Evaluation of programme performance</i>		
2.40	<p>Audit has recommended that the Executive Director, the Vocational Training Council (VTC) should –</p> <p>(a) consider monitoring the programme completion rates in addition to the module retention rates.</p>	<p>The proposal on monitoring graduation rates of full-time programmes was discussed and endorsed by VTC's relevant Management Committee in February 2019 for implementation in the academic year (AY) 2018/19.</p> <p>As the follow-up actions of the recommendations have been implemented and will be implemented on an on-going basis, we recommend deleting this part from the next progress report.</p>
Part 3: Campus Development and Management		
<i>Design competition of Hong Kong Design Institute</i>		
3.10	<p>Audit has recommended that the Executive Director, VTC should, for future design competitions, if the competition requires the entry designs to fulfil the mandatory budget requirements, thoroughly assess the cost estimates submitted by the contestants before the Jury Panel made its final decision on the result of the competition.</p>	<p>In the Divisional Meeting of VTC held in February 2018, all staff were reminded that the recommended procedures for design competitions should be strictly adhered to in all capital work projects.</p> <p>VTC will draw up relevant guidelines as appropriate when similar design competitions are organised in the future.</p> <p>As the follow-up actions of the recommendations will be implemented on an on-going basis, we recommend deleting this part from the next progress report.</p>

Para. No.	Audit's Recommendations	Progress to date
<i>Management of campus</i>		
3.53	<p>Audit has recommended that the Executive Director, VTC should –</p> <p>(b) take measures to ensure the correctness of the utilisation rates of teaching venues; and</p> <p>(i) endeavour to resume as soon as possible the service of the long escalator which had been suspended.</p>	<p>VTC has enhanced the calculation of utilisation rates in its timetabling system with effect from AY 2018/19.</p> <p>As the follow-up action of the recommendation has been implemented, we recommend deleting this part from the next progress report.</p> <p>In August 2017, the Consultant submitted Interim Reports on its findings on the breakdown cases and suggested remedial measures and alternatives to the incident. After studying different options as proposed by the Consultant in its final report, VTC had decided and arranged improvement and repair works so that the long escalator could resume service as soon as possible. The repair works were underway for completion in June 2019.</p> <p>The Electrical and Mechanical Services Department (EMSD) noted the latest development in rectifying the identified defect(s) of the long escalator. Once the repair works for the long escalator are completed, VTC should submit application for renewal of the user permit for the concerned escalator. EMSD would conduct audit inspection to the escalator where necessary.</p>

**Provision of government office accommodation and utilisation of government sites
Progress in implementing the Audit's Recommendations**

Para. No.	Audit's Recommendations	Progress to date
Part 2: Provision of Government-owned Office Accommodation		
2.9	Audit has recommended that the Government Property Administrator should take measures, including planning for more joint-user general office buildings (JUBs), to meet the additional office accommodation needs of B/Ds.	<p>The Government Property Agency (GPA) will keep considering the "Government, Institution and Community" sites recommended by PlanD in its site search for planning new JUBs with a view to meeting additional office accommodation needs on a long-term basis.</p> <p>As the recommendation is implemented on an on-going basis, we recommend deleting this part from the next progress report.</p>
2.25	Audit has recommended that the Secretary for Financial Services and the Treasury, in collaboration with the Government Property Administrator and the Director of Architectural Services, should closely monitor the implementation of the nine replacement building projects for the relocation of the Wan Chai Government Offices Compound (WCGOC) to ensure their timely completion.	<p>Relevant B/Ds are actively taking forward the implementation of the nine replacement building projects under the WCGOC relocation exercise.</p> <p>The construction works of the West Kowloon Government Offices (WKGO) have been completed. B/Ds are moving into the WKGO in phases by Q4 2019. Construction works for the Government Information Technology Building (GITB), the Inland Revenue Tower (IRT) and the Treasury Building (TB) have commenced. The GITB is expected to complete in 2021 while IRT and TB are scheduled to complete in 2022. The Government is also seeking funding approval from FC of LegCo for the construction of the Immigration Headquarters in Tseung Kwan O. At the same time, the relevant B/Ds are working on the preparation of the remaining four building projects with a view to seeking funding approval from FC in due course. It is the Government's target to complete the</p>

Para. No.	Audit's Recommendations	Progress to date
		<p>construction of all the replacement building projects under the WCGOC relocation exercise by 2026.</p> <p>The Financial Services and the Treasury Bureau (FSTB) will continue to monitor the implementation of the WCGOC relocation exercise closely in collaboration with GPA and ArchSD.</p> <p>As the recommendation is implemented on an on-going basis, we recommend deleting this part from the next progress report.</p>
Part 3: Administration of Leased Government Offices		
3.18	<p>Audit has recommended that the Chief Electoral Officer and the Commissioner for Census and Statistics should, in consultation with the Government Property Administrator, explore the feasibility of developing a joint-user specialist and departmental building (SDB) to meet their periodic accommodation requirements.</p>	<p>The Registration and Electoral Office and Census and Statistics Department have taken positive steps to follow up the recommendation. The two departments will continue to explore hand-in-hand the feasibility of developing a joint-user SDB to cater for their accommodation requirements. In parallel, they are examining other possible options such as planning joint-user projects with other departments or joining other SDBs under planning.</p> <p>As the recommendation has been implemented, we recommend deleting this part from the next progress report.</p>

Para. No.	Audit's Recommendations	Progress to date
Part 4: Utilisation of Government Sites		
4.17	<p>Audit has recommended that the Government Property Administrator should:</p> <p>(a) for the redevelopment of the ex-Harbour Hydraulics Laboratory site in Tuen Mun (i.e. Case 5 in para. 4.9):</p> <p>(ii) expedite action in assisting the Leisure and Cultural Services Department (LCSD) to identify a reprovisioning site for its museum collections in order to speed up the site redevelopment;</p> <p>(d) take measures to ensure that information recorded in the Government Property Information System (GPIS) is accurate and up-to-date.</p>	<p>LCSD will vacate the premises at the ex-Harbour Hydraulics Laboratory site (EHHL) and relocate its museum collections to the reprovisioning site, i.e. the Heritage Conservation and Resource Centre in Tin Shui Wai, upon the latter's completion scheduled in 2025.</p> <p>The Government will conduct a re-planning study for the EHHL site together with its neighbourhood areas including the Lung Kwu Tan reclamation sites and Tuen Mun West. The long term land use of the EHHL site will be determined in accordance with the recommendations of the re-planning study.</p> <p>As the recommendation has been implemented, we recommend deleting this part from the next progress report.</p> <p>GPA has established an on-going mechanism with ArchSD such that relevant information of all of ArchSD's completed projects will be provided regularly to GPA for timely update of the site particulars in the GPIS. All system enhancements to the GPIS to perform more automatic cross-checking of various processes to prevent data omissions/discrepancies have also been implemented.</p>

Para. No.	Audit's Recommendations	Progress to date
		As the recommendation has been implemented, we recommend deleting this part from the next progress report.
4.18	<p>Audit has recommended that:</p> <p>(a) the Secretary for Transport and Housing should task the Commissioner for Transport to review whether there is still a need to implement the Kwai Chung Circumferential Road project and if not, release the site for other uses as soon as possible.</p>	<p>In view of the proposed public housing development at Shek Pai Street in Kwai Chung (SPSD), TD had requested CEDD to conduct a traffic impact assessment under the feasibility study for the "Site Formation and Infrastructure Works for the Development at Shek Pai Street, Kwai Chung" to review the traffic impact on the adjoining road network and propose traffic improvement measures, if necessary. The concerned traffic impact assessment was largely completed in mid-2018. CEDD is further examining the concerned traffic impact assessment in the light of the departmental comments received recently on the SPD and will provide supplementary information. TD would review the need for the Kwai Chung Circumferential Road project with reference to the aforementioned traffic impact assessment and relevant supplementary information.</p>

Occupational safety and health
Progress of implementing Audit's Recommendations

Para. No.	Audit's Recommendations	Progress to date
Part 2: Occupational safety: inspection and enforcement		
2.11	<p>Audit has recommended that the Commissioner for Labour should –</p> <p>(a) step up measures to strengthen the enforcement of the notification requirement for Notifiable Workplaces;</p>	<p>(a) The Labour Department (LD) has reviewed the law enforcement and prosecution strategies and issued an internal enforcement guide in July 2018 to step up the law enforcement work for immediate implementation. LD has also published a leaflet “Notify Your Workplace and Construction Work” for distributing to responsible persons of workplaces during routine inspections and explaining to them the relevant legal requirements in order to enhance their awareness of the relevant legislation. Upon reviewing the effectiveness of these initiatives in Q3 2019, LD will, where necessary, consider amending the relevant legislation with a view to enforcing the workplace notification requirement more effectively.</p> <p>As the follow-up work on recommendation (a) has been carried out and the timing for reviewing the effectiveness has been set out, we recommend deleting this part from the next progress report.</p>

Para. No.	Audit's Recommendations	Progress to date
	<p>(b) consider reviewing the need to tighten the exemption criteria of the notification requirement for the building and engineering construction workplaces with work that will be completed in a period of less than six weeks or not more than ten workmen are or will be employed on the work at any one time; and</p> <p>(c) review the reasonableness of the submission deadline for notification of construction work and if necessary, tighten the deadline.</p>	<p>(b) and (c) LD is working out detailed amendments to the notification requirements, with a view to expanding the scope to cover construction works with relatively high risk.</p>
2.26	<p>Audit has recommended that the Commissioner for Labour should –</p> <p>(a) take measures to ensure that there is no delay in –</p> <p>(i) bringing up cases for inspection; and</p> <p>(ii) conducting inspections after the cases were brought up for inspection; and</p> <p>(b) take measures to clear the existing backlog of inspections as soon as practicable.</p>	<p>(a) and (b) LD has examined the backlog inspection cases mentioned by the Audit and confirmed that all these cases belonged to the low risk category. LD completed the review on the handling of low risk cases according to the prevailing risk-based approach in May 2018, and is now clearing the backlog cases. It is expected that these backlog cases will be cleared by the second quarter of 2019.</p>
2.32	<p>Audit has recommended that the Commissioner for Labour should monitor closely the need to review the labour legislation with a view to strengthening the deterrent effect of the legislation.</p>	<p>LD is reviewing the relevant legislation in full swing and reported the proposed broad amendment directions at the meeting of the Panel on Manpower of LegCo on 17 July 2018. The proposals include increasing the maximum fines by pegging them with the financial means of the convicted, especially for extremely serious cases (such as those causing serious injuries or fatalities and involving high culpability), thus enabling the courts to</p>

Para. No.	Audit's Recommendations	Progress to date
		<p>impose penalties with sufficient deterrent effect to alert the industry. LD is consulting stakeholders on the preliminary amendment proposals. We plan to complete the legislative amendment exercise within the term of the current Government.</p> <p>As amendment of relevant legislation is a long-term exercise, we recommend deleting this part from the next progress report.</p>
Part 3: Occupational Safety: Training		
3.10	<p>Audit has recommended that the Commissioner for Labour should –</p> <p>(b) expedite the implementation of the improvement measures recommended by the 2009 review on mandatory safety training (MST) courses.</p>	<p>LD plans to complete the improvement measures by phases for the remaining five types of MST courses by mid-2021. We are in the course of standardising course contents and examination papers for confined spaces safety training courses.</p> <p>As improvement measures will be implemented on an on-going basis, we recommend deleting this part from the next progress report.</p>
3.25	<p>Audit has recommended that the Commissioner for Labour should –</p> <p>(a) review whether there is a need to revise the Factories and Industrial Undertakings (Safety Management) Regulation to address the shortcomings that some registered safety auditors (RSAs) are not registered safety officers (RSOs) and, where necessary, consider initiating action to revise the Regulation; and</p>	<p>(a) LD is seeking DoJ's advice on our initial plan to ensure RSAs (including those already registered or those to be registered as safety auditors) are RSOs.</p>

Para. No.	Audit's Recommendations	Progress to date
	(c) promulgate guidelines on applications for academic courses as recognised qualifications for RSOs with a view to facilitating applications.	<p>(c) LD has finished drafting the relevant guidance notes on applications for recognised qualifying academic courses for RSOs and promulgated the guidance notes in the first quarter of 2019.</p> <p>As the follow-up work on recommendation (c) has been carried out, we recommend that this part be deleted from the next progress report.</p>
Part 4: Occupational health		
4.16	<p>Audit has recommended that the Commissioner for Labour should –</p> <p>(c) in collaboration with the Director of Health, review the justifications for not charging radiation workers or their employers for periodic medical examinations carried out at the Kwun Tong Occupational Health Clinic after the workers' first employment.</p>	<p>LD and the Department of Health have reviewed the requirement of the subsidiary regulations of the Radiation Ordinance for radiation workers to undergo pre-employment medical examination and periodic examination after employment. It is affirmed that these examinations are conducted to ensure the medical fitness of workers to be engaged in radiation work. This serves not only to protect the workers from radiation hazards, but also to ensure that other workers and the public will not be harmed by radiation. The examinations can avoid problems that may arise from medically unfit workers performing radiation work and endangering the health of the public (such as patients undergoing radiological examination and radiation therapy).</p> <p>Taking into account the importance of the medical examinations in protecting public health, it is necessary for the Government to bear the cost involved</p>

Para. No.	Audit's Recommendations	Progress to date
		<p>to ensure that the radiation workers will undergo pre-employment medical examination and periodic examination after employment.</p> <p>This is also in line with the requirement in paragraph 22 of the Radiation Protection Recommendation (No. 114) adopted by the International Labour Organisation in 1960 which states that "health surveillance of radiation workers should not involve the workers in any expense". Furthermore, it encourages employers and employees to comply with the legal requirements, and ensure that the radiation workers will attend the medical examination arranged for them.</p> <p>The fact that the subsidiary regulations of the Radiation Ordinance do not empower the Government to impose any charges for the medical examination of radiation workers reflects the above-mentioned policy intent. This understanding is also confirmed by DoJ.</p> <p>As the review mentioned in recommendation (c) has been carried out, we recommend that this part be deleted from the next progress report.</p>

**Centre for Food Safety: Management of food safety
Progress in implementing the Audit's and PAC's Recommendations**

Para. No.	Audit's/PAC's Recommendations	Progress to Date
Part 2: Assessment of Food Safety Risks		
Para. 2.12(a) of the Audit Report Page 97 of the PAC Report	Audit has recommended that the Director of Food and Environmental Hygiene should continue to closely monitor the progress of the second population-based food consumption survey (FCS) and the performance of the contractor to ensure timely completion of the FCS. PAC urges the Centre for Food Safety (CFS) to continue to closely monitor the progress of the second FCS currently underway and the performance of the contractor.	CFS is closely supervising and monitoring the performance of the contractor and the progress of the second population-based FCS. As at end of April 2019, the contractor has completed interviewing around 45% targeted survey respondents. CFS has instructed the contractor to continue to deploy more manpower resources to expedite the progress of the fieldwork survey and gear up for the data processing work, with a view to completing the second population-based FCS by mid-2021.
Para. 2.12(b) of the Audit Report	Audit has recommended that the Director of Food and Environmental Hygiene should keep in view the need for expediting the conduct of an FCS covering the youth population and take necessary measures to launch the FCS in a timely manner.	CFS has started the research on the methodology of conducting FCSs on the younger population in other economies. CFS aims to complete the research in 2020 and will formulate a plan for conducting a FCS on the younger population, having regard to the experience gained from the second population-based FCS and other competing priorities.
Para. 2.12(c) of the Audit Report	Audit has recommended that the Director of Food and Environmental Hygiene should consider the feasibility of conducting FCSs more frequently, taking into account the need for more up-to-date food consumption data as well as other competing priorities.	The frequency of conducting FCSs in Hong Kong is on par with that of other economies carrying out similar surveys with a similar methodology. The time intervals for conducting such surveys range from 11 years as in Canada and New Zealand to 16 years as in Australia. After completing the second population-based FCS, CFS will consider the need and the feasibility for conducting FCSs more frequently, taking into account the experience gained in conducting FCSs and other competing priorities (e.g. FCS on the younger population and the second total diet study).

Para. No.	Audit's/PAC's Recommendations	Progress to Date
Para. 2.18 of the Audit Report	Audit has recommended that the Director of Food and Environmental Hygiene should, having regard to the evaluation results of the first total diet study (TDS), take necessary measures to improve the conduct of TDSs in future.	CFS took the initiative in conducting an evaluation exercise on the first TDS in 2015. CFS will take into account the evaluation results and the experience gained in the first TDS in conducting the second TDS. In particular, CFS will consider according priority to those substances ranked with a high priority but which had not been included in the first TDS and will enhance the food list for a more comprehensive and effective coverage.
Para. 2.30 of the Audit Report	<p>Audit has recommended that the Director of Food and Environmental Hygiene should –</p> <p>(a) monitor the operation of the new mechanism for selecting risk assessment studies (RAS) to ensure that it is implemented properly as intended; and</p> <p>(b) facilitate the public's understanding of RAS results, post the links to RAS reports and those to the relevant supplementary information on the same webpages.</p>	<p>CFS formulates its annual plans for RAS, taking into account the advice of the Expert Committee on Food Safety (the Expert Committee). At the suggestion of the Expert Committee, CFS introduced a scoring system to select topics for inclusion in its annual plans for RAS. The selection mechanism is working properly. CFS will continue to monitor and ensure proper operation of the mechanism.</p> <p>CFS has posted the links of relevant supplementary information on the webpages of corresponding RAS on CFS' website. CFS will continue this arrangement for other RAS in future.</p>
Part 3: Food Surveillance Programme		
Para. 3.13 of the Audit Report	<p>Audit has recommended that the Director of Food and Environmental Hygiene should –</p> <p>(a) keep under review and, where appropriate, update the Food Surveillance Programme (FSP); and</p> <p>(b) explore, from time to time, room for reallocating food samples designated for the surveillance of low-risk foods (e.g. fruits and vegetables) to</p>	CFS reviews the FSP on an annual basis and from time to time during the year as and when necessary. For example, CFS has started to reallocate resources for testing pesticide residues in fruits and vegetables which are of relatively low risk to testing of other food hazards such as metallic contaminants in foods. CFS has also increased the proportion of online food samples for microbiological testing under the FSP in 2019, and will continue to adopt the risk-based principle to review the FSP on an ongoing basis.

Para. No.	Audit's/PAC's Recommendations	Progress to Date
Para. 3.22(b) of the Audit Report	<p>other uses (e.g. the surveillance of high-risk food hazards).</p> <p>Audit has recommended that the Director of Food and Environmental Hygiene should review the need for increasing the proportion of online food samples purchased for microbiological testing.</p>	
Para. 3.22(a) of the Audit Report	<p>Audit has recommended that the Director of Food and Environmental Hygiene should provide CFS staff with guidelines on taking food samples from different food outlets and food types.</p>	<p>With reference to the statistics on total retail sales of food and beverages in supermarkets/department stores and other retail outlets provided by the Census and Statistics Department, and taking into consideration other risk factors, CFS has promulgated new operational guidelines to revise the sampling ratio for different food outlets at the retail level as follows with effect from October 2018 –</p> <ul style="list-style-type: none"> (i) Supermarkets, convenience stores and department stores (40%); (ii) Groceries, shops and stores (20%); (iii) Wet markets (15%); (iv) Licensed food premises (other than food factories, frozen confection factories and milk factories) and cooked food stalls (15%); and (v) Food factories, frozen confection factories and milk factories (10%). <p>CFS will continue to review the operational guidelines on taking food samples from different types of food outlets and food as and when required.</p>

Para. No.	Audit's/PAC's Recommendations	Progress to Date
Para. 3.22(c) and (d) of the Audit Report	<p>Audit has recommended that the Director of Food and Environmental Hygiene should –</p> <p>(c) remind CFS staff to observe the sampling requirements laid down in FSPs; and</p> <p>(d) take measures to step up the supervision of the work of sampling officers, with a view to preventing recurrence of non-compliance with sampling requirements in future.</p>	<p>The Training Section of FEHD provides induction training to all newly recruited Health Inspectors. In addition, refresher courses, experience sharing sessions, seminars and workshops are organised from time to time for Health Inspectors. Among others, training on food safety control is covered.</p> <p>In light of Audit's recommendations, CFS has introduced various enhancement measures, including –</p> <ul style="list-style-type: none"> (i) Conducting briefings on CFS' operational guidelines, circulars and issues of concern by Senior Health Inspectors of the Food Surveillance Unit for Health Inspectors newly posted to CFS; (ii) Circulating CFS' operational manual and guidelines to CFS staff once every three months; (iii) Introducing checklists to facilitate supervision of sampling work; (iv) Conducting monitoring and supervision meetings on a more frequent and regular basis to enhance communication with and supervision of the frontline staff; (v) Increasing the frequency of Senior Health Inspectors of the Food Surveillance Unit accompanying Health Inspectors to collect food samples at the retail level from once every two months in the past to once per month; (vi) Introducing a new arrangement for the Chief Health Inspector of the Food Surveillance Unit to accompany Health Inspectors to collect food

Para. No.	Audit's/PAC's Recommendations	Progress to Date
		<p>samples at retail levels once every two months; and</p> <p>(vii) Organising new refresher courses conducted by the Chief Health Inspector of the Food Surveillance Unit on the sampling procedures for Health Inspectors once every six months.</p>
<p>Para. 3.28 of the Audit Report</p>	<p>Audit has recommended that the Director of Food and Environmental Hygiene should –</p> <p>(a) closely monitor the turnaround time of food sample testing, and take necessary measures to reduce the turnaround time as appropriate; and</p> <p>(b) lay down guidelines on the timeliness of delivering food samples to laboratories for testing.</p>	<p>CFS has formulated and promulgated new operational guidelines on the timeliness of delivering food samples to laboratories for testing, requiring that samples be delivered to the laboratories within 14 working days from the sampling date and setting out contingency measures against changes of delivery schedules. The new operational guidelines have come into effect since October 2018.</p> <p>CFS has also put in place enhancement measures for monitoring the delivery of food samples, including enhancing its Food Surveillance System (FSS) by adding a mandatory field for recording the dates of sample delivery and a function of pop-up reminder for sample delivery. To further enhance monitoring, a new e-mail notification system was introduced in early April 2019 in the FSS to remind sampling officers and Senior Health Inspectors of the deadline for sample delivery, and alert the Chief Health Inspector and the Superintendent concerned when the delivery deadline is missed.</p>
<p>Part 4: Management of Food Incidents and Complaints</p>		
<p>Para. 4.13(a) and (b) of the Audit Report</p>	<p>Audit has recommended that the Director of Food and Environmental Hygiene should –</p> <p>(a) closely monitor the time taken between taking food samples</p>	<p>CFS will continue to closely monitor the lead time from taking food samples arising from food incidents to publicising the testing results of unsatisfactory samples. To minimise the lead time, CFS has revised its guidelines to specify that enforcement</p>

