

**THE GOVERNMENT MINUTE**

**in response to the**

**REPORT OF  
THE PUBLIC ACCOUNTS COMMITTEE  
No. 75**

**of February 2021**

**26 May 2021**



**THE GOVERNMENT MINUTE IN RESPONSE TO THE  
PUBLIC ACCOUNTS COMMITTEE REPORT NO. 75  
DATED FEBRUARY 2021**

**REPORT ON THE RESULTS OF VALUE FOR  
MONEY AUDITS  
(Report No. 72)**

**MATTERS OUTSTANDING**

**Management of Greening Master Plans**  
(Chapter 2 of Part 4 of PAC Report No. 72)

Encl. 1

The Government has taken follow-up actions to address the recommendations of the Audit Commission (Audit). A progress update of the outstanding items is at Enclosure 1.

**Employment services provided by the Labour Department**  
(Chapter 3 of Part 4 of PAC Report No. 72)

Encl. 2

2. The Labour Department has taken appropriate actions to follow up on the recommendations made by the Audit and the Public Accounts Committee (PAC) on the provision of employment services. An update of the only remaining issue is at Enclosure 2.

**Hospitality training provided by the Hotel and Tourism Institute, the Chinese Culinary Institute and the International Culinary Institute**  
(Chapter 7 of Part 4 of PAC Report No. 72)

Encl. 3

3. The Vocational Training Council has been proactively following up and implementing the recommendations made by the Director of Audit on the hospitality training provided by the Hotel and Tourism Institute, the Chinese Culinary Institute and the International Culinary Institute. A progress update of the outstanding items is at Enclosure 3.

**REPORT ON THE RESULTS OF VALUE FOR  
MONEY AUDITS  
(Report No. 72A)**

**MATTERS OUTSTANDING**

**Planning, provision and management of public parking spaces**  
(Part 4 of PAC Report No. 72A)

4. The Government has actively followed up on recommendations made by the Audit and the PAC to improve the planning, provision and management of public parking spaces. The latest progress made is summarised below.

***Planning and provision of public parking spaces***

5. As indicated in the 2019 Policy Address Supplement, the Government will continue to provide additional public parking spaces in suitable Government, Institution or Community facilities and public open space (POS) projects in line with the “single site, multiple uses” principle. Government departments responsible for such projects would consult the Transport Department (TD) on the provision of public parking spaces during the early stage of project planning. In addition, TD promulgated new internal guidelines in January 2021 on the principles and requirements for the planning and provision of public parking spaces in new development and redevelopment proposals.

6. TD consulted relevant stakeholders on the results of the review on the standards on parking spaces and loading/unloading bays stipulated in the Hong Kong Planning Standards and Guidelines (HKPSG) and will give due consideration to the views gauged before promulgating the revised standards. The proposed revisions will increase the provision of private car parking spaces in future private and subsidised housing developments as well as the provision of commercial vehicle parking spaces in subsidised housing developments. Prior to the promulgation of the revised parking standards, TD will continue to require developers to provide parking spaces at the higher end of the current parking standards in HKPSG for new developments as far as practicable.

7. At the same time, TD will continue to pursue short-term measures to increase the provision of parking spaces, including but not limited to –

- (a) designating suitable on-street locations as night-time parking spaces;
- (b) encouraging schools to allow school buses to park within school premises after school hours;

- (c) advising the Lands Department (LandsD) of a minimum number of specific types of parking spaces to be specified in tenancy agreements of suitable short-term tenancy (STT) car parks; and
- (d) where justified, liaising with LandsD to identify suitable reprovisioning sites for STT car parks that will be terminated for implementation of permanent developments, taking into account the demand for parking and other land uses in the area.

### ***Management of government multi-storey car parks***

8. TD will continue to review the parking fees of the ten government multi-storey car parks<sup>1</sup> under its purview regularly, taking into account the utilisation rates of the car parks and the market situation. TD completed the latest review in March 2021. Having considered the continuing impacts of the Coronavirus Disease 2019 (COVID-19) pandemic on Hong Kong's economy, TD decided to maintain the parking fees for car parks under its purview at their existing levels for one year with effect from 1 June 2021.

9. TD will continue to review the sale arrangements of monthly/quarterly parking tickets in these car parks regularly, taking into consideration a host of factors including parking demand and utilisation rates of the car parks, users' opinions, and queueing safety and order. In order to gauge car park users' opinions on the sale arrangements of parking tickets, between March and April 2021, TD conducted a new round of questionnaire surveys in seven government multi-storey car parks under its purview where monthly parking tickets are still sold on a first-come-first-served basis. TD will review the sale arrangements of monthly parking tickets taking into account the survey result. In respect