Para. No.	Audit's/PAC's Recommendations	Progress to Date
	<p>and publicising unsatisfactory testing results of the samples, and take necessary measures (e.g. expediting procedures) to minimise the time taken; and</p> <p>(b) look into any delay in publicising unsatisfactory testing results after the completion of food sample testing, and take measures to prevent recurrence of delay in future.</p>	<p>samples should be taken right away (i.e. without the need to obtain surveillance samples first) if it is anticipated that there will be difficulties in identifying similar products afterwards. CFS will make public unsatisfactory testing results normally within 24 hours from the completion of risk assessment upon receiving the testing results.</p>
<p>Para. 4.13(c) to (e) of the Audit Report</p>	<p>Audit has recommended that the Director of Food and Environmental Hygiene should –</p> <p>(c) request traders to provide reports for monitoring the progress of food recall exercises, having regard to the requirements of the CFS's guidelines;</p> <p>(d) closely monitor the effectiveness of food recall exercises and take measures to improve the effectiveness as appropriate; and</p> <p>(e) provide staff with guidelines on the proper disposal of recalled foods.</p>	<p>CFS has implemented the following improvement measures to proactively and closely monitor the entire food recall exercises carried out by food traders –</p> <p>(a) CFS has published updated food recall guidelines to the trade to specify clearly that food traders must destroy/dispose of/repatriate or handle the recalled foods under the supervision of the staff of CFS. CFS consulted the trade and published the guidelines on the CFS website in early April 2019;</p> <p>(b) CFS has required food traders to submit regular food recall progress reports and has formulated a template of the progress report to facilitate food traders to provide the required information for CFS' timely monitoring of the recall progress; and</p> <p>(c) CFS has issued new operational guidelines to its staff on proper documentation and disposal of recalled foods.</p>

Para. No.	Audit's/PAC's Recommendations	Progress to Date
Para. 4.23 of the Audit Report	<p>Audit has recommended that the Director of Food and Environmental Hygiene should –</p> <ul style="list-style-type: none"> (a) consider compiling regular management information on food complaints to facilitate monitoring of food complaints and surveillance of food safety; (b) closely monitor the time taken to complete investigation of food complaints; (c) take measures to expedite the investigation of food complaints; and (d) review the adequacy of the CFS's guidelines in stipulating situations under which enforcement samples could be directly obtained for testing. 	<p>CFS has maintained a food complaint database for monitoring possible food incidents and surveillance of food safety. The existing database facilitates data search on the types of foods being complained about and outlets subject to repeated food complaints. In light of the Audit's recommendation, CFS has put in place a new measure to compile weekly complaint management information. The Food Complaint Risk Analysis Panel (the Panel), led by a directorate officer, will regularly review the complaint management information. The Panel will also continue to provide prompt and professional advice to the frontline staff on handling of more complicated food complaint cases that they come across in the course of daily work.</p> <p>The Environmental Hygiene Branch of FEHD has reviewed and promulgated updated operational guidelines to set out the time frame for officers to follow up on food complaints (including taking the statements or declarations of the complainants, and recording the follow-up actions taken). To expedite the investigation of food complaints, CFS has also revised the relevant guidelines to stipulate that enforcement samples should be taken immediately for specific types of foods or if the incriminated foods are seasonal.</p>
Page 98 of the PAC Report	<p>PAC urges CFS to –</p> <ul style="list-style-type: none"> (a) review frequently the work flow of surveillance projects and follow-up projects, and handling of food incidents and complaints in order to supplement new guidelines where necessary or revise/update existing guidelines, as the case may be; 	<p>CFS has set up a task group, led by the Controller, CFS, to take forward the recommendations of Audit and PAC concerning the work of CFS in food safety management and import control. The task group has commenced comprehensive reviews on CFS' operational manuals and guidelines, staff management and supervision arrangements, training requirements, and manpower and resource requirements. CFS has started to roll out concrete and effective short, medium and</p>

Para. No.	Audit's/PAC's Recommendations	Progress to Date
	<p>(b) enhance its monitoring of staff's compliance with guidelines, in particular the use of information technology (IT) to record relevant information and generate management reports for better monitoring of special cases; and</p> <p>(c) review whether its establishment and manpower and the available laboratory capacity for food testing are sufficient to ensure that they could deal with the increasing workload and urgent food incidents which require immediate attention and action.</p>	<p>long-term measures to enhance its effectiveness by phases, including updating the guidelines where there are inadequacies or ambiguities, enhancing training and supervision of the frontline staff, and strengthening staff's law enforcement mindset and the keeping of data and records. In 2019-20, 35 additional civil service posts will be created in CFS along with an additional provision of \$25 million to implement the reviews and the enhancement measures.</p> <p>In addition, CFS already put in place a dedicated team in end 2017 to look closely at its operational workflow, revamp its IT systems for higher efficiency, and enhance its mode of operation through IT to support the work of its frontline staff and reinforce its capability in food import control, surveillance, incident management, risk assessment and traceability. Phased improvements to the IT systems of CFS will start from end 2019.</p>
Part 5: Communicating with the Public on Food Safety Risks		
<p>Para. 5.11 of the Audit Report</p>	<p>Audit has recommended that the Director of Food and Environmental Hygiene should –</p> <p>(a) regarding findings of other organisations' food studies published in the public domain, keep in view the need for the CFS to offer its official views and advice through the most appropriate means, taking into account relevant factors such as public concern and gravity of the matter;</p> <p>(b) make arrangements for viewing of CFS's food safety talks on the Internet; and</p>	<p>CFS has been providing food safety information and advice to the public through various channels, having regard to the circumstances of individual cases (e.g. the public health significance of the issues concerned). According to CFS' experience, the extent to which its food safety messages may reach out to various sectors of the community depends on the degree of public concern about the message. In addition, in view of the increasing popularity of social media, CFS has further strengthened the use of its Facebook page to enhance communication with the public. CFS has also enriched its multimedia materials, such as presentation slides and video recordings of its talks, on the Internet.</p>

Para. No.	Audit's/PAC's Recommendations	Progress to Date
	(c) closely monitor the attendance at food safety exhibitions and take necessary measures (e.g. enhancing publicity and improving exhibition hours) to improve the attendance.	With reference to Audit's recommendation, CFS has extended the operating hours of its roving exhibitions in public markets from closing at 4 pm in the past to 8 pm, and from weekdays only to weekends as well. CFS will also continue to explore different locations for arranging exhibitions to enhance attendance.
Para. 5.16 of the Audit Report	Audit has recommended that the Director of Food and Environmental Hygiene should, taking into account the audit observations, conduct a review of the two charters on food safety.	<p>CFS has completed a review of the two charters as recommended by Audit.</p> <p>The Food Safety Charter is a voluntary scheme to encourage food traders to bear in mind and implement the "Five Keys to Food Safety" in their daily operations. Having reviewed its objectives and effectiveness, CFS considers it worthwhile to continue to promote the messages of ensuring food safety and hygiene to the food trade through the Food Safety Charter. CFS will enhance the publicity of the Food Safety Charter through various platforms such as its Trade Consultation Forums, Facebook page, official webpage and other channels as appropriate, with a view to increasing the number of signatories. A new leaflet has been produced for distribution to food premises on occasions like the Trade Consultation Forums and the Food Safety Day.</p> <p>CFS has replaced the "Reduce Salt, Sugar, Oil. We Do" Charter with the new initiatives launched by FHB and CFS to promote territory-wide salt and sugar reduction in restaurants. As at end of March 2019, more than 500 restaurants involving over 100 brand names have provided customers with food options low in salt and/or sugar or tailor-made dishes with less salt and sugar. FHB/CFS will continue to encourage more restaurants to participate in the scheme.</p>

Procurement of operational equipment by the Hong Kong Police Force
Progress of implementing Audit's Recommendations

Para. No.	Audit's Recommendations	Progress to date
Part 2: Implementation of major information and communications technology projects		
2.35	<p>Audit has recommended that the Commissioner of Police should –</p> <p>(a) regularly review the financial position of information and communications technology (ICT) projects and report any surplus funds under relevant expenditure subheads at an earlier stage to the FSTB in accordance with Financial and Accounting Regulation (FAR) 320;</p> <p>(b) provide sufficient information on the implementation of ICT projects in FC funding papers (such as the phased implementation approach for the radio coverage in the case of the Third Generation Command and Control Communications System project);</p> <p>(c) improve the contract specifications on desirable requirement in ICT contracts and seek legal advice where there are difficulties in applying such contract specifications;</p> <p>(d) make realistic assessment on ICT project implementation schedule for inclusion in FC funding papers;</p> <p>(e) take measures to prevent cancellation of tender exercise, including reminding Information Systems Wing</p>	<p>(a) The project progress and financial position have been regularly reviewed and reported to the respective project steering committee or executive committee. Updated implementation progress will continue to be reported to LegCo via the Annual Progress Reports coordinated by OGCIO. In accordance with FAR 320, if HKPF has reason to believe that funds surplus to requirements exist under a subhead, it would immediately inform FSTB so that the excess may be reserved.</p> <p>(b) and (d) HKPF has reminded project teams to improve the preparation of FC funding papers for ICT projects, in particular on providing sufficient information on any envisaged phased implementation and making realistic assessment on implementation schedule.</p> <p>(c) and (e) The tender exercises for the concerned contracts were arranged before 2013. Since 2013, HKPF has been adopting the Standard Terms and Conditions for IT tenders jointly developed by OGCIO, DoJ, Government Logistics Department (GLD) and the Intellectual Property Department for preparing IT tender documents. HKPF has also circulated the Audit's recommendations to all of its officers who are responsible for the implementation of ICT projects in the ISW, and will arrange</p>

Para. No.	Audit's Recommendations	Progress to date
	<p>(ISW) officers of the Stores and Procurement Regulation (SPR) 350 requirements that they should word tender specifications in easily comprehensive general terms and guard against over-prescribing requirements;</p> <p>(f) remind ISW officers to obtain prior approval from the appropriate authority for contract variations;</p> <p>(g) provide comprehensive and accurate project implementation information in Post Implementation Departmental Returns (PIDRs) submitted to OGCI; and</p> <p>(h) remind the Executive Committee of an ICT project to closely monitor contract deliverables with a view to providing timely management input where necessary.</p>	<p>re-circulation half-yearly.</p> <p>(f) Proper covering approvals have been obtained for the three contract variations pinpointed in the Audit Report. ISW officers have been reminded on the proper handling of contract variations.</p> <p>(g) The PIDR in question has been rectified and resubmitted to OGCI. HKPF would remind its staff to submit PIDRs to OGCI with comprehensive and accurate project implementation information for future projects.</p> <p>(h) Upon establishment of a project steering committee or an executive committee of an ICT project, all members will be reminded of their responsibilities in closely monitoring contract deliverables with a view to providing timely management input where necessary. Two executive committee meetings of the Second Generation of Communal Information System project have been held since October 2018 to closely monitor the implementation progress. Executive committees of other ICT projects of HKPF have also followed similar practices to call regular meetings for closely monitoring the project schedule.</p> <p>As the Audit's recommendations have been adopted or will continue to be circulated on a regular basis, we recommend that this part should be deleted from the next report.</p>

Para. No.	Audit's Recommendations	Progress to date
2.36	<p>Audit has recommended that the Secretary for Financial Services and the Treasury should –</p> <p>(a) consider the need for applying similar administrative cap/reporting requirements adopted for works projects to non-works projects under the Capital Works Reserve Fund (CWRP) for better monitoring of the surplus funds resulting from lower-than-estimated tender prices; and</p> <p>(b) introduce additional measures to strengthen the control over the use of funds resulting from lower-than-estimated tender prices in CWRP projects once surplus is identified.</p>	<p>(a) For capital non-work projects (i.e. administrative computer systems funded under CWRP Head 710 and non-administrative computer systems and communication equipment funded under CWRP Head 708) approved by LegCo in the 2019-20 legislative session and thereafter, FSTB will provide LegCo with quarterly reports on significant deviations between the accepted tender prices of the projects and the estimated provision in the approved project estimate when the deviations equal or exceed \$15 million or 10% of the original estimated provision, whichever is greater. The excess will be reserved administratively. FSTB will provide LegCo with quarterly reports from 2019-20 legislative session onwards.</p> <p>(b) Prior to seeking FC's approval of the capital non-works projects above, FSTB will remind concerned Controlling Officers of the need to observe the requirements of reporting surplus funds under FAR 320, and the use of funds according to the approved scope and approved project estimate as stipulated in Financial Circular No. 2/2012 on "Procedures for making changes to the Estimates of the Capital Works Reserve Fund" when processing the relevant submission to FC.</p> <p>As the Audit's recommendations will be carried out on an on-going basis, we recommend that this part be deleted from the next progress report.</p>

Para. No.	Audit's Recommendations	Progress to date
Part 3: Procurement of police vehicles		
3.13	<p>Audit has recommended that the Director of Government Logistics should –</p> <ul style="list-style-type: none"> (a) urge Contractor D to expedite action on completing the outstanding battery replacement work for the electric saloon cars of HKPF; (b) take appropriate follow-up action to protect the Government's interest in Contracts D1 and D2 (see para. 3.11(a)) and future similar procurement; (c) step up monitoring of contractors' due performance of their contractual duties in future (such as the submission of availability reports under Contracts D1 and D2); (d) review and improve the contract provisions for better protecting the Government's interest in case of contractors' default in carrying out warranty repair in a timely manner; and (e) critically examine the availability of suitable environmental-friendly vehicles in the market that can fully meet the HKPF's operational needs when the HKPF's electric vehicles are due for replacement. 	<ul style="list-style-type: none"> (a) For the 14 police electric cars (one in Contract D1 and 13 in Contract D2) mentioned in paragraph 3.14(a), battery replacement work was completed. <p>As the recommendation has been implemented, we recommend that this part be deleted from the next progress report.</p> <ul style="list-style-type: none"> (b) Apart from closely monitoring the progress of battery replacement, GLD will withhold the release of the contract deposit until the battery replacement work is completed and the Electrical and Mechanical Services Trading Fund (EMSTF) confirms that the performance of the replaced batteries is satisfactory. Given the long lead time required for battery replacement, GLD has reviewed with EMSTF and tightened the contract terms for the procurement of electric vehicles in order to better protect Government's interest in future similar procurement. <p>As the recommendation has been implemented and will be carried out on an on-going basis (the revised contract terms for electric vehicles will be used in future similar procurement), we recommend that this part be deleted from the next progress report.</p> <ul style="list-style-type: none"> (c) GLD has already stepped up the monitoring of contractors'

Para. No.	Audit's Recommendations	Progress to date
		<p>performance. Periodic reminders have been sent to the contractors requiring them to provide the vehicle availability reports during the vehicle warranty period in accordance with the contract terms. EMSTF has also enhanced its computer system to facilitate the generation of vehicle availability reports. GLD has used the information provided by EMSTF to verify the reports provided by the contractors with a view to ascertaining the need to extend the warranty period of the vehicles.</p> <p>As the recommendation has been implemented and will be carried out on an on-going basis, we recommend that this part be deleted from the next progress report.</p> <p>(d) GLD has reviewed the contract terms for electric vehicles with EMSTF and conducted a market survey with potential electric vehicle suppliers on the proposed revised terms. Comments from potential suppliers are being studied. The contract terms will be revised where appropriate and adopted in future tenders for the procurement of electric vehicles.</p> <p>As the recommendation has been implemented and will be carried out on an on-going basis, we recommend that this part be deleted from the next progress report.</p> <p>(e) GLD will continue to identify environmental-friendly vehicles in the market that can fully meet HKPF's operational requirements.</p> <p>As the recommendation has been implemented and will be carried out</p>

Para. No.	Audit's Recommendations	Progress to date
		on an on-going basis, we recommend that this part be deleted from the next progress report.
3.24	<p>Audit has recommended that the Director of Electrical and Mechanical Services should –</p> <ul style="list-style-type: none"> (a) in conjunction with the Director of Government Logistics, take effective measures to ensure that the contractor completes the outstanding work under Contract F in accordance with the contract requirements without further delay; (b) enhance site acceptance tests of delivered specialised vehicles; and (c) strengthen control over contract payment in future procurement of vehicles. 	<ul style="list-style-type: none"> (a) EMSD confirmed that all vehicles under Contract F (for the supply of 129 large police vans) were delivered to HKPF on or before 13 November 2018. (b) For those delivered specialised vehicles which were yet to be handed over to HKPF as at 18 September 2018, EMSD had enhanced their site acceptance tests. As for those delivered specialised vehicles that were already handed over to HKPF, the defects (e.g. faults on the retractable side step and bumper component) were all rectified on or before 31 January 2019. (c) All training courses specified in Contract F were completed on or before 27 November 2018. EMSD would, in conjunction with GLD, strengthen control over contract payment including devising appropriate payment schedule for accepted deliverables at different contract milestones to better protect the Government's interests. <p>As the recommendations have been implemented and will be carried out on an on-going basis, we recommend that this part be deleted from the next progress report.</p>

Para. No.	Audit's Recommendations	Progress to date
3.25	<p>Audit has recommended that –</p> <p>(a) the Director of Government Logistics should obtain adequate assurance of a contractor's capability of due performance of multiple contracts awarded; and</p> <p>(b) the Commissioner of Police should ensure compliance with the FAR 550 requirement in future and return any unspent balance of completed specialised vehicles procurement contracts funded under subhead 695 to the Government.</p>	<p>(a) From a risk management perspective, B/Ds should make a comprehensive risk assessment, monitor contractor's performance effectively and draw up contingency plans for any delivery delay, contract disputes and contract termination, etc., as appropriate.</p> <p>GLD has already kept records of contractors' performance evaluation made by B/Ds in the Procurement and Contract Management System database. B/Ds will be reminded to consider the relevant past performance records of a contractor in the tender evaluation process and take appropriate measures to reduce risks of default. GLD has requested and would continue to request B/Ds to take measures to closely monitor the performance of the contractor.</p> <p>In consultation with B/Ds, GLD will continue to update and incorporate appropriate contract terms to protect the Government's interest, such as a higher level of contract deposit, provision of advance payment bond for milestone payment and devising appropriate payment schedule for accepted deliverables at different contract milestones. Consideration may also be given to including in the payment schedule a right for the Government to hold back a certain sum as retention money which will be released only until the Government is fully satisfied, after a certain period of time, with the performance/quality of the goods delivered.</p> <p>As the recommendation has been implemented and will be carried out</p>

Para. No.	Audit's Recommendations	Progress to date
		<p>on an on-going basis, we recommend that this part be deleted from the next progress report.</p> <p>(b) HKPF has developed with EMSTF appropriate procedures to ensure the return of any unspent balance of completed specialised vehicles procurement contracts funded under subhead 695.</p> <p>As the above arrangement will be implemented on an on-going basis, we recommend that this part should be deleted from the next report.</p>
Part 4: Procurement of other operational equipment		
4.36	<p>Audit has recommended that the Commissioner of Police should –</p> <p>(a) use open tender for procurement as far as practicable, and in case of sensitive equipment, endeavour to draft tender specifications for open tender without compromising security requirements;</p> <p>(b) update pre-tender estimate with reference to the latest market information and ensure that adequate funding provision is available before launching a new tender;</p> <p>(c) adopt a more flexible tender approach for less essential requirements which would not compromise operational capability (e.g. specifying them as desirable items instead of mandatory requirements);</p> <p>(d) remind Stores Management</p>	<p>(a) and (c)</p> <p>It is the practice of HKPF to use open tender normally for procurement of operational equipment so as to allow different suppliers to offer competitive bids. HKPF will ensure open tender be used in future procurements as far as practicable. HKPF has reminded procuring staff to classify tender specifications into desirable requirements and mandatory requirements as appropriate to widen the scope of potential suppliers without compromising operational and security requirements.</p> <p>(b) HKPF will conduct more thorough and up-to-date market research in order to derive a more realistic pre-tender estimate, and to secure adequate funding provision before launching a tender.</p> <p>(d) SMD staff has been reminded that before launching a tender, it is</p>

Para. No.	Audit's Recommendations	Progress to date
	<p>Division (SMD) staff to seek early clarification with users on matters concerning compliance with relevant SPR requirements before launching a tender;</p> <p>(e) remind procuring staff to prepare strong justifications for using material specifications in a timely manner;</p> <p>(f) improve the preparation of contract documents to ensure that all the essential requirements and key provisions to protect the Government's interest are properly included;</p> <p>(g) improve stock management to prevent prolonged storage of goods taking into account their shelf lives;</p> <p>(h) make greater efforts to meet the SPR 246 requirement (such as adopting bulk purchase of regularly required items to obviate the need for repeated purchases within 12 months which would exceed the stipulated financial limit) and remind officers concerned to always document the reasons when such requirement could not be followed;</p> <p>(i) arrange purchase in bulk as far as practicable to achieve better economy of scale; and</p> <p>(j) remind procuring staff to observe SPR 205 requirements on strictly interpreting the financial limits for procurements by tenders/quotations and</p>	<p>necessary to clarify early with relevant users regarding compliance with SPR requirements to ensure strict compliance.</p> <p>(e) Regarding the use of material specification under an open tender, the procuring staff has been advised to provide strong justifications and to document operational considerations at the early stage of the procurement process.</p> <p>(f) HKPF has reminded all procuring staff the need to include all the essential requirements and key provisions in contract documents properly and as appropriate in future to protect the Government's interests.</p> <p>(g) Shortly after the discovery of the sole detachment problem, the delivery requirement in procurement contracts had been revised from delivery according to fixed schedule to delivery on an "as and when required" basis. The arrangement has helped to avoid excessive stock held and maintain an optimal stock level to meet the operational needs. In addition, the storehouse staff will monitor closely the stock consumption of goods with shelf lives and consult the relevant users, where appropriate, before deciding on the timing for re-ordering for replenishment.</p> <p>(h) to (j) A new standard form for raising purchase requests of other operational equipment has been introduced across HKPF since the end of 2018. The requirements of the SPRs 246 and 205 are highlighted by way of notes in the form in order to remind the</p>

Para. No.	Audit's Recommendations	Progress to date
	not dividing procurement requirements into instalments to avoid the financial limits.	<p>procuring staff to avoid repeated purchase and to consolidate purchases as far as practicable to achieve better economy of scale, and to document the full justifications if SPR 246 cannot be strictly followed.</p> <p>Upon review, HKPF considers it feasible to adopt bulk purchase for cloth materials and running shoes by open tender, which is being arranged.</p> <p>As all the recommended measures have been implemented or will be implemented on an on-going basis, we recommend that this part should be deleted from the next report.</p>

**Management of signboards by the Buildings Department
Progress in implementing the Audit's Recommendations**

Para. No.	Audit's Recommendations	Progress to date
Part 2: Signboard Control Schemes and Surveys		
2.15	<p>Audit has recommended that, the Director of Buildings (DB) should -</p> <p>(a) with a view to monitoring the operation and effectiveness of the minor works control system (MWCS) for signboards, ensure that the Buildings Department (BD) regularly compiles and analyses the following management information, including:</p> <p>(i) nature and seriousness of irregularities found;</p> <p>(ii) follow-up actions on withdrawal of submissions;</p> <p>(iii) follow-up actions on “not in order” submissions; and</p> <p>(iv) information on repeated offenders;</p>	<p>(a) The database on prescribed building professionals (PBP) and prescribed registered contractors (PRC) served with warning letters under the MWCS was enhanced in October 2018 for identifying repeated offenders. The computer system was enhanced in January 2019 to record audit cases with serious irregularities. The Progress Monitoring Committee is monitoring the progress of follow-up actions on withdrawal of submissions and “not in order” submissions.</p> <p>BD is further revamping the computer system for more efficient tracking of audit cases as well as monitoring and reviewing the operation and effectiveness of MWCS, including but not limited to signboard-related cases. The revamp is anticipated to be completed in 2020.</p>

Para. No.	Audit's Recommendations	Progress to date
	<p>(b) issue guidelines for following up withdrawal of minor-works (MW) submissions selected for desktop or site audit, and for prosecution actions against PBP and PRC for irregularities identified in desktop and site audits as related to signboards;</p> <p>(c) review the operation and effectiveness of the MWCS as related to signboards and take improvement measures as needed;</p> <p>(d) set time targets for completing desktop and site audits on MW submissions as related to signboards, and make use of information technology to improve efficiency in conducting the audits; and</p>	<p>(b) Internal operational guidelines on handling withdrawal of MW submissions have been promulgated. The established practices on prosecution actions against PBP and PRC will be incorporated into the relevant internal operational guidelines.</p> <p>(c) BD has been conducting reviews on the operation and effectiveness of the MWCS from time to time. As mentioned in item (a) above, BD is revamping the relevant computer system in relation to the MWCS. It is expected that such work will improve the effectiveness and efficiency of the MWCS.</p> <p>(d) Time target for completing desktop and site audits on MW submissions related to signboards have been set to be 60 days. As mentioned in item (a) above, BD is revamping the relevant computer system in relation to the MWCS. This revamp will improve efficiency in conducting the audits by using the workflow in the system to replace the current audit system in paper form.</p>

Para. No.	Audit's Recommendations	Progress to date
	(e) take measures to ensure that audit results of desktop and site audits as related to signboards are timely, fully and accurately recorded in the BD's computer system.	<p>As the above measures in items (b) to (d) have been or will be implemented on an on-going basis, we recommend deleting this part from the next progress report.</p> <p>(e) Standard record sheet for audit check results of desktop and site audits to differentiate cases requiring follow up actions from those rectified cases has been adopted since January 2019.</p> <p>Refresher course will be held regularly to draw staff's attention to the importance, accuracy and workflow of recording the data in the computer system.</p> <p>The computer system is being revamped and is anticipated to be completed in 2020.</p>
2.26	<p>Audit has recommended that DB should -</p> <p>(a) in view of the low response and the high rejection rate of the Validation Scheme, make further effort to publicise the Scheme with a view to enhancing public awareness of the Scheme and its requirements; and</p>	<p>(a) Further to the launching of television and radio Announcement in the Public Interest with poster in September 2018, procurement of new leaflets production to publicise the Signboard Validation Scheme (SVS) is underway. BD in collaboration with the Food and Environmental</p>

Para. No.	Audit's Recommendations	Progress to date
	<p>(b) take early actions to establish a database of all legal or validated signboards to facilitate control and enforcement actions.</p>	<p>Hygiene Department will combine the SVS certificate for unauthorised signboards and the certificate of Food Business Premises free of unauthorised building works to provide an option for the restaurant license applicants to apply for the SVS voluntarily.</p> <p>As actions in respect of item (a) will be implemented on an on-going basis, we recommend deleting this part from the next progress report.</p> <p>(b) Information on legal signboards is embedded in the approved plans and MW submissions. To establish a database on all legally constructed signboards already in existence, BD will need to retrieve the respective approved plans, MW submissions and SVS submissions and extract the relevant information from these records. A trial will commence in the second half of 2019 and be completed in March 2020 to size up the manpower and time needed to extract such information from existing building records.</p>

Para. No.	Audit's Recommendations	Progress to date
2.40	<p>Audit has recommended that DB should -</p> <p>(a) review the effectiveness of regular surveys in identifying targeted signboards;</p> <p>(b) keep under review the annual targets in relation to inspection of signboards under regular surveys and formulate inspection programmes to achieve the annual targets;</p> <p>(c) take measures to make better use of the BD's computer system to assist BD in monitoring the progress of enforcement actions taken against targeted signboards identified in regular surveys; and</p> <p>(d) set a time target for issuing Dangerous Structure Removal Notices (DSRNs) or removal orders for targeted signboards identified in regular surveys.</p>	<p>(a) and (b) To improve operational efficiency, BD has adopted a target-oriented approach since 2019. Instead of conducting regular surveys, BD will conduct surveys in districts susceptible to extensive existence of abandoned and dangerous signboards that may pose higher safety hazard to the public, including Yau Tsim Mong, Sham Shui Po, Kowloon City, Wan Chai, Causeway Bay, North Point and Quarry Bay. The identified actionable signboards will be recorded in the computer system for follow-up actions and monitoring purpose. BD will review the target areas annually.</p> <p>(c) In October 2018, targeted signboards identified in regular surveys have been flagged up in the computer system for better monitoring of the progress of follow-up enforcement actions.</p> <p>(d) Time targets on issuing DSRNs and removal orders within 30 days and 150 days from the date of inspection respectively have been set.</p> <p>As the above measures in items (a) to (d) have been completed or will be implemented on an</p>

Para. No.	Audit's Recommendations	Progress to date
		on-going basis, we recommend deleting this part from the next progress report.
Part 3: Large-Scale Operations (LSOs) and Handling of Public Reports		
3.18	<p>Audit has recommended that DB should -</p> <ul style="list-style-type: none"> (a) strengthen actions to meet BD time target for completion of the LSOs on target streets covering signboards, including instigating timely enforcement actions against non-compliant removal orders and DSRNs; (b) keep under review the implementation and effectiveness of the LSOs on large unauthorised signboards with a view to strengthening enforcement actions under the LSOs, including reviewing the target number of signboards for taking enforcement actions and strengthening action to achieve the target; and (c) formulate programmed actions with time targets for LSOs on large unauthorised signboards. 	<p>(a) to (c)</p> <p>Annual target number of large unauthorised signboards for enforcement action has been set and will be reviewed regularly. For BD's 2018 target of taking enforcement action against 170 large unauthorised signboards, 173 removal orders were issued eventually.</p> <p>In addition to the adoption of a target-oriented approach since 2019 by conducting surveys in identified districts as detailed in our response to Audit's recommendation in paragraph 2.40 above, BD has set time targets in October 2018 for instigation of prosecution and effect default action for removal of the large unauthorised signboard to further strengthen enforcement action against non-compliant orders. The Progress Monitoring Committee is also closely monitoring the progress of the LSOs. BD will regularly review the implementation and effectiveness of the LSOs.</p> <p>As the above measures in items</p>

Para. No.	Audit's Recommendations	Progress to date
		(a) to (c) will be implemented on an on-going basis, we recommend deleting this part from the next progress report.
3.27	<p>Audit has recommended that DB should -</p> <ul style="list-style-type: none"> (a) strengthen actions to early determine the status of alleged unauthorised signboards arising from public reports for taking timely and appropriate enforcement actions, including meeting the BD's related time target; (b) set a time target for issuing a DSRN for a confirmed dangerous signboard arising from a public report after conducting an inspection; (c) strengthen actions to ensure that timely enforcement actions are taken against confirmed dangerous or unauthorised signboards arising from public reports, including meeting BD time target for issuing removal orders; and (d) make use of the BD's computer system to capture information on whether a signboard is confirmed as dangerous or unauthorised for taking appropriate enforcement actions, and take measures to ensure that the records in BD's computer system are timely and accurately updated. 	<p>(a) to (d) Action programme in handling public reports of unauthorised building works including signboards has been stipulated in the internal operational guidelines. In October 2018, a time target for issuing a DSRN for a confirmed dangerous signboard was set as 30 days from the date of inspection.</p> <p>BD will make better use of the computer system for monitoring follow up actions of public reports which include conducting inspection, determining the status of the signboard, issuing relevant orders/DSRNs and enforcing compliance of the orders/DSRNs. The Progress Monitoring Committee is monitoring the progress of these follow up actions.</p> <p>As the measures in items (a) to (d) have been or will be implemented on an on-going basis, we recommend deleting this part from the next progress report.</p>

Para. No.	Audit's Recommendations	Progress to date
Part 4: Follow-up Actions on Statutory Notices and Orders		
4.13	<p>Audit has recommended that DB should -</p> <p>(a) strengthen actions (e.g. conducting timely compliance inspections) to ensure that DSRNs and removal orders issued for related signboards are promptly complied with;</p>	<p>(a) Regarding 425 outstanding DSRNs and 1 414 outstanding removal orders mentioned in paragraphs 4.4 and 4.8 of the Audit Report, 424 DSRNs and 624 removal orders were cleared up to 15 April 2019. BD will expedite the follow-up action against the remaining cases.</p> <p>Signboard A in Case 1 had been voluntarily removed by the owner as revealed from inspection in October 2018. Signboard B in Case 1 had not been removed and prosecution action under the Buildings Ordinance has been instigated. For Signboard C in Case 2, the prosecution proceeding was adjudicated in February 2019. While Signboard C had been removed, other unauthorised building works covered by the subject removal order remain intact. BD will continue its enforcement action.</p> <p>Starting from March 2019, default action to arrange removal works by the Government Contractors has been stepped up with a target</p>

Para. No.	Audit's Recommendations	Progress to date
	<p>(b) take timely follow-up actions (e.g. instigating prosecution actions and/or carrying out default works and providing BD Legal Services Section with the information requested) on those non-compliant DSRNs and removal orders as related to signboards; and</p> <p>(c) take measures to ensure that all removal orders related to signboards served on owners of land or premises (including the 8 removal orders which had not been registered at the Land Registry (LR) as identified by Audit in paragraph 4.11 are timely referred to the LR for registration and consider setting a related time target.</p>	<p>of clearing structures in respect to DSRNs within 90 days after expiry.</p> <p>(b) BD has reminded its staff to closely follow the internal operational guidelines for initiating prosecution action against non-compliant orders in a timely manner.</p> <p>(c) By end of 2018, out of the eight removal orders that had not been registered at LR, six of them had been sent to LR for registration and two of them had been complied with without the need for registration.</p> <p>Since 2019, BD has been compiling and distributing a list of removal orders served on owners of land or premises on a quarterly basis to remind staff to send such orders to LR for registration.</p> <p>As the measures in items (a) to (c) will be implemented on an on-going basis, we recommend deleting this part from the next progress report.</p>

Para. No.	Audit's Recommendations	Progress to date
4.24	<p>Audit has recommended that DB should -</p> <p>(a) take measures to ensure that prosecution actions against non-compliant removal orders for unauthorised signboards are timely instigated, including reminding BD officers to follow the related time target in BD guidelines;</p> <p>(b) keep under review the extent of and the reasons for cases related to signboards dropped after being referred to BD Legal Services Section for instigating prosecution actions with a view to identifying room for improvement; and</p> <p>(c) take measures to ensure that demand notes are issued to signboard owners within six months after completion of default works.</p>	<p>(a) to (c)</p> <p>BD has reminded its staff to closely follow the internal operational guidelines for initiating prosecution action against non-compliant orders in a timely manner. BD is also conducting a review on the reasons for dropping signboard-related cases to identify room for improvement. In addition, the cost recovery data of each case is being captured in the computer system to facilitate monitoring.</p> <p>The Progress Monitoring Committee is monitoring the progress of enforcement action against non-compliant removal orders and the review on the dropped prosecution cases. The progress of cost recovery is being monitored in the regular sectional meetings to ensure follow-up actions will be taken timely.</p> <p>As the measures in items (a) to (c) will be implemented on an on-going basis, we recommend deleting this part from the next progress report.</p>

**Radio Television Hong Kong: Provision of programmes
Progress in implementing the Audit's and PAC's Recommendations**

Para. No.	Audit's Recommendations	Progress to Date
Part 2: Production Of Programmes		
2.10	<p><u>Planning and Budgetary Control</u> Audit has recommended that the Director of Broadcasting (DB) should –</p>	
	(a) take into account information for performance evaluation of individual radio and TV programmes, in order to facilitate the making of more meaningful planning decision for the programmes; and	A high level working group was set up in each of the Radio and Corporate Programming Division and the Television and Corporate Businesses Division in March 2019. Chaired by Assistant Director of Broadcasting (Radio and Corporate Programming) (AD(R&CP)) and Assistant Director of Broadcasting (Television and Corporate Businesses) (AD(TV&CB)) respectively, the working groups seek to examine the full palette of information for performance evaluation of individual radio and TV programmes in a structured manner with a view to drawing up meaningful parameters and reviewing mechanism for programme planning decisions. The objectives and terms of reference of the working groups are at the <u>Annexes I and II</u> . The two working groups have met two times respectively and target to submit an interim report to senior management by July 2019.
	(b) ensure accuracy of the information recorded in the Costing System and in the reports generated by the System.	RTHK has confirmed that the inaccurate information was due to a technical error and has fixed the bugs accordingly. To prevent future recurrences, internal guidelines and enhanced monitoring mechanism have been put in place to ensure continual accuracy. Section heads at Chief Programme Officer (CPO) level have been assigned to

Para. No.	Audit's Recommendations	Progress to Date
		<p>conduct regular monitoring.</p> <p>As the recommendation has been implemented and will be carried out on an on-going basis, we recommend that this part be deleted from the next progress report.</p>
2.25	<p><u>Employment of Contract Staff and Procurement of Services from Service Providers</u></p> <p>Audit has recommended that the DB should –</p>	
	<p>(a) review whether the existing Non-civil service contract (NCSC) staff are employed in line with the Government's policy on the employment of NCSC staff;</p>	<p>RTHK has completed a full-scale review on the employment of NCSC staff and the review results have been endorsed by the Standing Committee on Contract Staff and Service Providers (SCOCS), chaired by the Deputy Director of Broadcasting (Developments), in February 2019. Sixteen NCSC positions will be converted to civil service posts in 2019-20. RTHK would continue to convert relevant NCSC positions that have long-term service needs to civil service posts under established mechanism. As an on-going monitoring mechanism, SCOCS will review the employment of NCSC staff on a half-yearly basis and RTHK will report NCSC staff position to CEDB on a regular basis.</p> <p>As the recommendation has been implemented and will be carried out on an on-going basis, we recommend that this part be deleted from the next progress report.</p>

Para. No.	Audit's Recommendations	Progress to Date
	(b) ensure that the contract requests for the engagement of Category II (Cat II) Service Providers are submitted to the Central Administration Unit (CAU) /staff assisting in administrative duties as early as practicable, preferably seven working days before the engagement, to allow sufficient time for them to ensure that the engagements are in compliance with RTHK's policy and guidelines;	<p>The monitoring mechanism on engagement of Cat II Service Providers had been reviewed and the results were endorsed by SCOCs in February 2019.</p> <p>Enhancement measures include –</p> <p>(i) reminding section heads and all relevant subject officers to fully comply with RTHK's policy and guidelines when engaging Cat II Service Providers; and</p> <p>(ii) random checks would be conducted by directorate officers and all covering approvals should be approved by division head at directorate level supported by valid reasons.</p> <p>The above measures were fully implemented in late February 2019. Guidelines will be circulated on a quarterly basis. There has been no covering approval case for engagement of Cat II service provider since early March 2019.</p> <p>As the recommendations have been implemented and will be carried out on an on-going basis, we recommend that this part be deleted from the next progress report.</p>
	(c) ensure that the engagements of Cat II Service Providers commence only after the contract requests are approved and the contracts are issued; and	
	(d) ensure that covering approvals for engagements of Cat II Service Providers are supported by valid reasons.	
2.35	<u>Acquisition of Programmes</u> Audit has recommended that the DB should –	
	(a) formulate acquisition policy and guidelines for acquisition of radio programmes; and	RTHK has written to the Financial Services and the Treasury Bureau (FSTB) in December 2018 to seek advice on whether acquisition of

Para. No.	Audit's Recommendations	Progress to Date
	(b) review the acquisition procedures of TV and radio programmes and, where necessary, seek advice from the Secretary for Financial Services and the Treasury.	<p>programmes falls within the definition of procurement and provided additional information in February 2019 at the request of FSTB. Having carefully considered the information provided by RTHK and the legal advice from the Department of Justice, FSTB advised RTHK in April 2019 that RTHK's acquisition of TV and radio programmes was not a government procurement and not subject to the Stores and Procurement Regulations.</p> <p>As the acquisition of TV and radio programmes is confirmed to be a licensing arrangement, RTHK will review the policy on acquisition of TV programmes. Meanwhile, RTHK is also preparing a set of acquisition policy for radio programmes modeled on the policy on acquisition of TV programmes.</p>
2.54	<p><u>Community Involvement</u> <u>Broadcasting Service (CIBS)</u> Audit has recommended that the DB should –</p>	
	(a) ensure that the Selection Committee gives views and assessment on each CIBS applicant in respect of each of the five selection criteria and records such views and assessment;	<p>The selection process has been revised to ensure that the Selection Committee records their views and assessment on each applicant in respect of each of the five selection criteria. The revised selection process was implemented in March 2019.</p> <p>As the recommendation has been implemented and will be carried out on an on-going basis, we recommend that this part be deleted from the next progress report.</p>

Para. No.	Audit's Recommendations	Progress to Date
	(b) take measures to ensure the timely submission of the programme recordings, self-evaluation reports and Limited Assurance Engagement Reports (LAER) by the CIBS participants, and terminate the agreements with the participants with long delay in their submission;	<p>The submission mechanism for programme recordings, self-evaluation reports and Limited Assurance Engagement Reports have been reviewed and revised. Enhanced measures will be implemented in July 2019. Details are set out as follows –</p> <ul style="list-style-type: none"> (i) for programme recordings, an agreed deadline with the successful applicants will be set according to programme schedule; (ii) for self-evaluation reports and LAER, reminders will be sent to the CIBS participants before deadline of submission. Besides, facilitation talks arranged for the successful applicants will emphasise the requirements for timely submission; and (iii) delayed submission of programme recordings, self-evaluation reports and LAER will be recorded for future reference in assessing their applications, if any, to CIBS. <p>The new measures were made clear to CIBS successful applicants for the coming cycle in the facilitation talk held in April 2019 and the successful applicants are also duly reminded of the requirements for timely submission during meetings before signing of contract.</p>
	(c) regularly conduct focus group studies to assess the cost-effectiveness of the projects funded by the Community Involvement Broadcasting Fund (CIBF);	RTHK will organise focus group study on an annual basis. The first focus group study will be conducted in the fourth quarter of 2019 taking into account the lead time to define the mechanism for conducting the study, selecting focus group participants

Para. No.	Audit's Recommendations	Progress to Date
		(proposed categories of focus group participants include successful applicants, unsuccessful applicants and listeners), procuring service to conduct the study and the time necessary for the service provider to conduct the study.
	(d) post questionnaires on the CIBS website to collect audience views on CIBS projects;	<p>The questionnaire to collect views of the audience was uploaded onto the CIBS website in March 2019. Promulgation of the arrangement was announced on both radio and online platforms, including the CIBS website and Facebook, in March 2019. The Board of Advisors (BoA) was informed of the arrangement at its meeting on 29 March 2019. Regular reports will be made to the Board of Advisors thereafter.</p> <p>As the recommendation has been implemented and will be carried out on an on-going basis, we recommend that this part be deleted from the next progress report.</p>
	(e) require the CIBS applicants to set expected deliverables that are measurable and evaluate the achievements of the expected deliverables; and	<p>The application form has been revised to facilitate applicants to set measurable and practical expected deliverables. The revised application form has been in use starting March 2019. A copy of the revised application form is at the <u>Annex III</u>.</p> <p>As the recommendation has been implemented and will be carried out on an on-going basis, we recommend that this part be deleted from the next progress report.</p>
	(f) step up promotion on the CIBS to the community and ethnic minority organisations and individuals to enhance its reach to the service targets and listenership.	<p>A new promotional strategy has been implemented from April 2019 onwards which includes –</p> <p>(i) placing advertisements on public transport such as minibuses and</p>

Para. No.	Audit's Recommendations	Progress to Date
		<p>MTR trains;</p> <p>(ii) placing advertisements on newspapers and magazines, including publications of ethnic minority groups, Chinese and English publications;</p> <p>(iii) producing trailers to be transmitted on radio channels, TV, internet and social media platforms;</p> <p>(iv) launching outdoor activities for outreaching potential applicants;</p> <p>(v) providing outreach consultation services for potential applicants;</p> <p>(vi) displaying banners in different districts; and</p> <p>(vii) arranging featured interviews with the applicants by different media, etc.</p> <p>As an on-going arrangement, RTHK will review the effectiveness of the promotion in the light of feedback gathered from the website and the applicants; and views of the focus group to be organised in the fourth quarter of 2019.</p> <p>As the recommendation has been implemented and will be carried out on an on-going basis, we recommend that this part be deleted from the next progress report.</p>
2.68	<p><u>Commissioning of TV Programmes</u></p> <p>Audit has recommended that the DB should –</p>	<p>(a) take measures to ensure that the commissioned contractors:</p> <p>(i) submit production materials in different production stages;</p> <p>(ii) complete the commissioned</p> <p>A working group chaired by the Controller (TV) (C(TV)) was formed in March 2019 on commissioning of TV programmes. The objectives and terms of reference are at the <u>Annex IV</u>.</p> <p>As far as the submission mechanism is concerned, the working group is in the</p>

Para. No.	Audit's Recommendations	Progress to Date
	<p>programmes; and (iii) submit audited reports in a timely manner;</p>	<p>process of reviewing the following –</p> <ul style="list-style-type: none"> (i) existing programme schedule in terms of various milestone dates, production and broadcast timelines and payment schedules; (ii) the timeline in issuing reminders at different stages; and (iii) measures to strengthen the monitoring of project progress by commissioning editors (at the rank of Programme Officer to Principal Programme Officer) assigned for each commissioned production. <p>The working group targets to submit an interim report to senior management by July 2019.</p>
	(b) develop a mechanism to collect audience views, e.g. through focus group studies or surveys, on the satisfaction rates of commissioned programmes and on areas for improvement; and	<p>The working group as mentioned in point (a) above is also tasked to map out the framework of the mechanism for collecting audience views. The working group targets to submit an interim report to senior management by July 2019.</p>
	(c) explore the feasibility of increasing the number of output hours of commissioned programmes.	<p>The working group as mentioned in point (a) above is in the process of exploring the feasibility of further increasing the number of output hours for commissioned TV programmes in the context of resource implications as well as availability of potential suppliers and other similar schemes in the market. The working group targets to submit an interim report to senior management by July 2019.</p>
Part 3: Broadcasting of Programmes and New Media Services		
3.6	<p><u>Management of TV Broadcasting Hours</u></p> <p>Audit has recommended that the DB should endeavour to enrich the TV programmes, including –</p>	

Para. No.	Audit's Recommendations	Progress to Date
	(a) exploring ways to increase the output hours of TV programmes;	<p>The output / first-run programme hours on RTHK TV 31 has been increased from 1 569.7 hours in 2018-19 to 1 778 hours in 2019-20 as indicated in RTHK's Controlling Officer's Report (COR).</p> <p>As the recommendations have been implemented and will be carried out on an on-going basis, we recommend that this part be deleted from the next progress report.</p>
	(b) increasing the first-run programme hours;	
	(c) devising a strategy for re-run programmes, taking into account the audience preference in selecting programmes for re-run;	<p>A strategy for re-run programmes (attached at the <u>Annex V</u>) has been devised and endorsed by the Deputy Director of Broadcasting (Programmes) in February 2019. In devising the re-run strategy, a host of considerations including nature of the programmes, audience preference, terms and conditions of the acquired programmes, etc. were taken into account.</p> <p>As the recommendation has been implemented and will be carried out on an on-going basis, we recommend that this part be deleted from the next progress report.</p>
	(d) reducing the non-operating hours for TV 31; and	<p>Starting from 1 April 2019, TV 31 has extended its daily broadcast to 24 hours, hence TV 31 no longer has non-operating hours.</p> <p>As the recommendation has been implemented and will be carried out on an on-going basis, we recommend that this part be deleted from the next progress report.</p>
	(e) exploring ways to enrich the miscellaneous contents of TV 31 and TV 32 with a view to enhancing the channels'	<p>For TV 31, programmes are scheduled round-the-clock (i.e. 24-hour a day) according to programming strategy from 1 April 2019. Miscellaneous</p>

Para. No.	Audit's Recommendations	Progress to Date
	attractiveness.	<p>content is no longer broadcast on TV 31.</p> <p>For TV 32, the working group as mentioned in para. 2.10 (a) is in the process of reviewing its programming strategy. Consideration will be given to producing more programme varieties, such as live coverage of local sports events, live relay of important Mainland and overseas events and short interview videos on various topics. The working group targets to submit an interim report to senior management by July 2019.</p>
3.19	<p><u>Content Licensing</u> Audit has recommended that the DB should –</p>	
	(a) set guidelines on how to determine the offer price to potential licensees;	<p>A working group chaired by AD (TV&CB) has been formed to review the licensing guidelines on the determination of the offer price to potential licensees. The objectives and terms of reference are at the <u>Annex VI</u>. The working group targets to submit the report to senior management by June 2019.</p>
	(b) document the basis for the determination of the offer price and the negotiation process with the potential licensees;	<p>The basis for the determination of the offer price and the negotiation process with the potential licensees have been documented since April 2018. To ensure compliance, the monitoring mechanism has been enhanced by assigning a CPO to random check the documentation on a quarterly basis.</p> <p>As the recommendation has been implemented and will be carried out on an on-going basis, we recommend that this part be deleted from the next progress report.</p>

Para. No.	Audit's Recommendations	Progress to Date
	(c) ascertain the reasons for the decreasing number of licensing contracts and licensees as well as the decreasing licensing income, and take appropriate measures with a view to enhancing the attractiveness of content licensing and achieving its objectives for content licensing as set out in the Content Policy; and	As mentioned in point (a) above, a working group chaired by AD(TV&CB) has been formed to review the licensing guidelines. The working group is also reviewing the reasons for the decreasing number of licensing contracts and licensees as well as the licensing income, taking into account the broadcasting scene, relevant external factors such as market trend, RTHK's licensing policy and price, etc. On the basis of the review findings, appropriate measures will be worked out to enhance the attractiveness of content licensing. The working group targets to submit the report to senior management by June 2019.
	(d) take action to promote content licensing, for example, by posting the contents which are available for licensing on the RTHK website.	The working group as mentioned in point (a) above, amongst others, will also review the promotion strategy for content licensing. The working group targets to submit the report to senior management by June 2019.
3.27	<u>New Media Services</u> Audit has recommended that the DB should –	
	(a) keep in view the usage of the RTHK website;	<p>RTHK has deployed a new web analytical tool since January 2019 to monitor the web traffic and the usage of RTHK online products, and will keep CEDB updated on a regular basis.</p> <p>For the period from January to March 2019, the monthly visits to rthk.hk through mobile devices range from 10,563,000 to 11,603,000, which are steady. RTHK will keep in view the usage of online products.</p> <p>As the recommendation has been implemented and will be carried out on an on-going basis, we recommend that</p>

Para. No.	Audit's Recommendations	Progress to Date
		this part be deleted from the next progress report.
	(b) take proactive measures to devise suitable performance indicators in a timely manner to measure the performance of the new media platforms, including the RTHK website; and	<p>Two new performance indicators, “daily live streaming” and “daily visits” have been introduced for measuring the performance of rthk.hk and eTVonline respectively in RTHK’s COR in 2019-20.</p> <p>As the recommendation has been implemented and will be carried out on an on-going basis, we recommend that this part be deleted from the next progress report.</p>
	(c) take measures to boost the usage and improve the quality of the new media platforms, taking into account the results of the Public Opinion Survey on new media services.	<p>The results of the Public Opinion Survey in 2018 indicated that the percentage of respondents who had accessed RTHK contents through new media platforms was low (only 24.2% and 18.4% of the respondents used mobile applications and the RTHK website respectively to access RTHK programmes). To boost the usage of the new media platforms, RTHK has commenced a migration of the Radio archive to cloud solution from January 2019, which helps increase rthk.hk’s server capacity and provide speedy connections for users to access RTHK’s online content.</p> <p>To improve the quality of the mobile applications, RTHK is in the process of enhancing the accessibility of four major mobile applications, i.e. “RTHK On the Go”, “RTHK Screen”, “RTHK News” and “RTHK Mine”. The enhancement will be completed in July 2019.</p>

Para. No.	Audit's Recommendations	Progress to Date
Part 4: Evaluation of Programmes and Other Administrative Issues		
4.13	<u>Audience Surveys</u> Audit has recommended that the DB should –	
	(a) take follow-up action to ascertain why most of the suppliers were not interested to submit a quotation for the TV Appreciation Index (TVAI) Survey and Radio Audience Survey;	We contacted service providers by e-mail in April 2019 to ascertain the reasons for not submitting bids in past TVAI and Radio Audience Survey procurement exercises. Replies of some service providers are still pending. RTHK will keep in view of their response and the working group as mentioned in para. 4.13 (e) below will take into account their feedback in reviewing the strategy for TVAI and Radio Audience Surveys accordingly.
	(b) ensure that sufficient qualified service providers are invited in the procurement exercises for the TVAI Surveys and the Radio Audience Surveys;	RTHK will strictly follow the Government's Stores and Procurement Regulations in inviting at least five qualified service providers for each procurement exercise. To ensure compliance, Senior Treasury Accountant (Finance and Resources) (STA(FR)) will conduct random check of the procurement documents on a quarterly. As the recommendation has been implemented and will be carried out on an on-going basis, we recommend that this part be deleted from the next progress report.
	(c) critically review the Supplier List under the category of "Radio/TV Audience Survey" and remove: (i) duplicate service providers; (ii) incorrect service providers; and	RTHK has removed duplicate/incorrect/rarely responded service providers in March 2019. To ensure accuracy of the Supplier List, STA(FR) will check and update the list on a quarterly basis.

Para. No.	Audit's Recommendations	Progress to Date
	(iii) those service providers who rarely responded to invitations for quotations;	As the recommendation has been implemented and will be carried out on an on-going basis, we recommend that this part be deleted from the next progress report.
	(d) encourage potential service providers for radio and TV surveys to apply for registration as suppliers on the Supplier List; and	RTHK sent invitations to 21 service providers to join the Supplier List in November 2018. As at 15 April 2019, eight more service providers have been registered to the "TV Surveys Supplier List" and seven more to the "Radio Surveys Supplier List". Responses from other suppliers are pending.
	(e) revisit the need for the mandatory requirements imposed on the service providers for the TVAI Surveys and the Radio Audience Surveys and consider the feasibility of relaxing them to ensure that the requirements do not create undesirable obstacles to competition amongst the potential service providers.	<p>A working group on audience surveys for TV and radio programmes was set up in March 2019. The objectives and terms of reference of the working group are at the <u>Annex VII</u>. Chaired by the Deputy Director of Broadcasting (Programmes), the working group has revisited the need for the mandatory requirements in TVAI Surveys and Radio Audience Surveys and agreed that the mandatory requirements be removed in future procurement exercises for TVAI and Radio Audience Surveys.</p> <p>In view of the implementation of the pro-innovation government procurement policy from 1 April 2019, the working group is critically reviewing the procurement procedures for TVAI and Radio Audience Surveys and planning the way forward. The working group targets to submit an interim report to senior management by June 2019.</p>

Para. No.	Audit's Recommendations	Progress to Date
4.33	<p><u>Evaluation of TV Programmes</u> Audit has recommended that the DB should –</p>	
	(a) review the strategy for the coverage of programmes in TVAI Surveys;	<p>The working group as mentioned in para. 4.13(e) is in the process of reviewing, in a holistic manner, the scope of TVAI survey including but not limited to –</p> <ul style="list-style-type: none"> (i) the strategy for the coverage of programmes in TVAI Surveys; (ii) striking a balance between the need to survey more programmes and the need to survey flagship programmes more frequently; (iii) the frequency for conducting the TVAI Surveys; (iv) procurement requirements to be imposed for TVAI Surveys; (v) the need for or otherwise continuing to include programmes from other TV stations; and (vi) the methodology for including acquisition and commissioning programmes. <p>The working group targets to submit an interim report to senior management by June 2019.</p>
	(b) strike a balance between the need to survey more programmes and the need to survey flagship programmes more frequently;	
	(c) take measures to improve the awareness level and the appreciation index of RTHK's TV programmes;	<p>Promotion plans to improve the awareness level and the appreciation index of RTHK's TV programmes will be worked out on the basis of review findings mentioned above.</p>
	(d) ascertain the reasons for low ratings of RTHK's programmes and take measures to enhance the popularity of its TV programmes, especially for those which are intended to be popular programmes;	<p>As mentioned in para. 4.13(e), a working group has been set up, amongst others, to address the issues of low ratings of RTHK programmes. The working group will conduct a survey in the third quarter of 2019 to gather information and statistics on the penetration/take-up pattern of the DTT</p>

Para. No.	Audit's Recommendations	Progress to Date
	(e) take measures to address the issue of lower TV ratings of RTHK TV programmes broadcast on RTHK channels than the ratings of the same programmes broadcast on a commercial channel;	channels, viewing habits and preference of the audience to ascertain the reasons for low ratings as well as the performance of RTHK's TV programmes on cross-media platforms. Based on the survey's findings, RTHK will be in a better position to work out measures to address the issues of low TV ratings and to enhance the popularity of its TV programmes. Results of the survey are expected to be available in the fourth quarter of 2019.
	(f) collect the cross-media TV ratings to obtain more comprehensive information on the viewership of RTHK's programmes;	
	(g) consider developing viewership indicators for RTHK's TV channels and its programmes and reporting them in the COR; and	Based on the findings of the survey as mentioned above, the working group will formulate indicators for RTHK's TV channels and its programmes for reporting in the COR.
	(h) consider setting targets/benchmarks for RTHK's TV programmes, in terms of both programme quality (e.g. appreciation index) and the awareness level, for different categories of its programmes, in order to facilitate more meaningful evaluation of its TV programmes.	
4.44	<u><i>Evaluation of Radio Programmes</i></u> Audit has recommended that the DB should –	
	(a) keep in view the number of listeners for each of the seven radio channels and take appropriate action to boost the number of listeners for radio channels with decreasing number of listeners;	To keep in view the number of listeners for each of the seven radio channels, RTHK conducts annual Audience Surveys and keeps track of online performance of radio channels. It also monitors feedback from "Channel Heads' Hotline". Based on the

Para. No.	Audit's Recommendations	Progress to Date
	(b) take measures to improve the appreciation index and awareness level of RTHK's radio channels;	<p>foregoing, RTHK reviews and revises its programming and promotional strategies on a regular basis. In April 2019, RTHK has fine-tuned the programme and promotion strategies by reshuffling programmes to strengthen the channel identity of Radio 1 and 2. Correspondingly, an extensive social media campaign, covering Facebook, Instagram and Youtube, has been conducted from March 2019.</p> <p>With a view to building up an evaluation mechanism in a holistic manner, the working group as mentioned in para. 4.13 (e) is now reviewing the strategy of the Audience Survey, including programmes to be included, frequency, methodology, etc as well as identifying any other appropriate channels to keep in view the listenership. The working group is also mapping out measures to boost the number of listeners for radio channels with decreasing number of listeners and improve the appreciation index and awareness level of RTHK's radio programmes. The working group targets to submit an interim report to senior management by June 2019.</p>
	(c) consider including the share of total listening time per channel as a performance indicator and report it in the COR;	Based on the findings of the working group as mentioned in para. 4.13 (e), RTHK aims at reporting the share of the total listening time per channel from next year's COR onwards.
	(d) monitor the appreciation index of RTHK's radio channels and report them in the COR for measuring the quality of its radio services; and	Based on the findings of the working group as mentioned in para. 4.13 (e), RTHK aims at reporting the appreciation index of the RTHK radio channels from next year's COR onwards.

Para. No.	Audit's Recommendations	Progress to Date
	(e) consider collecting information on the appreciation index for selected radio programmes on a sample basis to facilitate the monitoring of the quality of RTHK radio programmes.	The working group as mentioned in para. 4.13 (e) is in the process of mapping out the way forward including, scale, methodology and the financial implications. The working group targets to submit an interim report to senior management in June 2019.
4.63	<p><u>Evaluation of School ETV Programmes</u> Audit has recommended that the DB should –</p> <p>(a) take appropriate actions to address the problem of decreasing staff productivity in terms of programmes per programme staff;</p> <p>(b) consider setting targets to assess the staff productivity for school ETV programmes; and</p> <p>(c) take appropriate actions to contain the high production cost per hour for school ETV programmes.</p>	<p></p> <p>To enhance the productivity of programme staff, RTHK has reviewed the manpower deployment of school ETV productions and streamlined production workflows. It is envisaged that staff productivity in terms of programmes per programme staff will be increased by 16% from 8.9 programmes per staff in 2018-19 to 10.3 programmes per staff in 2019-20.</p> <p>RTHK and EDB have been working together to review the future direction of school ETV programmes. RTHK will explore how best to set targets to assess the staff productivity for school ETV programmes upon completion of the review.</p> <p>RTHK and EDB have been working together to review the future direction of school ETV programmes. Appropriate actions will be worked out to contain the production cost according to the review result.</p>
4.64	Audit has also recommended that the Secretary for Education and the DB should –	

Para. No.	Audit's Recommendations	Progress to Date
	(a) explore the possibility of increasing the scale of commissioning of school ETV programme productions; and	<p>EDB will continue to develop diversified multimedia resources such as theme-based short videos, multi-ending micro movies, photos, sound tracks, etc. and commission the technical aspects of the production work to enhance the cost-effectiveness of production.</p> <p>As far as the production of ETV programmes by RTHK is concerned, EDB is exploring not just the possibility of increasing the scale of the commissioning of ETV programme productions in 2019-20, but also reviewing fundamentally the need for ETV's production as one of the various types of e-learning resources and, if the continued need for its production is established, positioning and cost-effectiveness.</p>
	(b) taking into account the audit observations on small number of programmes watched by students, decreasing staff productivity and high production cost, conduct a comprehensive review on RTHK's production of school ETV programmes to determine the way forward and the improvement measures.	<p>The Ad Hoc Committee on the Development of School ETV Programmes under the Curriculum Development Council (CDC) had met in March 2019 to review the position of ETV as one of the various types of e-learning resources and the need for its production, as well as the cost-effectiveness of the ETV programmes currently produced by RTHK. Members' views were sought on the way forward of ETV service. Feedback from members and their suggestions were further discussed at the meeting of the CDC Committee on Learning Resources and Support Service held in April 2019. EDB will also consult CDC to determine the way forward of ETV service.</p> <p>Besides making reference to cross-platform usage data such as hit rates on the Internet and the mobile</p>

Para. No.	Audit's Recommendations	Progress to Date
		application, the annual school survey for the 2018/19 school year is being modified by including in-depth interviews with teachers and students so as to gauge more holistically the usage of ETV multimedia resources inside and beyond the classroom, and to better understand their effectiveness in supporting learning. A modified survey will be tried out in the 2018/19 school year and preliminary survey findings are expected to be available by end of the 2018/19 school year.
4.73	<u>Matters Relating to the Charter of RTHK</u> Audit has recommended that the DB should –	
	(a) submit the reports on performance evaluation of RTHK and RTHK's compliance with performance evaluation indicators to the Board of Advisors on a regular basis as required by the Charter of RTHK to facilitate the Board of Advisors (BoA) to advise on its actual performance against the performance targets and ways to improve service delivery; and	RTHK will submit the report on performance evaluation of RTHK and RTHK's compliance with performance evaluation indicators to the BoA annually. The 2018-19 report on the subject will be presented to the BoA at its meeting on 31 May 2019. As the recommendation has been implemented and will be carried out on an on-going basis, we recommend that this part be deleted from the next progress report.
	(b) prepare an Annual Report for public inspection as required by the Charter of RTHK.	RTHK will compile an Annual Report for public inspection. The Annual Report for 2018-19 will be presented to the BoA at its meeting on 31 May 2019. As the recommendation has been implemented and will be carried out on an on-going basis, we recommend that this part be deleted from the next progress report.

Working Group on Programme Planning (Television)

Membership

Chairman: Assistant Director of Broadcasting (Television and Corporate Businesses)
Members: Controller (Television)
 Head/Television Programming and Administration
 Principal Programme Officer/Television Administration
Secretary: Programme Officer/Television Administration

Objectives

To follow up on the implementation of the Audit's recommendations on programme planning as set out in the Report No. 71 of the Director of Audit (paragraph 2.10 of Chapter 5) with a view to formulating meaningful parameters and reviewing mechanism for TV programme planning decisions.

Terms of Reference

- (i) to review the existing programme planning process and examine how information for performance evaluation of individual television programme can be included in the planning process;
- (ii) to draw up parameters for programme planning; and
- (iii) to establish programme planning and review mechanism.

March 2019

Working Group on Programme Planning (Radio)

Membership

Chairman: Assistant Director of Broadcasting (Radio and Corporate Programming)

Members: Controller (Radio)

Head/Chinese Programme Service

Head/Radio Administration, Development and Programming

Secretary: Head/Central Administration Unit (Radio)

Objectives

To follow up on the implementation of the Audit's recommendations on programme planning as set out in the Report No. 71 of the Director of Audit (paragraph 2.10 of Chapter 5) with a view to formulating meaningful parameters and reviewing mechanism for radio programme planning decision.

Terms of reference

- (i) to review the existing programme planning process and examine how information for performance evaluation of individual radio programme can be included in the planning process;
- (ii) to draw up parameters for programme planning; and
- (iii) to establish programme planning and review mechanism.

March 2019

Application Form

(↓) Handbook

(↓) Production Crew List Sample

(↓) Application for CIBF Sample

(1) Particulars of Applicant

*Required Items

Year/Quarter

*Please Select

☐ Organisation☐ Individual

Name of Applicant (Chinese)

The name should be the same as on your organization registered certificate

*Name of Applicant (English)

The name should be the same as on your organization registered certificate

*Please upload the Certificate of Registration of an Organisation

Registered Address
(Chinese)

*English

Correspondence Address (if different from the above address)

*Telephone No.

Fax No.

*Email Address

Organisation Representative for the Application

Surname (Chinese)

the name should be the same as on the identity card

First name (Chinese)

the name should be the same as on the identity card

*Surname (English)

the name should be the same as on the identity card

Organisation Representative for the Application and Project Coordinator should not be the same person

*First name (English)

the name should be the same as on the identity card

Organisation Representative for the Application and Project Coordinator should not be the same person

Title (Chinese)

*English

*Hong Kong Identity Card No.

()

Project Coordinator (Applicant should assign a project coordinator who will be responsible for the management of their CIBS Programme.)

Surname (Chinese)

the name should be the same as on the identity card

First name (Chinese)

the name should be the same as on the identity card

* Surname (English)

the name should be the same as on the identity card

Organisation Representative for the Application and Project Coordinator should not be the same person

* First name (English)

the name should be the same as on the identity card

Organisation Representative for the Application and Project Coordinator should not be the same person

Correspondence Address (Chinese)

*English

*Telephone No.

Fax No.

*Email Address

*Description of the Applicant

(Maximum 1000 characters)

(2) Basic Information of the Programme

2.1 *Programme Theme

☐ Current Theme

☐ Ethnic Minorities

☐ Open Topic

2.2 *Duration of Each Episode

☐ One hour

☐ Half an hour

2.3 *Format of Broadcasting ☐ Recorded ☐ Live

2.4 *Programme Title
(Maximum 100 characters. You may also provide a Chinese version, or opt to let the Secretariat translate it.)

節目名稱
(上限20字。閣下可同時提供英文版，或由大會安排翻譯本。)

2.5 *Programme Synopsis
(Synopsis will be uploaded to CIBS website for public voting purpose.)

(Maximum 750 characters. You may also provide a Chinese version, or opt to let the Secretariat translate it.)

節目大綱 (大綱會上載至CIBS網站供公眾投票之用。)

(上限150字。閣下可同時提供英文版，或由大會安排翻譯本。)

2.6 *Target Audience

(Maximum 250 characters)

2.7 *Broadcast Language ☐ Cantonese ☐ Putonghua ☐ English ☐ Others (please specify)

(3) Programme Details

3.1 *Programme Structure	Item	Segment (e.g.: interview, radio drama, song and vox pop interview)	Duration
	<input type="text"/>	<input type="text"/>	<input type="text"/> minute(s)
	<input type="text"/>	<input type="text"/>	<input type="text"/> minute(s)
	<input type="text"/>	<input type="text"/>	<input type="text"/> minute(s)

(Maximum 150 characters)

Add Item

3.2 * Programme Details of the 13-episodes, e.g. topic, content and guest list of each episode.

Episode 1:

Topic

(Maximum 150 characters)

Content

(Maximum 1000 characters)

Episode 2:

Topic

(Maximum 150 characters)

Content

(Maximum 1000 characters)

Episode 3:

Topic

(Maximum 150 characters)

Content

(Maximum 1000 characters)

Episode 4:

Topic

(Maximum 150 characters)

Content

(Maximum 1000 characters)

Episode 5:

Topic

(Maximum 150 characters)

Content

(Maximum 1000 characters)

Episode 6:

Topic

(Maximum 150 characters)

Content

(Maximum 1000 characters)

Episode 7:

Topic

(Maximum 150 characters)

Content

(Maximum 1000 characters)

Episode 8:

Topic

(Maximum 150 characters)

Content

(Maximum 1000 characters)

Episode 9:

Topic

(Maximum 150 characters)

Content

(Maximum 1000 characters)

Episode 10:

Topic

(Maximum 150 characters)

Content

(Maximum 1000 characters)

Episode 11:

Topic

(Maximum 150 characters)

Content

(Maximum 1000 characters)

Episode 12:

Topic

(Maximum 150 characters)

Content

(Maximum 1000 characters)

Episode 13:

Topic

(Maximum 150 characters)

Content

(Maximum 1000 characters)

3.3 * Please upload an oral presentation file not more than 3 minutes

☐ I ensure the uploaded audio clip has not infringed upon any copyright or other rights. Consent has also been given for uploading the audio clip to the CIBS website for public voting purpose.

(Upload file format must be mp3 and up to 5MB maximum.)

Please revise or provide supplementary information.

3.4 Expected Deliverables and Methods for Measuring Performance

	Expected Deliverable	Outcome Indicator	Target
1	Community Involvement	Number of persons participating in the programme (including production crew and guests)	Number of Persons:_____
2	Talent Nurturing	Number of persons participating in broadcasting for the first time	Number of Persons:_____
+ Add Item			
3	e.g.: enhancing awareness on the topic (Maximum 100 characters)	e.g.: comments collected (Maximum 250 characters)	e.g.: above 60% of the participants states that they have learnt more about the topic (Maximum 250 characters)

3.5 Additional Information

(Not more than 500 Characters)

(4) Production Crew List

*Please state the relevant experiences of the production crew (e.g. project coordinator, producer, etc.). (If you find any difficulties, please read the sample for reference.)

Note: Project Coordinator should be the same as the one written in section 1.

	Post	Full Name	Relevant Experiences (Maximum 250 characters)
1	<div></div>	<div></div>	<div></div>
2	<div></div>	<div></div>	<div></div>
3	<div></div>	<div></div>	<div></div>
4	<div></div>	<div></div>	<div></div>
5	<div></div>	<div></div>	<div></div>
6	<div></div>	<div></div>	<div></div>
7	<div></div>	<div></div>	<div></div>
8	<div></div>	<div></div>	<div></div>
9	<div></div>	<div></div>	<div></div>
10	<div></div>	<div></div>	<div></div>
11	<div></div>	<div></div>	<div></div>
12	<div></div>	<div></div>	<div></div>
13	<div></div>	<div></div>	<div></div>
14	<div></div>	<div></div>	<div></div>

15			
16			
17			
18			
19			
20			

(5) Application for CIBF

5.1 *Do you need to apply for CIBF? ☐ No ☐ Yes
(Applicant should have a bank account in Hong Kong for payment purpose.)

5.2 *Is an advance disbursement of 20% of the approved funds needed? ☐ No ☐ Yes

5.3 Application for CIBF

Budget Summary

(If you find any difficulties, please refer to the Guidelines on Preparation of Production Budget or Application for CIBF Sample.)

Category	Post Guideline 1	Per Episode (per person) (HK\$) Guideline 2	Total Head-count of 13 episodes Guideline 3/4	Total Amount Applied (HK\$)	
Production Crew List Guideline 5	* Project Coordinator	300			
	* Producer	300			
	* Technical Producer	300			
	* Scriptwriter	300			
	* Researcher	300			
	* Actor/Presenter	300			
			* Sub-total		
Services and Goods	Item	Unit Rate	Quantity	Unit	Total Amount Applied (HK\$)
	* Studio Rental (one-hour episodes) Guideline 6			Hour (s)	
	* Studio Rental			Hour	

(half-hour episodes) Guideline 6	<input type="text"/>	<input type="text"/> (s)	<input type="text"/>
* Music CD (piece(s)) Guideline 7		<input type="text"/> Piece (s)	<input type="text"/>
* Limited Assurance Engagement Report Guideline 8	<input type="text"/>	<input type="text"/>	<input type="text"/>
+ Add Other Item(s)		* Sub-total	<input type="text"/>
		* Total	<input type="text"/>

Guidelines on Preparation of Production Budget:

- For each episode, there shall be no more than ten people assuming the six posts of project coordinator, producer, technical producer, scriptwriter, researcher, and actor/presenter. The respective quota for project coordinator, producer and technical producer is one, scriptwriter and researcher two, and actor/presenter eight. A standard honorarium of HK\$300 per episode will be given to each production crew member.
- A standard honorarium of HK\$300 per episode will be granted to each production crew member. A person assuming more than one post for the same episode can only receive a total of HK\$300 as honorarium.
- "Total Head-count of 13 episodes" is calculated by adding up all the production crew members of the same post in the thirteen episodes.
 Example 1: "Researcher" - Two researchers were engaged for episode 1 to episode 5. One researcher was engaged for episode 6 to episode 11. Again, two researchers were engaged for episode 12 to episode 13. The "Total Head-count of 13 episodes" would be $\{2 \text{ (persons)} \times 5 \text{ (episodes)}\} + \{1 \text{ (person)} \times 6 \text{ (episodes)}\} + \{2 \text{ (persons)} \times 2 \text{ (episodes)}\} = 20$.
 Example 2: "Actor/Presenter" - Eight actor/presenter were engaged for episode 1. Two for episode 2. Three for episode 3. Six for episode 4. Three for episode 5. Six for episode 6. Seven for episode 7. Eight for episode 8. One for episode 9. Two for episode 10. Three for episode 11. Four for episode 12. Five for episode 13. The "Total Head-count of 13 episodes" would be $\{8 + 2 + 3 + 6 + 3 + 6 + 7 + 8 + 1 + 2 + 3 + 4 + 5\} = 58$.
 Example 3: "Project Coordinator" - One Project Coordinator was engaged throughout episode 1 to 13. The "Total Head-count of 13 episodes" = 13
- Please be aware of (i) the respective quota of each post and (ii) the overall quota in each episode. Expenditure exceeding the ceiling should be borne by the applicant.
- Apart from project coordinator and presenter, other posts may be filled as required.
- "Unit Rate" refers to the hourly studio rental fee and "Quantity" refers to the number of hours of studio required (hours).
- The total expenditure on music CDs shall not exceed HK\$1,000 and the maximum number shall not exceed ten.
- "Limited Assurance Engagement Report" should be prepared by Certified Public Accountants.
- If the applicant wishes to apply funding for any other related services or goods, please state in the "Other Item(s)" fields and provide reason & details.
- Producer of Non-Chinese or non-English programmes are required to provide the Chinese or English translation of transcripts to RTHK and to certify on that the programme contents comply with the broadcasting regulations and codes. Applicant may apply CIBF for translation fee if needed.

(7) Declaration and Undertaking

The applicant hereby declares that:

- i) The person of the organisation responsible for the application is a Hong Kong resident and is aged 18 or above;
- ii) all information given in this application form and the attached documents are accurate and complete; materials regardless of its forms and statements in the application form, including but not limited to textual and audio materials of the CIBS, have not infringed upon any copyright or other rights; consent is also given to RTHK to display the materials on its website for public voting;
- iii) the application proposal shall remain valid for twelve months from the deadline of application unless it is withdrawn in writing by the applicant; and
- iv) the person of the organisation responsible for the application is not full-time or part-time employee employed by RTHK under permanent terms or NCSC contract, or as a Category II service provider.

Personal Information Collection Statement

(a) Personal data provided by applicants in the application forms and all other documents will be used for the following purposes:

- (i) application assessment; and
- (ii) evaluation of the effectiveness of the CIBS project.

All personal data provided by applicants will be handled with due care. In processing the applications, such data may be used for public voting or accessed by members of the Selection Committee as well as relevant third parties. Such data shall not be used for any purposes other than those stated above.

(b) Applicants who wish to gain access or make corrections to their personal data may submit the requests in writing to the CIBS Secretariat.

☐ * I, the person of the organisation responsible for the application, make this solemn declaration conscientiously believing the same to be true and accurate.

☐ Our organisation agree to receive updates about CIBS.
(Note: Choice of use of personal information can be amended at “My Profile” in the future.)



Working Group on Commissioning of Television Programmes

Membership

Chairman:	Controller (Television)
Members:	Head/Acquisition and Corporate Development Unit
	Head/Educational Television
	Head/General Programme
	Head/Public and Current Affairs
	Head/Television Programming and Administration
	Head/Programme and Content Management
	Principal Programme Officer/Acquisition
	Senior Programme Officer/Acquisition
Secretary:	Programme Officer/Business Development

Objectives

To follow up on the implementation of the Audit's recommendations regarding commissioning of television (TV) programmes as set out in the Report No. 71 of the Director of Audit (paragraph 2.68 of Chapter 5) with a view to (a) establishing a mechanism to ensure timely submission of various materials and completion of programmes by the contractors; (b) developing a mechanism to collect audience views on the commissioned programmes; and (c) increasing the output hours of commissioned programmes.

Terms of Reference

- (i) to review the existing mechanism in terms of various milestone dates, production and broadcast timelines and payment schedules and to devise measures to ensure that the commissioned contractors submit production materials in different production stages, complete the commissioning programmes and submit audited reports in a timely manner;

- (ii) to develop a mechanism to collect audience views on the satisfaction rates of commissioned programmes and on areas of improvement; and
- (iii) to explore the feasibility of increasing the number of output hours of commissioned programmes in the context of resource implications as well as availability of potential suppliers and other similar schemes in the market.

March 2019

Strategy for Re-run Programmes

Item	Strategies
1.	<p>Re-run programmes would not be scheduled at the following slots, which are reserved for first run programmes:</p> <ul style="list-style-type: none">a. Prime-time slots between 1900 to 2230 hours - for first run programmes.b. Time slots on 0805-0900 hours (Mondays to Saturdays); 1310-1400 hours (Mondays to Fridays); 0920-1100 hours (Saturdays) - for Live Radio-On-TV programmes.c. Morning Slots 0730-0800 hours (Mondays to Fridays) - for weekday first run morning programmes, which includes live updates of weather and traffic conditions.d. 1200-1300 hours (Sundays) - for the first run of “City Forum”.
2.	<p>Current affairs related programmes would be re-run on the same night/day of its first run.</p>
3.	<p>First run programmes will be scheduled for re-run as soon as the whole series ends.</p>
4.	<p>Special programmes will be scheduled for re-run under the following circumstances:</p> <ul style="list-style-type: none">a. during festive holidays, summer holidays /school holidays;b. responding to public mood and addressing public interest;c. arising from ad hoc events, such as paying tribute to the death of celebrities; andd. addressing the special theme in a particular year.
5.	<p>Re-run of acquired programmes are scheduled according to terms of the licence agreements.</p>
6.	<p>For TV 32, it is a live event channel which mainly broadcasts Legislative Council meetings and events that members of the public are concerned. Since the broadcasting hours and broadcasting time of live</p>

	events are difficult to control, RTHK would take into account the duration of intervals for broadcast of various miscellaneous contents and re-run programmes (e.g. Legislative Council meetings, important press conferences, Mainland news, World news, Sports Bulletins, TV Journey, etc.) between live events.
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Working Group on Content Licensing

Membership

Chairman : Assistant Director of Broadcasting (Television and Corporate Businesses)

Members : Head/Acquisition and Corporate Development Unit
Head/Programme and Content Management
Senior Programme Officer/Acquisition

Secretary : Assistant Business Development Officer

Objectives

To follow up on the implementation of the Audit's recommendations regarding content licensing as set out in the Report No. 71 of the Director of Audit (paragraph 3.19 of Chapter 5) with a view to reviewing the licensing guidelines on the determination of offer price to potential licensees and promoting content licensing.

Terms of Reference

- (i) to review the licensing guidelines and set out the factors for determining the offer price to potential licensees;
- (ii) to ascertain the reasons for the decreasing number of licensing contracts and licensees as well as the licensing income;
- (iii) to devise measures to enhance the attractiveness of content licensing and achieve the objectives for content licensing as set out in the Content Policy; and
- (iv) to devise measures to promote content licensing.

March 2019

**Working Group on Audience Surveys for Television and
Radio Programmes**

Membership

Chairman: Deputy Director of Broadcasting (Programmes)

Members: Assistant Director of Broadcasting (Television and
Corporate Businesses)

Assistant Director of Broadcasting (Radio and Corporate
Programming)

Controller (Television)

Controller (Radio)

Head/Television Programming and Administration

Head/Chinese Programme Service

Head/Radio Administration, Development and Programming

Senior Treasury Accountant/Finance and Resources

Deputy Head/Corporate Communications and Standards

Secretary: Head/Radio Development & Culture and Education Unit

Objectives

To follow up on the implementation of the Audit's recommendations on television (TV) and radio programmes as set out in the Report No. 71 of the Director of Audit (paragraphs 4.13 (e), 4.33 and 4.44 of Chapter 5) with a view to drawing up a strategy and framework for audience surveys for TV and radio programmes.

Terms of Reference

(a) General issues

- (i) to review and map out the strategy for the coverage of programmes in surveys conducted for RTHK's TV and radio programmes;

- (ii) to identify ways to strike a balance between the need to survey more programmes and the need to survey flagship programmes more frequently in surveys conducted for RTHK's TV and radio programmes;
- (iii) to review the frequency for conducting surveys for RTHK's TV and radio programmes;
- (iv) to review the procurement requirements to be imposed for the surveys for RTHK's TV and radio programmes; and
- (v) to devise measures to improve the awareness level and the appreciation index of RTHK's TV programmes and radio channels.

(b) Radio programmes

- (i) to formulate performance indicators in terms of share of total listening time per channel and appreciation index of RTHK's radio channels for reporting in Controlling Officer's Report (COR); and
- (ii) to devise measures to keep in view the number of listeners for each of the seven radio channels and boost the number of listeners for radio channels with decreasing number of listeners.

(c) TV programmes

- (i) to review the need for or otherwise continuing to include programmes from other TV stations; and including acquisition and commissioning programmes for audience survey for TV programmes;
- (ii) to ascertain the reasons for low ratings of RTHK's TV programmes and develop measures to enhance the popularity of its TV programmes, especially for those which are intended to be popular programmes;
- (iii) to devise measures to address the issue of lower TV ratings of RTHK TV programmes broadcast on RTHK channels than the

ratings of the same programmes broadcast on a commercial channel;

- (iv) to identify ways to collect cross-media TV ratings to obtain more comprehensive information on the viewership of RTHK's programmes;
- (v) to consider developing viewership indicators for RTHK's TV channels and its programmes and reporting them in the COR: and
- (vi) to consider setting targets/benchmarks for RTHK's TV programmes, in terms of both programme quality (e.g. appreciation index) and the awareness level, for different categories of its programmes, in order to facilitate more meaningful evaluation of its TV programmes.

March 2019

**Barrier-free facilities at government premises
Progress in implementing the Audit's Recommendations**

Para. No.	Audit's Recommendations	Progress to Date
Part 2: Work of Labour and Welfare Bureau (LWB) over barrier-free facilities at government premises and BD in updating Design Manual (DM)		
<i>LWB's work in overseeing and co-ordinating the implementation of policy on barrier-free facilities at government premises by B/Ds</i>		
2.22	<p>Audit has recommended that the Secretary for Labour and Welfare should –</p> <p>(a) take measures to ensure that all relevant B/Ds are consulted as far as practicable in co-ordinating issues on provision of barrier-free environment in government premises and facilities in future;</p>	<p>As a one-off and special exercise in response to Equal Opportunity Commission's recommendations in June 2010, LWB was tasked to convene a Task Force, comprising representatives from relevant government managing departments, to coordinate a major retrofitting programme to upgrade the barrier-free facilities of government premises and facilities and report the progress to LegCo during the period 2011 to 2014. The retrofitting programme was completed and there will not be any further submission to LegCo.</p> <p>The on-going provision and maintenance of barrier-free facilities is planned and managed by individual B/Ds with the support of ArchSD. While agreeing with the recommendation, LWB has no plan to coordinate another retrofitting programme across B/Ds.</p>
	<p>(b) with regard to the B/Ds' reviews of accessibility issues –</p> <p>(i) upon receipt of their returns, remind those B/Ds with their returns showing deficiencies relating to accessibility to services and facilities for persons with disabilities</p>	<p>LWB issued a memo to Access Coordinators of B/Ds on 28 November 2018 to draw their attention to Audit's findings and recommendations on FEHD and the Leisure and Cultural Services Department (LCSD) as mentioned in Audit Report No. 71. Besides, LWB convened an exchange session</p>

Para. No.	Audit's Recommendations	Progress to Date
	<p>(PWDs) at premises/facilities under their management to take appropriate follow-up actions; and</p> <p>(ii) in collecting their feedback in future, make a better assessment of the difficulties involved in setting the time target for collecting their feedback and endeavour to meet the target;</p>	<p>on 31 January 2019 with Access Coordinators and Access Officers of B/Ds to brief them on the subject and the follow up actions of LCSD and FEHD on Audit's recommendations, and asked B/Ds to review the barrier-free facilities under their management as appropriate.</p> <p>In collecting B/Ds' feedback in future, LWB will set a practicable time target for collecting their feedback.</p>
	<p>(c) in co-ordinating returns from a large number of B/Ds for submission to LegCo in future, remind B/Ds to ensure the completeness of information in their returns in order to provide more comprehensive information to LegCo; and</p>	<p>Progress to date is the same as that for paragraph 2.22(a) of the Audit Report above.</p>
	<p>(d) remind B/Ds to maintain complete and up-to-date lists of barrier-free facilities under their management for monitoring and planning purposes, and publicise such lists for public information.</p>	<p>LWB issued a memo to Access Coordinators of B/Ds on 28 November 2018 to remind them of the need to maintain complete and up-to-date lists of barrier-free facilities under their management, and publicise such lists for public information. LWB also convened an exchange session on 31 January 2019 with Access Coordinators and Access Officers of B/Ds to brief them, among other things, on Audit's relevant recommendations and to remind them to take follow up action.</p> <p>As appropriate actions have been taken on paragraph 2.22(a) to (d), we recommend deleting these parts from the next progress report.</p>

Para. No.	Audit's Recommendations	Progress to Date
<i>BD's work in updating the Design Manual</i>		
2.28	<p>Audit has recommended that the Director of Buildings should –</p> <p>(a) take actions to timely update the DM and closely monitor the progress with a view to enhancing the provision of barrier-free facilities; and</p>	<p>BD has established an arrangement in that updating of the DM 2008 will be triggered when five or more amendment items for improving DM are accumulated or within 12 months after the amendment items are endorsed by the Technical Committee on Design Manual: Barrier Free Access (Technical Committee on DM).</p> <p>As appropriate actions have been taken on paragraph 2.28(a), we recommend deleting this part from the next progress report.</p>
	<p>(b) take follow-up actions as soon as practicable on the 28 items (involving proposals for improving DM) that had not been discussed by the Technical Committee on Design Manual.</p>	<p>Technical Committee on DM has started discussion of 14 items in recent meetings and will consider the remaining 14 items in the coming meetings in 2019.</p>
Part 3: Work of FEHD and LCSD in providing and managing barrier-free facilities under their management		
<i>Maintaining a complete and updated list of barrier-free facilities</i>		
3.8	<p>Audit has recommended that the Director of Food and Environmental Hygiene and the Director of Leisure and Cultural Services should maintain a complete and updated list of barrier-free facilities at venues managed by the FEHD and the LCSD for monitoring and planning purposes.</p>	<p>FEHD is compiling the lists of barrier-free facilities in various public venues which will be uploaded to FEHD's website by phases from mid-2019. The information will be updated on a regular basis with reference to the results of the annual access audits thereafter.</p> <p>All LCSD venues have maintained complete and updated lists of barrier-free facilities.</p>

Para. No.	Audit's Recommendations	Progress to Date
Access audits		
3.17	<p>Audit has recommended that the Director of Food and Environmental Hygiene and the Director of Leisure and Cultural Services should –</p> <p>(a) take follow-up actions on the areas for improvement in conducting access audits as identified by Audit; and</p> <p>(b) take measures to enhance access audits of the FEHD and the LCSD (e.g. issuing further guidelines or providing more training to their officers).</p>	<p>FEHD has –</p> <p>(i) reviewed the classification of venues in consultation with the relevant government departments with regard to the scope and categories of venues provided with barrier-free facilities for annual access audits;</p> <p>(ii) updated the departmental guidelines to ensure that the annual access audits are carried out in a timely manner and in accordance with the stipulated procedures;</p> <p>(iii) organised two training sessions for Access Officers (AOs) and their assistants in February 2019 to further enhance their awareness, knowledge and skills in conducting annual access audits and handling accessibility issues; and</p> <p>(iv) maintained updated information on those AOs who have not yet participated in accessibility training in order to ensure that they will receive the training as early as practicable.</p> <p>FEHD has undertaken to continue to organise training for AOs and their assistants, and nominate them to attend other training courses on accessibility to keep them abreast of the latest developments on accessibility issues.</p> <p>LCSD is reviewing its current arrangements in the management of barrier free facilities including the</p>

Para. No.	Audit's Recommendations	Progress to Date
		frequency and manner of access audits and the format of the audit checklists, and will strengthen the training for staff with a view to enhancing their awareness, knowledge and skills in handling accessibility issues. Consideration is being given to the inclusion of training on accessibility issues as part of induction training for staff.
Deficiencies identified in Audit site visits		
3.23	<p>Audit has recommended that the Director of Food and Environmental Hygiene and the Director of Leisure and Cultural Services should –</p> <p>(a) take follow-up actions on the deficiencies in the provision, maintenance and control of barrier-free facilities at venues managed by FEHD and LCSD as identified by Audit in paragraphs 3.20 and 3.21; and</p> <p>(b) take measures to strengthen the work of FEHD and LCSD in providing, maintaining and controlling barrier-free facilities at venues managed by them.</p>	<p>FEHD has –</p> <p>(i) completed all relevant repair/replacement/improvement works, except the works at one location where feasible options for improving the barrier-free access route are being explored with the relevant government departments;</p> <p>(ii) reminded district offices and venue management to improve the management and monitoring work and step up necessary enforcement action on a regular basis. Supervisory checks will also be conducted at regular intervals to ensure the required performance standards are sustained; and</p> <p>(iii) updated departmental guidelines on management of barrier-free facilities which will be re-circulated on an annual basis.</p> <p>LCSD –</p> <p>(i) has immediately rectified those deficiencies relating to the control of barrier-free facilities as identified in the audit report, and made arrangement to rectify</p>

Para. No.	Audit's Recommendations	Progress to Date
		<p>those deficiencies relating to the maintenance of barrier-free facilities;</p> <p>(ii) has been checking other venues not covered by the audit report during regular venue inspections, and will promptly arrange for rectification of any damage or irregularities of barrier-free facilities;</p> <p>(iii) has commenced a stocktaking exercise in all venues to identify the deficiencies relating to provision of barrier-free facilities;</p> <p>(iv) will seek ArchSD's technical advice and support to enhance and strengthen the provision of barrier-free facilities beyond the basic requirements as appropriate, especially for new venues and major renovation projects; and</p> <p>(v) will strengthen the training for staff with a view to enhancing their awareness, knowledge and skills in handling accessibility issues. Consideration is being given to the inclusion of training on accessibility issues as part of induction training for some departmental grades.</p>
<i>Other administrative measures</i>		
3.39	Audit has recommended the Director of Food and Environmental Hygiene and the Director of Leisure and Cultural Services should –	

Para. No.	Audit's Recommendations	Progress to Date
	(a) take measures to ensure that adequate information about accessibility of venues is promulgated on the websites of FEHD and LCSD and/or at venues managed by them to facilitate the PWDs' access to these venues;	<p>FEHD is compiling the lists of barrier-free facilities in various public venues and will upload the lists to FEHD's website by phases from mid- 2019.</p> <p>LCSD will publicise the information on barrier-free facilities on LCSD's website by phases. The uploading work is scheduled for completion by May 2019.</p>
	(b) keep under review the appointment of AOs for venues with a view to ensuring that adequate AOs are in place to properly address accessibility issues of venues under their purview;	<p>FEHD has reviewed the appointment of AOs with regard to operational requirements; and have updated the departmental guidelines with a view to keeping the appointments of AOs under regular review.</p> <p>For cultural venues and major leisure/sports venues under LCSD, the AO-to-venue ratio is generally maintained at 1:1. For other leisure/sports venues of relatively smaller scale and lower patronage, the venue manager, who also assumes the role of AO, oversees a number of such venues. LCSD has undertaken to regularly review the AO-to-venue ratio to ensure that the role of AO is duly carried out by the designated officer.</p>
	(c) assess the training needs of and organise suitable training for AOs and venue-based staff of the FEHD and the LCSD with a view to enhancing their awareness of accessibility issues; and	<p>FEHD has enhanced the training for AOs and their assistants. Please refer to paragraph 3.17 above.</p> <p>LCSD has undertaken to strengthen the training for staff with a view to enhancing their awareness, knowledge and skills in handling accessibility issues and to implement measures to ensure that AOs will receive training within one year upon their appointment as AO.</p>

Para. No.	Audit's Recommendations	Progress to Date
	(d) ensure that complaint statistics relating to the provision and management of barrier-free facilities are regularly compiled and submitted to the senior management with a view to enhancing barrier-free facilities at venues managed by FEHD and LCSD.	<p>FEHD has arranged to compile complaint statistics on barrier-free facilities and to submit the statistics to the senior management for consideration on a regular basis with effect from April 2019.</p> <p>LCSD has commenced the enhancement work on the capacity of their computer system to keep a separate record on the number of complaints received in relation to accessibility issues in our venues for compiling regular statistics. The enhancement is expected to be completed in the second quarter of 2019.</p>
Way forward		
3.43	Audit has recommended that the Secretary for Labour and Welfare should draw attention of other B/Ds to the audit findings and recommendations on the two selected departments as mentioned in this Audit Report with a view to improving the provision and management of barrier-free facilities at premises managed by them.	<p>LWB issued a memo to Access Coordinators of B/Ds on 28 November 2018 to draw their attention to Audit's findings and recommendations on FEHD and LCSD as mentioned in Audit Report No. 71. Besides, LWB convened an exchange session on 31 January 2019 with Access Coordinators and Access Officers of B/Ds to brief them on the subject and the follow up actions of LCSD and FEHD on Audit's recommendations, and asked B/Ds to review the barrier-free facilities under their management as appropriate.</p> <p>As appropriate actions have been taken on paragraph 3.43, we recommend deleting this part from the next progress report.</p>

Para. No.	Audit's Recommendations	Progress to Date
Part 4: Management of retrofitting works for barrier-free facilities at government premises		
<i>Works for barrier-free facilities under Retrofitting Programme</i>		
4.30	<p>Audit has recommended that the Director of Architectural Services should –</p> <p>(a) take measures to closely monitor the timely submission of documents relating to implementation of works orders by ArchSD contractors;</p>	<p>ArchSD has stepped up controls to closely monitor the contractors' performance on submission of documents for works order completion certification. ArchSD has undertaken to closely monitor the status of overdue works orders at the regular progress meetings with contractors.</p> <p>As the recommendation has been implemented and will be carried out on an on-going basis, we recommend deleting this part from the next progress report.</p>
	<p>(b) learn from the incidents involving slippery tactile guide paths (particularly those at outdoor venues) and take measures to prevent the recurrence of similar incidents in future with a view to enhancing safety of users;</p>	<p>ArchSD will learn from the slippery incidents involving tactile guide paths especially at outdoor venues and will explore other suitable materials with reference to the guidelines under the DM 2008 to prevent the recurrence of similar incidents in future with a view to enhancing safety of users.</p> <p>As the recommendation has been implemented and will be carried out on an on-going basis, we recommend deleting this part from the next progress report.</p>
	<p>(c) strengthen measures for controlling the issuance of works orders and remind ArchSD staff and consultants to make more accurate cost estimates for works orders as far as practicable; and</p>	<p>ArchSD is reviewing the existing operational procedure to enhance the control mechanism on the issuance of works orders.</p>

Para. No.	Audit's Recommendations	Progress to Date
	(d) for barrier-free facilities improvement works initiated by managing departments, provide assistance and technical advice to the managing departments concerned (e.g. FEHD) with a view to bringing the barrier-free facilities up to the DM 2008 requirements as far as practicable.	<p>ArchSD will continue to work closely with the managing departments of government premises/facilities and provide assistance and technical advice on the provision of barrier-free facilities in their premises/facilities as far as practicable during implementation of improvement works.</p> <p>As the recommendation has been implemented and will be carried out on an on-going basis, we recommend deleting this part from the next progress report.</p>
4.31	Audit has recommended that Director of Buildings should closely liaise with the departments concerned regarding the updating of slip resistance requirements for tactile guide path in DM 2008 and timely report the progress to the Technical Committee on Design Manual.	<p>BD will bring up the issue for Technical Committee on DM's discussion after the departments concerned complete their review on slip resistance requirements of tactile guide paths by the second quarter of 2019.</p> <p>As the recommendation will be implemented on an on-going basis, we recommend deleting this part from the next progress report.</p>
<i>Works for barrier-free facilities under other improvement programmes</i>		
4.38	Audit has recommended that the Director of Food and Environmental Hygiene should, in collaboration with the Director of Architectural Services, take measures to complete the improvement works for barrier-free facilities managed by the FEHD (e.g. the Public Toilet Refurbishment Programme) as soon as practicable.	Among the 14 outstanding premises in FEHD's Public Toilet Refurbishment Programme, refurbishment works for one premises was completed in December 2018 and another 11 are scheduled for completion within 2019. ArchSD has undertaken to continue to work closely with FEHD to take forward the remaining refurbishment works as soon as practicable.

**Education Bureau's efforts in harnessing information technology
to facilitate learning and teaching
Progress in implementing the Audit's Recommendations**

Para. No.	Audit's recommendations	Progress to date
PART 2: PROVISION OF RESOURCES TO SCHOOLS		
<i>Enhancement of WiFi infrastructure at schools</i>		
2.19	Audit has recommended that the Secretary for Education (SED) should –	
	(a) consider measures to keep track of how schools fulfil the commitment they made in seeking funding for enhancing their WiFi infrastructure and, where necessary, provide assistance to them to improve their readiness in implementing e-learning;	The Education Bureau (EDB) will continue to keep track of the progress of information technology (IT) in education development in schools through various means, including school visits, focus group meetings and annual school surveys, etc. and provide ongoing support to assist schools in implementing e-learning, e.g. on-site support services by the IT in Education Centre of Excellence (CoE), Professional Development Programmes (PDPs), technical support services and online resources. Apart from inviting teachers to attend the latest PDPs from time to time, EDB issued letters in November 2018 and February 2019 to invite schools to apply for CoE on-site support services.
	(b) understand the concerns and considerations of schools in adopting e-textbooks and take measures to encourage schools to extend their usage of e-textbooks where there are merits in doing so;	<p>There are different learning modes and they are ever-evolving and diversified. E-learning is one of the many learning modes and is open and flexible in nature, but e-learning measures are not necessarily more effective than conventional measures in every case, and e-textbooks are not the unique resources that could facilitate schools to enhance learning and teaching effectiveness. To promote e-learning, schools are encouraged to use the right technology, including e-textbooks, at the right time in learning and teaching.</p> <p>To further understand schools' concerns and considerations in adopting e-textbooks, EDB will continue to collect views of schools through different means such as school visits and surveys. EDB will continue to strengthen teachers' professional capabilities on effective use of e-textbooks and other e-learning resources through</p>

Para. No.	Audit's recommendations	Progress to date
		<p>various means, such as PDPs, teachers' learning communities and school visits. The PDPs conducted from January to April 2019 included "IT in Education Subject-related Series: Using e-Textbooks to Power up General Studies Lessons", "IT in Education e-Leadership Series: Experience Sharing on Planning and Implementation of e-Learning and Use of e-Resources in Secondary Schools" and "IT in Education Pedagogical Series: Experience Sharing of Using Chinese Language and Putonghua e-Textbooks".</p> <p>A learning community was formed under CoE in September 2018. Through the learning community, the teachers have been trying out e-textbook materials, sharing good practices and supporting each other to use e-learning resources including e-textbooks in teaching as appropriate. Through sharing their experiences and effective pedagogical practices in e-learning, teachers will enhance their capabilities in using e-textbooks in different subjects for learning and teaching, and their confidence in using e-resources, including e-textbooks, will be boosted.</p>
	(c) continue EDB's efforts in promoting the usage of e-learning resources where there are merits in using them;	<p>EDB will continue to promote the use of e-learning resources through school visits and enhance teachers' professional capabilities in using e-learning resources in teaching various subjects through relevant PDPs. Over 90 PDP events related to the usage of various e-learning resources were organised in the first half of the 2018/19 school year. Besides, a learning community among schools was formed under CoE in September 2018 for teachers to share their successful experiences and effective pedagogical practices in e-learning with each other, with a view to fostering a paradigm shift in the mode of teaching and enhancing the effectiveness of learning and teaching for the benefit of students.</p>

Para. No.	Audit's recommendations	Progress to date
	(d) further promote the recommended practice of building the schools' WiFi network completely separate from the existing networks with separate broadband line for better security management; and	EDB has reinforced the relevant parts of the document "IT Security in Schools – Recommended Practice" to further promote the practice of separating the schools' WiFi networks from the existing networks, and has reminded schools adopting the integrated mode of WiFi networks to address the security concerns and take appropriate IT security measures. EDB uploaded the updated document to its webpage in January 2019 and informed all public sector schools of this in February 2019. The recommended practice was also promoted during the relevant PDPs organised in January and February 2019. EDB will continue to promote the recommended practice among schools through daily contacts with schools, school visits, relevant PDPs and online resources, etc.
	(e) remind schools adopting the integrated mode of WiFi networks to address the security concerns on integrating the networks and take appropriate IT security measures accordingly.	
Administration of Composite Information Technology Grant (CITG)		
2.29	Audit has recommended that SED should –	
	(a) take measures to encourage schools to relate the schools' IT budget to the annual School Development Plans (SDPs) with a view to enhancing the accountability and transparency of the schools' use of the CITG; and	EDB encourages schools to relate the IT budget with the SDPs in years when there is/are major initiative(s) in e-learning to be implemented and/or there is particularly high level of expenditure in the IT area. EDB will further encourage schools to enhance their reporting of the use of CITG to their stakeholders, monitor the utilisation and make more effective use of CITG and other related grants to promote the development of IT in education in schools during daily contacts with schools, school visits, relevant PDPs and online resources, etc. The relevant message has been included in the updated resource pack for supporting schools' development of e-learning which was uploaded to EDB's webpage in January 2019. The message was also promulgated in relevant PDPs organised in January and February 2019.
	(b) take measures to encourage schools, in particular schools with significant level of unused CITG funding, to monitor the utilisation of the CITG and put into effective use the resources allocated to them for the development of IT in education.	

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PART 3: DEVELOPMENT OF E-TEXTBOOKS AND PROCUREMENT OF E-LEARNING RESOURCES		
<i>Development of e-textbooks</i>		
3.13	Audit has recommended that SED should –	
	(a) in consultation with the Steering Committee on Strategic Development of Information Technology in Education (Steering Committee), determine the way forward and consider ways to facilitate the future development of e-textbooks;	The Steering Committee has been keeping track of the development of the Fourth Strategy on Information Technology in Education (ITE4), including enhancing the quality of e-learning resources and e-textbooks which is one of the six major actions under ITE4. The most recent meeting was held in January 2019. Members' views were sought on the development of e-textbooks as part of the holistic planning of the future development of IT in education strategy. Members agreed with the measures taken by EDB to promote development of e-textbooks aiming to provide schools with another option of quality learning and teaching resources in addition to printed textbooks. EDB will continue to explore and enhance the measures in consultation with the Steering Committee in future.
	(b) continue to monitor the development of the Recommended e-Textbook List (eRTL);	<p>EDB has been monitoring the development of eRTL. EDB provides eRTL for schools' reference in selecting e-textbooks that have passed the pre-determined vetting criteria. EDB will continue to keep in view the development of eRTL.</p> <p>To facilitate teachers in selecting printed textbooks and e-textbooks according to their school contexts, the user interface of eRTL has been revamped recently so that teachers can view the list of printed textbooks and e-textbooks for a specific subject at the same time.</p>
	(c) promote the eRTL as a quality vetting and assurance mechanism for e-textbooks among e-textbook developers and schools; and	<p>EDB will continue to communicate with the publishing industry to improve the technical and functional design of e-textbooks to create favourable conditions for promoting the development and use of e-textbooks.</p> <p>EDB has been promoting eRTL as a quality vetting and assurance mechanism for e-textbooks through</p>

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		<p>various means, including conducting annual textbook seminars for teachers and schools' sponsoring bodies on the selection of quality learning and teaching resources. In 2019, the seminars were held in March and April.</p> <p>All along schools have the professional autonomy in selecting appropriate resources, including e-textbooks and other resources, for learning and teaching to suit their students' needs and school contexts. An annual EDB circular memorandum was issued in February 2019 to reinforce the salient points in the selection of learning resources and textbooks, including e-textbooks and the preparation of school textbook lists. To let schools recognise the importance of the quality assurance mechanism of the Recommended Textbook List (RTL) and eRTL, schools are required to indicate clearly on their school textbook lists whether the textbooks and e-textbooks are on RTL and eRTL.</p>
	(d) encourage e-textbook developers to submit e-textbooks for review.	<p>To encourage publishers to submit e-textbooks for review, EDB will continue to communicate with textbook publisher associations through regular meetings to further understand their concerns in developing e-textbooks and discuss the fine-tuning of the e-textbook submission procedures. The most recent meetings were held in November 2018 and May 2019.</p> <p>To continue to improve the technical and functional design of e-textbooks, a task group on e-textbook development was set up in June 2018 with representatives from textbook publisher associations and Hong Kong Education City Limited (HKECL). Other stakeholders, e.g. teachers and Learning Management System developers would be invited to attend meetings in future as and when necessary. Publishers were invited to the Tryout Programme of Standardised Data Format for e-textbooks and e-learning platforms in January 2019 and have been trying the prototype by June 2019. EDB will keep in view the further development and arrange regular meetings with different stakeholders to collect their views.</p>

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		<p>To help publishers familiarise with the arrangement of submission and publishing of e-textbooks and recognise eRTL as a quality assurance mechanism for e-textbooks, briefings to publishers are arranged regularly. The most recent briefing was held in January 2019.</p> <p>The number of e-textbook sets included on eRTL has increased after the Audit Review from 49 sets in April 2018 to 57 sets in March 2019, including five additional sets for subjects with revised curricula.</p>
<i>Procurement of e-learning resources</i>		
3.23	Audit has recommended that SED should –	
	(a) in collaboration with the HKECL, consolidate the experience gained from implementation of e-Resource Acquisition Project (eREAP) with a view to improving eREAP and determining the way forward for e-learning resources acquisition; and	EDB will continue to monitor the implementation of the pilot eREAP through constant communication with HKECL and provide advice to HKECL when necessary. HKECL reported the Audit's recommendations in paragraph 3.23 to its Board of Directors in November 2018. HKECL also reported the results of the second-year evaluation of eREAP to the Steering Committee of eREAP in January 2019 and sought members' views on the recommendations. Members were satisfied with the progress of the implementation of eREAP and agreed with the directions for evaluation and acquisition of more quality e-learning resources, including Chinese Language.
	(b) explore ways to source more quality e-learning resources in the market, in particular for Chinese Language.	<p>As there is a lack of comprehensive e-learning resources for Chinese Language in the market, acquisition of e-learning resources in the form of e-books and multimedia resources, which are more readily available in the market, would be explored. HKECL has been collecting feedback from participating schools and consolidating experience gained from the implementation of eREAP to continuously refine the existing bulk purchase mechanism for reporting to the Steering Committee on Strategic Development of IT in Education and seeking members' views to contemplate the next</p>

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		phase of development of e-learning resources acquisitions in schools.
<i>Development of online integration services platform for e-textbooks and e-learning resources</i>		
3.31	Audit has recommended that SED should urge the HKECL to –	
	(a) further promote the usage of the Single Sign-On (SSO) and EdBookShelf among HKECL members;	EDB will continue to liaise with HKECL to further promote the usage of SSO and EdBookShelf. HKECL reported Audit's recommendations in paragraph 3.31 to its Board of Directors in November 2018. HKECL will continue to promote the use of SSO and EdBookShelf by integrating its members' accounts with more platforms of major technology providers and publishers. The numbers of unique users have notably increased to 69 023 from 60 294 for SSO and 47 309 from 17 080 for EdBookShelf respectively in the first half of the 2018/19 school year as compared with the 2017/18 school year. Besides, EDB issued a circular memorandum in March 2019 to encourage schools' usage of EdBookShelf through participation in the eRead Scheme and relevant PDPs organised by EDB.
	(b) keep in view the challenges faced by and considerations of e-textbook developers and take measures to address their concerns where necessary with a view to enhancing the usage of EdBookshelf by e-textbook publishers; and	To continue to improve the technical and functional design of e-textbooks, EDB set up a task group in June 2018 with representatives from HKECL and textbook publishers. EDB organised three seminars for publishers from August 2018 to February 2019 to discuss issues related to the development of e-textbooks. HKECL has started the pilot testing on new modes of e-textbooks design with publishers since February 2019. Three new e-textbooks are tentatively to be put onto the EdBookShelf by end of December 2019 subject to the results of the pilot testing and production progress of the publishers.

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	(c) encourage content providers to enable the function of EdBookshelf to retrieve data from their e-books with a view to facilitating exchange of learning data between content providers and schools.	HKECL will continue to put more effort into assisting publishers to develop e-books using the data exchange function of EdBookShelf. The pilot testing on new modes of e-textbooks design mentioned above will facilitate publishers to adopt data exchange function of EdBookShelf.
PART 4: PROFESSIONAL DEVELOPMENT OF SCHOOL LEADERS AND TEACHERS		
<i>PDPs</i>		
4.10	Audit has recommended that SED should take measures to –	
	(a) improve the certificate award rate of the commissioned courses; and	EDB will continue to remind enrolled teachers to fully attend the commissioned courses through all feasible means and to improve the certificate award rate by requiring the service providers to ensure the completion of the course-related work during the events. The percentages of events with certificate award rate of 70% or above have notably increased from 61.6% in the 2016/17 school year to 66.2% in the 2017/18 school year and 76.9% in the 2018/19 school year (as at February 2019). Besides, EDB has been evaluating the courses on an ongoing basis for continuous refinement, including offering online courses in self-learning mode to facilitate the participation of teachers. The first online course on IT in education was launched in April 2019.
	(b) ensure timely dissemination of the materials of commissioned courses for access by the teachers where appropriate.	The materials of all the commissioned courses from the 2015/16 to 2017/18 school year have been uploaded to EDB's webpages. EDB will upload the course materials to EDB's webpages biannually and organise related online courses for teachers' self-learning on a need basis.

Para. No.	Audit's recommendations	Progress to date
PART 5: MONITORING OF IMPLEMENTATION OF IT IN EDUCATION		
<i>Annual school survey on progress of implementation of IT in education</i>		
5.7	Audit has recommended that SED should –	
	(a) step up efforts to follow up with schools that did not respond to the annual school survey as far as practicable; and	EDB will continue to explore means to further enhance the response rate in future surveys. EDB has streamlined the questions of the survey for 2018/19 school year and issued a circular memorandum in mid-May 2019 to invite schools to complete the survey in addition to sending e-mails. Apart from e-mails and telephone calls, EDB will issue reminder letters to urge schools to expedite completion of the survey and extend the closing date for submission if necessary. In tandem, EDB is visiting schools which did not respond to the survey to understand their progress on implementing e-learning and solicit their assistance in completing the survey in future.
	(b) keep in view schools which considered their progresses of implementing e-learning behind the targets set in their SDPs and proactively offer timely advice and assistance to them where necessary.	EDB has reviewed the responses of the relevant schools in the survey for the 2017/18 school year and found that only 13 out of 56 schools in the 2016/17 survey still considered their progresses of implementing e-learning behind targets set in their SDPs. Visits have been conducted to the schools in the 2018/19 school year to understand their progress and concerns of the development of e-learning and provide assistance, if necessary. EDB will continue to keep in view the development of IT in education in schools through different means such as school visits and on-site support visits in addition to the annual school survey with a view to fine-tuning the actions and identifying further support measures to schools where appropriate. Apart from inviting teachers to attend the latest PDPs from time to time, EDB issued letters in November 2018 and February 2019 to invite the above schools to apply for CoE on-site support services.

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<i>Evaluation of progress of implementation of IT in education</i>		
5.11	Audit has recommended that SED should keep in view the evaluation tools used by schools in self-evaluation on the progress of implementing IT in education and, where necessary, provide assistance to schools to facilitate them in devising effective evaluation tools.	EDB updated the self-evaluation tool on the progress of implementing IT in education in the resource pack for supporting schools' development of e-learning and uploaded it to EDB's webpage in January 2019. The updated self-evaluation tool and relevant good practices of schools were disseminated in a seminar organised in January 2019. EDB will continue to keep in view the evaluation tools used by schools and disseminate good practices of schools during relevant PDPs.

**Trade and Industry Department's work
in supporting small and medium enterprises
Progress in implementing the Audit's Recommendations**

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Part 2: Administration of SME Loan Guarantee Scheme and Special Loan Guarantee Scheme		
<i>Applications for the SGS</i>		
2.9	<p>Audit has recommended that the Director-General of Trade and Industry should:</p> <p>(a) monitor the declining number of applications approved under the SGS and where necessary, take measures to ensure that the SGS continues to be an effective measure in helping SMEs obtain loans from PLIs;</p>	<p>(a) The Trade and Industry Department (TID) has been monitoring the number of SGS applications and the effectiveness of the SGS. The number of SGS applications received in 2018 (784 applications) has increased by 1.8% as compared to 2017 (770 applications) and all applications processed in 2018 (excluding all withdrawn applications) were approved.</p> <p>TID has reinforced its efforts in promoting the SGS, including issuing letters to 39 participating lending institutions in April 2019 to further publicise the scheme. Besides, we are producing a new set of TV and Radio Announcements in the Public Interest which is scheduled to roll out in the second or the third quarter of 2019 to promote the SGS to SMEs on an on-going basis. We will also continue to promote the SGS amongst SMEs by organising seminars and attending activities organised by trade and industrial organisations. TID will continue to monitor and review the operation of the SGS so as to support SMEs in obtaining financing for business development.</p>
	<p>(b) consider providing an online enquiry service to facilitate SMEs in checking their available guarantee balances under the total guarantee limit of</p>	<p>(b) TID has commenced the relevant system development work for providing an online enquiry service to SMEs to facilitate them in checking their available guarantee balances</p>

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	the SGS.	<p>under the total guarantee limit of the SGS. It is envisaged that the service will be launched by the end of June 2019.</p> <p>As the measures for paragraph 2.9(a) – (b) will be implemented on an on-going basis, we recommend deleting this part from the next progress report.</p>
<i>Processing of default claims of the SGS and the SpGS</i>		
2.19	<p>Audit has recommended that the Director-General of Trade and Industry should:</p> <p>(a) take measures to terminate in a timely manner prolonged default claims in which the PLIs of the SGS and SpGS failed to provide the information essential for vetting the claims;</p>	<p>(a) To tackle the issue of default claims, in July and August 2018, TID notified all PLIs that starting from late August 2018, for each SGS default claim that TID had requested additional information essential for vetting and the PLI concerned had not responded for over seven years, TID would issue a “Letter of Intent on Termination” (LoI) to inform the PLI of the Government’s intention to terminate the guarantee concerned unless the overdue information was provided to TID within two months. If the PLI could not provide the required information by the specified deadline, TID would issue a “Letter of Termination” (LoT) to terminate the guarantee with immediate effect. TID issued LoI to 13 PLIs for 170 default claims by batches in August 2018, November 2018 and February 2019. As at the end of March 2019, TID issued LoT for 98 claims, while 2 claims were withdrawn and 8 claims have been reactivated. Another batch of LoI for around 60 claims will be issued to the relevant PLIs in May 2019. TID will continue to follow up timely with PLIs on the submitted default claims through the above mechanism.</p>

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	<p>(b) on a regular basis, issue letters to the PLIs of the SGS and SpGS to ascertain their intention to reactivate their default claims which have been dormant for over two years and take appropriate follow-up action accordingly.</p>	<p>(b) For the SpGS, TID issued letters in October 2018 to the relevant PLIs for 87 default claims which had been dormant for over two years. As at the end of March 2019, the majority (61 cases) of these cases have been reactivated for processing. For 14 cases, the relevant PLIs have confirmed that the cases would be terminated or withdrawn. For 12 cases, the PLIs have requested to continue putting on hold the processing as the relevant borrowers were still making repayments. TID will continue to follow up the above cases.</p> <p>For the SGS, TID issued letters in April 2019 to the relevant PLIs for 36 default claims which have been dormant for over two years (excluding those cases as mentioned in paragraph 2.19 (a)) to ascertain their intention to reactivate the claims.</p> <p>TID will continue to issue letters to the relevant PLIs regarding default claims that have been dormant for over two years to ascertain their intention to reactivate the claims and will take appropriate follow up actions.</p> <p>As the measures for paragraph 2.19 (a) – (b) will be implemented on an on-going basis, we recommend deleting this part from the next progress report.</p>
<i>Evaluation of the SGS</i>		
2.23	<p>Audit has recommended that the Director-General of Trade and Industry should:</p> <p>(a) take measures to improve the response rate of the SGS</p>	<p>(a) With a view to improving the response rate of the SGS evaluation survey, TID has, since late August 2018, specified a deadline for returning the completed survey. TID has also been issuing reminders or</p>

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	evaluation survey with a view to improving the representativeness of the survey results and enhancing the usefulness of the information collected;	making phone calls to follow up the outstanding surveys. The response rate of the evaluation survey from end-August 2018 to end-March 2019 rose significantly to about 51% as compared to the overall response rate from 2008 to March 2018 (2%).
	(b) analyse the survey results regularly and take prompt follow-up action on the feedback of the respondents.	<p>(b) For those surveys received from end-August 2018 to end-March 2019, nearly 90% of the respondents indicated that they were satisfied with the SGS, and over 99% of the respondents confirmed that the SGS had assisted them in various aspects, including improving their capital liquidity, enabling their business expansion and improving their capability of securing bank loans. TID will continue to analyse the survey results regularly and take prompt follow-up actions on the feedback received.</p> <p>As the measures for paragraph 2.23 (a) – (b) will be implemented on an on-going basis, we recommend deleting this part from the next progress report.</p>
Part 3: Administration of SME Export Marketing Fund (EMF) and SME Development Fund (SDF)		
<i>Administration of the EMF</i>		
3.17	<p>Audit has recommended that the Director-General of Trade and Industry should:</p> <p>(a) step up efforts in promoting the new enhancement measures of the EMF;</p>	<p>TID has been closely monitoring the application and utilisation position of the SME Export Marketing Fund (EMF) and has been actively promoting the Fund and enhancing its operation:</p> <p>(a) TID has stepped up its efforts in promoting the enhancement measures to the EMF. Upon implementation of the measures, notifications were sent to all EMF beneficiaries, as well as</p>

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		prospective applicant enterprises through the SME e-news and trade and industrial organisations. Up to May 2019, over 25 briefings to the trade were conducted and 15 booths/panels were set up at major trade exhibitions to reach out to SMEs. A new poster and a new set of TV and Radio Announcements in the Public Interest were rolled out in March 2019.
	(b) monitor the number of applications and if the number of applications continues to decrease, devise effective measures to encourage more applications from SMEs;	(b)&(c)To encourage more applications from SMEs and for them to make the best use of the available funding, TID advanced the implementation of the enhancement measures from the fourth quarter of 2018 to August 2018. Since the implementation of the enhancement measures and up to end-March 2019, the number of applications received and the average grant per application have increased by 42% and 28% respectively as compared to the same period in 2017 to 2018.
	(c) keep in view the utilisation of the funding and step up measures to encourage SMEs to make the best use of the available funding;	
	(d) enhance the check on potentially connected SMEs and take measures to ensure that funding approved to connected SMEs do not exceed the funding ceiling;	
	(e) consider the feasibility of requiring all applicants to	(e) TID adopts a risk-based approach for random check on applicants

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	provide proof of having substantive business operations in Hong Kong;	in respect of proofs of substantive business operations in Hong Kong. Without compromising the processing time of applications, we increased the ratio for random check by 50% in October 2018. TID will continue to monitor the situation and review the arrangement for requiring applicants to provide proof of substantive business operation taking into account various considerations including trade facilitation.
	(f) take measures to improve the response rate of the satisfaction survey for the EMF.	<p>(f) To increase the response rate of the satisfaction survey, TID has started to provide electronic questionnaires and set a deadline for response in October 2018. Since the use of electronic questionnaires in October 2018 and up to March 2019, the survey response rate was 7%, higher than that between February and May 2018 during the review (5%). TID launched a computer programme in April 2019 for automatic issue of questionnaires and follow up of outstanding replies with a view to further improving the response rate.</p> <p>As the measures for paragraph 3.17(a) - (f) will be implemented on an on-going basis, we recommend deleting this part from the next progress report.</p>
Administration of the SDF		
3.28	<p>Audit has recommended that the Director-General of Trade and Industry should:</p> <p>(a) take measures to ensure that reports are submitted by</p>	(a) TID has put in place a mechanism for monitoring the submission of reports by grantees. Reminder letters are issued to the grantees before the due date to remind them to submit the progress/final report

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	grantees in accordance with the project agreement in a timely manner;	<p>and post-project evaluation report on time. Chaser letters and/or warning letters are issued in case of late submissions at monthly interval. To ensure the timely submission of the progress reports, TID will not disburse the second or third instalment of the grant until the receipt and acceptance of the progress reports. In addition, the timing of submission of reports by grantees and other factors are taken into account in determining the overall rating of the project upon project completion. The project rating will be taken into account by the Vetting Committee in considering the grantee's future applications under the Trade and Industrial Organisation Support Fund (TSF) (Note). TID will continue to monitor the submission of reports by grantees through the above mechanism.</p> <p><i>Note: The SDF and the Organisation Support Programme under the Dedicated Fund on Branding, Upgrading and Domestic Sales (BUD Fund) were merged to form the TSF in October 2018.</i></p>
	(b) take measures to ensure the timely return of residual funds by grantees;	(b) TID has put in place a mechanism for monitoring the return of residual funds by grantees. Reminder letters are issued to the grantees before the due date to remind them to return the residual funds on time. Chaser letters and/or warning letters are issued in case of late return of residual funds at monthly intervals. In addition, the timing of returning the residual funds by grantees and

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		<p>other factors are taken into account in determining the overall rating of the project upon project completion. The project rating will be taken into account by the Vetting Committee in considering the grantee's future applications under the TSF. TID will continue to monitor the return of residual funds by grantees through the above mechanism.</p>
	<p>(c) expedite the preparation of the Reports on Completed Projects and endeavour to submit them to the Vetting Committee in a timely manner.</p>	<p>(c) The preparation of the Reports on Completed Projects involved the vetting of the grantees' final report/audited account and post-project evaluation report. Depending on the complexity of the project and the response time of the grantee, the time required for preparing the report differs. TID has redeployed manpower to expedite the process.</p> <p>As the measures for paragraph 3.28(a) - (c) will be implemented on an on-going basis, we recommend deleting this part from the next progress report.</p>
Part 4: Support and Consultation Centre for Small and Medium Enterprises		
Information Services		
4.18	<p>Audit has recommended that the Director-General of Trade and Industry should:</p> <p>(a) monitor the number of visitors to SUCCESS excluding visitors to the EMF service counter and the number of visits to the SUCCESS website;</p>	<p>TID has been closely monitoring the operation and actively promoting and enhancing the information services of SUCCESS to strengthen support for SMEs:</p> <p>(a)&(b)after the relocation of SUCCESS centre to the Trade and Industry Tower in February 2018, TID has arranged more activities including seminars/workshop to be conducted at the centre. Various groups, including</p>
	<p>(b) continue to take appropriate measures to boost the number of visitors to SUCCESS and the</p>	

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	number of visits to the SUCCESS website;	representatives of SMEs and trade and industry bodies, have been invited to visit the centre. The content of the SUCCESS website has also been enriched. In the 13-month period after the relocation (i.e. March 2018 to March 2019), the number of visitors to SUCCESS centre and SUCCESS website increased by 34% and 55% respectively over the corresponding period in 2017 to 2018. TID will continue to take appropriate measures including setting up an interactive kiosk in SUCCESS and rebranding the SUCCESS website to further boost the number of visitors to SUCCESS and visits to the SUCCESS website.
	<p>(c) promote the membership of SUCCESS among SMEs;</p> <p>(d) ascertain the reasons why some members discontinued subscription of e-newsletters and email notices from SUCCESS, and take measures to encourage members to subscribe to SUCCESS e-newsletters and email notices;</p>	(c)&(d) Apart from promotion through trade and industrial organisations and SME activities, TID has placed emphasis on promoting SUCCESS membership and e-news services at SME-related exhibitions in December 2018 and May 2019. At these events, we actively approached visitors to register for SUCCESS membership and encourage enterprises to subscribe to e-news services. Since April 2019, a short questionnaire has been sent to members for soliciting their reasons for un-subscription. TID will continue to strengthen promotion of SUCCESS membership and e-news services at SME-related exhibitions and through suitable channels, taking into account the feedback collected.

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	(e) ascertain whether the publications and the audio-visual materials of the reference library meet the information needs of the SMEs and where necessary, consider enhancing the support provided to SMEs to meet their needs;	(e) TID has continued to update the collection of publications and audio-visual materials in the reference library of SUCCESS centre through various channels including contributions of speakers of SUCCESS seminars. Visitors to SUCCESS centre were encouraged to reflect their views on SUCCESS services including suggestions for enriching the collection of the reference library. Visitors to the webpage of the reference library in the SUCCESS website have been invited to send in their suggestions on the reference library. TID will regularly review and follow up on the feedback.
	(f) step up promotion of SUCCESS seminars to improve their attendance rates;	(f)&(g) To improve the attendance rate of SUCCESS seminars, more partners including trade and industrial organisations and co-work spaces have been invited to promote SUCCESS seminars to their members and users. We have also made the icon of SUCCESS and its seminars on TID's website and on the TID funding schemes websites more visible in order to attract more participants. Furthermore, a survey among participants of SUCCESS seminars was conducted in October to November 2018 to gather ideas on the arrangements for seminars and questionnaires. Relevant suggestions including holding seminars at the preferred time of the day and day of the week, and fine-tuning the rundown to allow participants to complete questionnaire during the seminar
	(g) monitor the response of the questionnaires of SUCCESS seminars and if necessary, take further measures to improve the response of the questionnaires.	

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		<p>have been adopted with a view to further improving the attendance rate of seminars and the response rate of questionnaires. Since we started facilitating and encouraging the response to questionnaires in December 2018 and up to March 2019, the response rate has increased to 57%, exceeding the rates in 2016, 2017 and January to May 2018 (at 56%, 46% and 39% respectively).</p> <p>As the measures for paragraph 4.18(a) - (g) will be implemented on an on-going basis, we recommend deleting this part from the next progress report.</p>
Consultation Services		
4.35	<p>Audit has recommended that the Director-General of Trade and Industry should:</p>	<p>TID attaches importance to enhancing the consultation services of SUCCESS with a view to providing appropriate support for SMEs.</p> <p>(a)&(b) TID arranges consultation meetings for or directly provides information to applicants of the Business Advisory Service (BAS) having regard to the substance of the application. TID has already revised the relevant performance target in the 2019-20 Controlling Officer's Report to reflect the processing of a BAS application within ten working days. With a view to providing more efficient service to applicants, TID has enhanced the performance target of BAS by shortening the time for processing an application from 10 working days to 7 working days since January 2019.</p>
	(a) ensure that the description of the performance target of the BAS in the Controlling Officer's Report is clear;	
	(b) consider setting a performance target of the BAS at a level that is challenging and achievable;	
	(c) monitor the time taken to arrange BAS consultation	(c) If a consultation meeting cannot be arranged one month after reply

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	meetings and take appropriate follow-up action for those applications where the consultation meetings could not be arranged within a reasonable time period;	to the applicant, TID will consult the BAS applicant and make arrangements having regard to the wish of the applicant. To enable consultation meetings to take place as soon as possible, TID recruited three additional partner organisations for the BAS in the latter half of 2018. TID will continue to monitor the time taken to arrange consultation meetings and broaden the pool of advisors as appropriate taking into account the advisory areas which are in demand so as to further enhance the service.
	(d) make known to the potential applicants that those who do not meet the eligibility criteria for the SME Mentorship Programme will also be considered if there is capacity and they can provide explanations to justify the need to join the Programme;	(d)&(e) TID has evaluated the 2016/18 SME Mentorship Programme which was concluded in early 2019. For arrangements of the future programmes, TID will make known in the promotion materials that applicants who do not fully meet the eligibility criteria would still be considered while a lower priority would be accorded. TID will also continue to recruit more co-organisers, provide online application form, and lengthen the application period with reference to the 2016/18 programme to allow more SMEs to benefit from the programme.
	(e) explore the feasibility of accepting applications to join the SME Mentorship Programme on an on-going basis with a view to providing timely support to the SME owners at their early stage of business;	
	(f) take measures to improve the response rate of the evaluation questionnaires of the SME Mentorship Programme;	(f) TID provided online evaluation questionnaires to participants of the 2016/18 Mentorship Programme and strengthened actions to follow up on outstanding replies. The response rates of the questionnaires of the programme for co-organisers, mentors and mentees were in the

Para. No.	Audit's Recommendations	Progress to date
		range of 40% to 86%, exceeding those of the last two programmes (response rates in the range of 23% to 55%). For the future programmes, TID will continue to adopt online evaluation questionnaires and other appropriate measures to improve the response rate.
	(g) take measures to encourage mentors and mentees to have at least three face-to-face meetings during the 12-month SME Mentorship Programme.	(g) TID will continue to make use of suitable occasions in future programmes to encourage mentors and mentees to have at least three meetings during the mentorship period, and has refined the guidelines to mentors and mentees for the conduct of the mentorship accordingly. The mentors and mentees may also communicate through other means like e-mails, phone calls or messages if they consider such means of communication more effective. As the measures for paragraph 4.35(a) - (g) will be implemented on an on-going basis, we recommend deleting this part from the next progress report.
Part 5: Governance and Administrative Issues		
<i>Small and Medium Enterprises Committee (SMEC)</i>		
5.9	Audit has recommended that the Director-General of Trade and Industry should: (a) take measures to improve the attendance rates of non-official members of the SMEC;	(a)&(b) For each meeting, the Secretariat will ensure that there is a reasonable number of members available before fixing the date of meeting. The SMEC has agreed to institute a quorum formally in October 2018. TID will continue to encourage members to attend

Para. No.	Audit's Recommendations	Progress to date
	(b) specify quorum requirement for the SMEC meetings;	meetings.
	(c) take appropriate measures to facilitate the SMEC's achievement of its plans set in the Work Plans.	<p>(c) The Work Plans serve to provide a framework for planning future meetings and activities. TID will continue to take measures to facilitate the SMEC in taking forward its work, and will take into account the views of members and prevailing situation which may affect the development of SMEs in Hong Kong.</p> <p>As the measures for paragraph 5.9(a) - (c) will be implemented on an on-going basis, we recommend deleting this part from the next progress report.</p>
<i>Vetting Committee</i>		
5.17	<p>Audit has recommended that the Director-General of Trade and Industry should:</p> <p>(a) take measures to encourage non-official members of the Vetting Committee to attend Vetting Committee meetings and be present as far as possible at all sessions of the meetings they attend to assess and approve SDF funding applications;</p>	(a) TID will continue to encourage members to attend meetings of the Vetting Committee. At the start of the year, the Secretariat will provide tentative meeting dates of the year such that members can mark their diaries. Prior to each meeting, the Secretariat will remind and re-confirm members' availability and fix the meeting on dates with the highest number of available members.
	(b) specify quorum requirement for the Vetting Committee meetings.	(b) For each meeting, the Secretariat will ensure that there is a reasonable number of members available before fixing the date of meeting. The Vetting Committee has agreed to institute a quorum formally in September 2018. TID will continue to encourage members to attend meetings.

Para. No.	Audit's Recommendations	Progress to date
		As the measures for paragraph 5.17(a) - (b) will be implemented on an on-going basis, we recommend deleting this part from the next progress report.

**Training and development work of
the Civil Service Training and Development Institute
Progress in implementing the Audit's Recommendations**

Para. No.	Audit's Recommendations	Progress to date
Part 2: Management of Training Programmes		
2.9	<p>Audit has recommended that the Secretary for the Civil Service should –</p> <p>(a) make wider use of technology to enhance the administration of training applications/nominations by B/Ds, including –</p> <p>(i) in collaboration with the Government Chief Information Officer, exploring ways to expedite the service-wide implementation of the Training Management Module of the Government Human Resources Management Services (GovHRMS) or other computerised systems to automate the training administration functions; and</p> <p>(ii) facilitating B/Ds with their own computerised systems for training management other than the Training Administration System and GovHRMS to interface their systems with the Training Information and Administration System (TIAS);</p> <p>(b) make wider use of e-forms to streamline the training enrolment process in B/Ds; and</p> <p>(c) consider collecting trainees' feedback by electronic means.</p>	<p>Civil Service Training and Development Institute (CSTDI) has been using IT, such as employing e-forms for registration of training courses, to enhance the management of training services. CSTDI has also introduced a pilot system to collect trainees' feedback by electronic means in some CSTDI classes. CSTDI will continue to encourage wider use of e-forms or other electronic means to further streamline its administration processes. CSTDI will also continue to encourage B/Ds to make wider use of IT to enhance the management of training services on their front, and render technical support to facilitate the interface of departmental systems (including GovHRMS) with the TIAS of CSTDI.</p> <p>As the recommendations have been implemented and will be carried out on an on-going basis, we recommend that this part be deleted from the next progress report.</p>

Para. No.	Audit's Recommendations	Progress to date
2.27	<p>Audit has recommended that Secretary for the Civil Service should –</p> <p>(a) step up efforts to meet the demand for training places of over-subscribed courses, including –</p> <p>(i) arranging additional classes especially for courses which are persistently over-subscribed or are important for supporting central initiatives; and</p> <p>(ii) making use of Cyber Learning Centre Plus (CLC Plus) to provide alternative learning opportunities for unselected nominees where feasible, such as video-taping the courses or uploading the course materials for online viewing;</p> <p>(b) improve the arrangements for the setting and documentation of target class size of training courses;</p>	<p>CSTDI has been monitoring the demand for different training courses and arranging additional classes for those with high demand subject to availability of resources.</p> <p>CSTDI has also improved our enrolment processes to accept as many participants as possible for the high demand courses while ensuring that the training quality would not be compromised.</p> <p>CSTDI has approached speakers or course providers to obtain their consent for uploading contents of popular courses to the civil service e-learning portal, CLC Plus. Hyperlinks to relevant learning materials on CLC Plus have been inserted to the nomination flyers and emails to applicants for selected training programmes.</p> <p>As the recommendations have been implemented and will be carried out on an on-going basis, we recommend that this part be deleted from the next progress report.</p> <p>CSTDI has set the target class size for all courses and documented it in the annual training plans.</p> <p>As the recommendation has been implemented, we recommend that this part be deleted from the next progress report.</p>

Para. No.	Audit's Recommendations	Progress to date
	<p>(c) make better use of the buffer arrangement to fully utilise training places;</p> <p>(d) remind relevant staff to take prompt actions in reallocating unused training places arising from withdrawals of trainees; and</p> <p>(e) take effective measures to optimise the use of training places for re-run seminars, including inviting new applications using e-forms.</p>	<p>(c) and (d) CSTDI has reviewed the level of buffer nominees for selected courses and reminded staff to take prompt actions in reallocating unused training places arising from withdrawals of trainees. CSTDI will continue to review the level of buffer nominees in order to fully utilise training places.</p> <p>As the recommendations have been implemented and will be carried out on an on-going basis, we recommend that this part be deleted from the next progress report.</p> <p>CSTDI has been closely monitoring the enrolment trend of different courses. CSTDI has also organised re-runs for over-subscribed classes, subject to the availability of speakers and with sufficient lead time. For re-run seminars with unused training places, CSTDI has invited new applications whenever feasible.</p> <p>As the recommendation has been implemented and will be carried out on an on-going basis, we recommend that this part be deleted from the next progress report.</p>
2.35	<p>Audit has recommended that the Secretary for the Civil Service should –</p> <p>(a) review the 6-year time schedule for all middle-level civil servants to attend national studies programmes, taking into account the feasibility of commissioning more Mainland universities in organising suitable training programmes and the expected number of nominations submitted by B/Ds;</p>	<p>(a) to (c) CSTDI has been increasing the provision of Mainland national studies programmes for middle-level civil servants and, in general, the number of training places provided is adequate for entertaining all the nominations received from B/Ds.</p> <p>CSTDI has also approached individual grade managers and training managers</p>

Para. No.	Audit's Recommendations	Progress to date
	<p>(b) in the interim, work closely with B/Ds in the selection and release of middle-level civil servants for attending national studies programmes so that priority would be accorded to those with pressing need for updated knowledge of the national social and economic policies in their work;</p> <p>(c) further promote and encourage B/Ds to nominate more middle-level civil servants to attend the national studies programmes organised by the three designated universities to make full use of the training places; and</p> <p>(d) require B/Ds to report on the progress of meeting the Basic Law training schedules promulgated in 2008-09 (for middle and senior-level civil servants) and 2016 (for new appointees) and based on which, take necessary follow-up actions accordingly.</p>	<p>in other B/Ds to seek their support in nominating more middle-level civil servants to attend these courses. CSTDI will continue to encourage B/Ds to nominate more middle-level civil servants to attend these courses and will correspondingly increase the number of training places offered to meet their training demands.</p> <p>As the recommendations have been implemented and will be carried out on an on-going basis, we recommend that this part be deleted from the next progress report.</p> <p>Since the promulgation of the Basic Law training schedules in 2008-09, around 70 000 civil servants have attended different Basic Law training classes. CSTDI has invited B/Ds to report progress on the new appointee's attendance in Basic Law training within three years of joining the service.</p> <p>As the recommendation has been implemented and will be carried out on an on-going basis, we recommend that this part be deleted from the next progress report.</p>
Part 3: Initiatives to promote continuous learning		
3.19	<p>Audit has recommended that Secretary for the Civil Service should –</p> <p>(a) step up efforts to promote the use of CLC Plus, including –</p> <p>(i) enlisting the assistance of relevant B/Ds to motivate their</p>	<p>CSTDI has been enriching the learning content in CLC Plus and organising more promotional activities to encourage the use of CLC Plus.</p>

Para. No.	Audit's Recommendations	Progress to date
	<p>inactive departmental portal account users to use CLC Plus; and</p> <p>(ii) ascertaining the reasons for the low participation rate of the CLC Plus in the 15 B/Ds (mentioned in para. 3.10 of the Audit Report) with a view to devising effective measures to attract new users;</p> <p>(b) review the user access rights of the inactive accounts of the CLC Plus in accordance with the relevant IT security policy and guidelines issued by the OGCIO;</p> <p>(c) in consultation with the Secretary for Transport and Housing, ascertain the reasons for the excessive number of user accounts in the THB to see if there is a need to step up control against improper access to CLC Plus;</p>	<p>CSTDI has also asked B/Ds to help motivate their staff to use CLC Plus. CSTDI will continue to promote CLC Plus through various measures, including hosting CLC Plus briefings for B/Ds, issuing e-newsletters regularly to promote various learning resources and organising multi-media learning activities (e.g. quizzes) to encourage the use of CLC Plus among civil servants.</p> <p>As the recommendations have been implemented and will be carried out on an on-going basis, we recommend that this part be deleted from the next progress report.</p> <p>CSTDI has disabled prolonged inactive accounts and will continue to handle inactive accounts in accordance with the guidelines issued by OGCIO.</p> <p>As the recommendation has been implemented and will be carried out on an on-going basis, we recommend that this part be deleted from the next progress report.</p> <p>CSTDI has consulted the THB and the major reason for the excessive number of user accounts is that THB users did not update their user profiles correctly and in a timely manner. CSTDI will remind all CLC Plus users to periodically update their profiles as appropriate.</p> <p>As the recommendation has been implemented and will be carried out on an on-going basis, we recommend that this part be deleted from the next progress report.</p>

Para. No.	Audit's Recommendations	Progress to date
	<p>(d) improve the accessibility of e-learning resources on mobile devices by expediting actions on the migration/retirement of e-learning resources developed using the legacy software, especially those not included in CSTDI's migration plan; and</p> <p>(e) commence the enhancement work of the CSTDI App as soon as practicable, taking into account the users' feedback and any latest development.</p>	<p>CSTDI will ensure that all e-learning resources using the legacy software will either be migrated to the prevailing technology platforms or be retired in a timely manner.</p> <p>As the recommendation has been implemented and will be carried out on an on-going basis, we recommend that this part be deleted from the next progress report.</p> <p>CSTDI has enhanced mobile access to CLC Plus in 2018 to enable automatic adjustment of web pages to fit the screen of different mobile devices, and will continue to promote the use of the CSTDI App for accessing CLC Plus.</p> <p>As the recommendation has been implemented and will be carried out on an on-going basis, we recommend that this part be deleted from the next progress report.</p>
3.28	<p>Audit has recommended that Secretary for the Civil Service should –</p> <p>(a) improve the services of the Learning Resources Centre (LRC) with a view to improving its usage by –</p> <p>(i) considering simplifying the LRC membership registration procedure for CLC Plus users; and</p> <p>(ii) exploring the feasibility and usefulness of extending the opening hours of the LRC; and</p>	<p>CSTDI has simplified the membership registration procedures of LRC and extended its opening hours.</p> <p>As the recommendations have been implemented, we recommend that this part be deleted from the next progress report.</p>

Para. No.	Audit's Recommendations	Progress to date
	(b) expedite the disposal of the unserviceable LRC resource items in accordance with the SPRs.	<p>Around 2 500 unserviceable LRC items were submitted to the Departmental Disposal Committee in October 2018 for consideration of disposal. CSTDI will continue to monitor the disposal of unserviceable LRC resource items in accordance with the SPRs.</p> <p>As this recommendation has been implemented and will be carried out on an on-going basis, we recommend that this part be deleted from the next progress report.</p>
3.34	<p>Audit has recommended that Secretary for the Civil Service should –</p> <p>(a) lay down guidelines for B/Ds in handling Training Sponsorship Scheme (TSS) applications with gifts offered to trainees by training institutions to ensure proper use of the financial sponsorship solely for training purpose; and</p> <p>(b) remind B/Ds to –</p> <p>(i) improve the documentation on how the approved training courses are work-related; and</p> <p>(ii) check TSS applications' compliance with the laid-down requirements before granting approval.</p>	<p>The guidelines on the handling of gift items for the TSS have been updated to make it clear that financial assistance should not be used to cover any gift items. B/Ds have also been reminded to ensure that applications are processed in accordance with the guidelines before granting approval and proper documentation are kept on approved work-related courses.</p> <p>Reminders will be issued to B/Ds on a half-yearly basis to facilitate better administration in the vetting of applications and processing of reimbursements.</p> <p>As the recommendations have been implemented and will be carried out on an on-going basis, we recommend that this part be deleted from the next progress report.</p>

Para. No.	Audit's Recommendations	Progress to date
Part 4: Other administrative issues		
4.14	<p>Audit has recommended that Secretary for the Civil Service should make greater efforts to optimise the utilisation of CSTDI training venues and ancillary facilities, including –</p> <p>(a) reminding the training units of CSTDI and General Grades Office to minimise cancellation of their bookings of the training venues at short notices;</p> <p>(b) streamlining the manual venue booking procedures such as making better use of the Shared Online Reservation System to provide updated information to other B/Ds about venue availability;</p> <p>(c) tightening monitoring of any prolonged booking of the training venues to ensure that these venues are put into effective use and any unused time slots will be released in a timely manner for reallocation; and</p>	<p>All CSTDI training units and General Grades Office have been reminded to cancel their bookings of training venues as early as possible. CSTDI will continue to monitor the notice period of cancellation of room bookings and issue reminders to the relevant parties as and when necessary.</p> <p>As this recommendation has been implemented and will be carried out on an on-going basis, we recommend that this part should be deleted from the next progress report.</p> <p>CSTDI will roll out an electronic room booking function in CLC Plus in the second quarter of 2019 to enable B/Ds to check availability of classrooms and ancillary training facilities in CSTDI, and submit booking requests online.</p> <p>As this recommendation will be carried out on an on-going basis, we recommend that this part be deleted from the next progress report.</p> <p>CSTDI will remodel the concerned computer room so that its internal settings could be flexibly adjusted to cater for different types of training. CSTDI will also tighten the monitoring of booking of CSTDI venues.</p> <p>As this recommendation will be carried out on an on-going basis, we recommend that this part be deleted from the next progress report.</p>

Para. No.	Audit's Recommendations	Progress to date
	(d) exploring ways to improve the utilisation of the Multi-function Area (MFA) 2.	CSTDI made MFA2 available for booking by other B/Ds in March 2019. As this recommendation has been implemented, we recommend that this part should be deleted from the next progress report.
4.21	<p>Audit has recommended that Secretary for the Civil Service should –</p> <p>(a) review the need to raise the service/time targets of the four performance pledges with persistent over-achievement to ensure that they remain useful in motivating continuous improvement;</p> <p>(b) ascertain the reasons for the discrepancies in the reported performance of the CSTDI for 2016 and 2017 with a view to improving the accuracy in reporting performance information; and</p> <p>(c) clearly define services to be covered by the performance target for issuing notifications to B/Ds to confirm placement.</p>	<p>CSB will review the service/time targets and study the feasibility of raising the targets to ensure they remain useful in motivating continuous improvement.</p> <p>The actual outputs of the performance indicators were generally higher than those reported in the 2016 and 2017 Controlling Officer's Reports (CORs), as more time was required to collate and cross-check certain statistics, and CSB adopted a prudent approach for compiling the figures in the CORs.</p> <p>CSB has adjusted the data collection process to cut short the time required for collating and cross-checking the key statistics, including holding regular meetings with all its units to closely monitor the COR statistics and to improve the accuracy.</p> <p>As this recommendation has been implemented, we recommend that this part be deleted from the next progress report.</p> <p>In the review of service/time targets, CSB will also study the current wording used to describe the performance targets to ascertain whether further revision is required.</p>

**Hong Kong Velodrome and Hong Kong Velodrome Park
Progress in implementing the Audit's and PAC's Recommendations**

Para. No.	Audit's / PAC's Recommendation	Progress to Date
<i>Variation of works under Contract A</i>		
Para. 2.23 of the Audit Report	<p>Audit has recommended that, in implementing a works project in future, the Director of Architectural Services (D Arch S) should:</p> <ul style="list-style-type: none"> (a) remind Architectural Services Department (ArchSD) staff and consultants to ensure that fire engineering requirements for a specialised building are duly incorporated into the tender documents for tendering as far as practicable; (b) take measures to ensure that ArchSD staff and consultants properly address lighting design issues at the design stage of the project; (c) remind ArchSD staff and consultants to finalise the building design and contract drawings (including structural loading schedules) before the issue of the tender as far as practicable; (d) take measures to strengthen checking of the cost estimate and scope and extent of works for contract variations (e.g. reminding ArchSD consultants to make a more accurate cost estimate and a better assessment of scope and extent of works) with a view to enhancing cost control; and (e) remind ArchSD staff and consultants to incorporate all works items into a lump sum contract as far as practicable with a view to facilitating fair and competitive tendering, and minimising the resources for 	<p>ArchSD had shared the experience in the construction of the Hong Kong Velodrome (HKV) and Hong Kong Velodrome Park (HKVP) within the department in February and March 2019 including:</p> <ul style="list-style-type: none"> - the design including fire engineering requirements, lighting design and structural loading schedules should be finalised as far as practicable so that they can be incorporated into the tender documents before tender invitations; - clear scope and extent of works should be included in the architect's instructions and accurate cost estimates should be provided for contract variations; and - all works items should be incorporated into the lump sum contract as far as practicable. <p>The above measures aim at minimising contract variations and facilitating fair and competitive tendering.</p> <p>ArchSD had also reminded its staff to share the above with consultants working on ArchSD's projects.</p> <p>As the recommendation is being implemented on an on-going basis, we recommend that this part be deleted from the next progress report.</p>

Para. No.	Audit's / PAC's Recommendation	Progress to Date
	handling contract variations and the risk of disputes arising therefrom.	
<i>Difficulties in meeting special user requirements</i>		
Para. 2.33 of the Audit Report	Audit has recommended that, the Director of Leisure and Cultural Services (DLCS) should, in providing a specialised sports facility in future, ascertain the special requirements, particularly those of the major stakeholders, as far as possible.	<p>The Leisure and Cultural Services Department (LCSD) had reminded all sections concerned and district leisure services offices (DLSOs) that when planning for specialised sports facilities in future, they should maintain close contact with all major stakeholders, so as to draw up design parameters after confirming various special requirements as early as possible in the planning and design stages, such that the facilities to be constructed will suit the specifications of the relevant international sports federations and also meet the actual training needs of elite athletes.</p> <p>LCSD had incorporated the recommendation into the design manual and planning process checklist of capital works projects, and shared with its staff the experience in planning for specialised sports facilities.</p> <p>As the recommendation is being implemented on an on-going basis, we recommend that this part be deleted from the next progress report.</p>
<i>Need to comply with requirements for changes in accommodation</i>		
Para. 2.39 of the Audit Report	Audit has recommended that DLCS should, in collaboration with D Arch S, follow up with the Property Vetting Committee (PVC) for the changes to the net	LCSD had met with ArchSD to discuss the Audit's recommendation, and would resubmit the latest Schedule of Accommodation (SoA) as well as

Para. No.	Audit's / PAC's Recommendation	Progress to Date
	operational floor area (NOFA) of accommodation under the Project in accordance with the requirements of the Accommodation Regulations (ARs).	relevant information about the changes in the NOFA of HKV to PVC for approval in accordance with the requirements of the ARs.
Para. 2.40 of the Audit Report	Audit has recommended that, in implementing a project in future, DLCS and D Arch S should take measures (e.g. through improving the coordination and communication of LCSD and ArchSD, and ArchSD's enhanced control measures on compliance with approved SoA) to ensure that subsequent changes to an approved SoA are properly approved by PVC in accordance with the requirements of the ARs.	<p>LCSD had reminded all sections concerned and DLSOs to ensure compliance with the requirements of the ARs in the planning of new projects. When there are subsequent changes to an approved SoA, appropriate follow-up actions should be taken and an application for alteration should be submitted to PVC for approval.</p> <p>LCSD had incorporated the recommendation into the design manual and planning process checklist of capital works projects, and shared with its staff the experience in making accommodation changes.</p> <p>ArchSD had shared the experience in the construction of HKV and HKVP within the department in February and March 2019 to remind its staff that, in handling other projects in future, the NOFA provided for various accommodations should be checked against the area figures in the approved SoA at the design and construction stages. In case any design changes may alter the NOFA from the approved SoA by more than 10% for an individual item or more than 5% in the total NOFA, ArchSD should alert the client department to the need to seek approval from PVC.</p>

Para. No.	Audit's / PAC's Recommendation	Progress to Date
		As the recommendation is being implemented on an on-going basis, we recommend that this part be deleted from the next progress report.
<i>Need to tackle water seepage problem in main hall</i>		
Para. 3.15(a) of the Audit Report	Audit has recommended that DLCS should, in collaboration with D Arch S, take effective measures to tackle the water seepage problem in the main hall of HKV with a view to minimising nuisance and risks to users.	<p>HKV is a specialised building with extra-long span metal roof structure that provides a column-free space for the cycling track, the multi-purpose arena and the spectator stand.</p> <p>To tackle the water seepage problem of the roof in the main hall of HKV, the Contractor had carried out a series of rectification works at the roof, including installation of waterproof membrane and application of sealant and protective coating at gutter joints to ensure water tightness at these joints. Drip trays had also been installed over the cycling track as a second line of defence. After completion of these rectification works in 2017, the water seepage problem had been improved.</p> <p>LCSD would continue to collaborate with ArchSD in taking effective measures to control the water seepage problem in the main hall of HKV with a view to minimising nuisance and risks to users.</p> <p>As the recommendation is being implemented on an on-going basis, we recommend that this part be deleted from the next progress report.</p>

Para. No.	Audit's / PAC's Recommendation	Progress to Date
<i>Need to keep under review effectiveness of pest control measures</i>		
Para. 3.15(b) of the Audit Report	Audit has recommended that DLCS should keep under review the effectiveness of pest control measures taken at the HKV, including keeping alert of sign of pest infestation and taking control measures as appropriate.	<p>In order to keep the wooden cycling track in HKV in good condition and avoid any termite infestation, LCSD has engaged a termite specialist to conduct regular termite prevention work on a monthly basis since December 2013. Moreover, LCSD has engaged a pest control company to conduct regular pest control work on a bi-weekly basis in the changing rooms, washrooms and baby care rooms in HKV. Venue staff was also reminded to enhance inspection and conduct timely follow-up actions. LCSD would seek assistance of ArchSD and the Food and Environmental Hygiene Department in enhancing the pest control work as and when required.</p> <p>As the recommendation is being implemented on an on-going basis, we recommend that this part be deleted from the next progress report.</p>
<i>Need to draw lessons from tendering of general restaurant business</i>		
Para. 3.15(c) of the Audit Report	Audit has recommended that DLCS should draw lessons from the long time taken in sourcing the catering services at the HKV with a view to improving the sourcing of such services at sports centres in future.	<p>LCSD had shared with all sections concerned and DLSOs the experience of the long time taken in sourcing the catering services at HKV, including revision of tender requirements and improvement works at the restaurant to make the tender for general restaurant business more attractive to potential operators with a view to improving the sourcing of such services at sports centres in future.</p> <p>As the recommendation is being implemented on an on-going basis, we recommend that this part be</p>

Para. No.	Audit's / PAC's Recommendation	Progress to Date
		deleted from the next progress report.
<i>Need to enhance inspection and control for proper use of facilities in HKVP</i>		
Para. 3.28(a) of the Audit Report	Audit has recommended that DLCS should take measures to improve the effectiveness of LCSD's inspections at HKVP and enhance LCSD's control for proper use of HKVP facilities with a view to ensuring that HKVP facilities are safe and serviceable for use by the public.	<p>LCSD had urged the venue staff of HKVP to conduct inspection on the facilities of HKVP in accordance with the existing departmental guidelines and to keep a proper record of the inspection results and necessary follow-up actions, so as to ensure that the facilities are safe, clean, and properly serviceable for use by the public.</p> <p>In response to the Audit's recommendations, LCSD clearly divided the venue security work into different zones in accordance with the actual operation arrangement and usage pattern of HKVP. Security guards are required to inspect the facilities in the respective zones during daily patrol. They should report any damage to the duty officer immediately and properly record the details. The venue staff is also needed to cordon off the damaged facilities properly and timely request the relevant works department to carry out repair works.</p> <p>As the recommendation is being implemented on an on-going basis, we recommend that this part be deleted from the next progress report.</p>

Para. No.	Audit's / PAC's Recommendation	Progress to Date
<i>Need to keep under review turf and drainage condition of central lawn</i>		
Para. 3.28(b) of the Audit Report	Audit has recommended that DLCS should keep under review the turf and drainage condition of the central lawn in HKVP and carry out improvement works as appropriate.	<p>In order to improve the condition of the central lawn and enhance the visual amenity of HKVP, LCSD arranged to returf the central lawn and re-establish the top soil of the damaged area. After the returfing exercise, the condition of the central lawn had been improved. Besides, to tackle the ponding problem of the central lawn, the venue staff returfed the field with sandy soil to further improve its drainage capacity.</p> <p>As the recommendation is being implemented on an on-going basis, we recommend that this part be deleted from the next progress report.</p>
<i>Scope for enhancing utilisation of leisure and sports facilities</i>		
Para. 4.14(a) of the Audit Report	Audit has recommended that DLCS should explore measures to make better use of the cycling track in HKV with a view to further promoting track cycling in Hong Kong (including exploring the possibility of organising more track cycling training courses for the public).	To enhance the utilisation rate of the cycling track and further promote track cycling, LCSD has been working closely with the Cycling Association of Hong Kong, China (CAHK) to organise diversified track cycling training courses for participants with different levels of skills. In 2019-20, LCSD would organise 39 additional track cycling activities, including track cycling taster sessions and track cycling training courses for beginners, as well as track cycling fun days for users who have obtained a track pass. Moreover, CAHK provided track cycling training activities for secondary school students in 2018-19 under the School Sports Programme.

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		<p>Besides, in 2018, CAHK and the Sai Kung District Sports Association initiated the establishment of a cycling academy and a district cycling team respectively to develop track cycling systematically and to identify and nurture new talents for the Hong Kong Cycling Team. It is believed that the utilisation rate of the cycling track would rise further with the above arrangement.</p> <p>As the recommendation is being implemented on an on-going basis, we recommend that this part be deleted from the next progress report.</p>
Para. 4.14(b) of the Audit Report	Audit has recommended that DLCS should explore measures to enhance the utilisation of the fitness room, activity rooms, dance room and arena in HKV.	<p>LCSD would continue rolling out improvement in various aspects to enhance the utilisation of facilities in the future. Apart from organising more recreational and sports activities (such as Fitness Training Course for Elderly and Briefing on Proper Ways to Use Fitness Equipment) in 2019-20, LCSD would make good use of existing venue facilities and improve the ancillary facilities of activity rooms such as provision of movable mirrors and portable sound system. LCSD hopes that whilst providing a high quality competition venue to organise major track cycling competitions, more members of the public would be attracted to use other recreational facilities in HKV.</p> <p>As the recommendation is being implemented on an on-going basis, we recommend that this part be deleted from the next progress report.</p>

Para. No.	Audit's / PAC's Recommendation	Progress to Date
<i>Need to explore possibility of putting function rooms into better beneficial use</i>		
Para. 4.21 of the Audit Report	<p>Audit has recommended that DLCS should:</p> <ul style="list-style-type: none"> (a) inform bureaux/departments of the booking arrangements of the HKV function rooms; (b) compile statistics for the utilisation of the HKV function rooms for management review; and (c) explore measures for putting the HKV function rooms into better beneficial use (such as use as meeting rooms). 	<p>In response to the Audit's recommendation, LCSD had:</p> <ul style="list-style-type: none"> (a) sent emails to bureaux/departments informing them of the booking arrangements of the HKV function rooms; (b) compiled records of utilisation of the HKV function rooms for regular review by venue management; and (c) expanded the use of the HKV function rooms, including using certain function rooms (such as meeting rooms) for hosting training courses or seminars by "national sports associations" on non-event days. <p>As the recommendation is being implemented on an on-going basis, we recommend that this part be deleted from the next progress report.</p>
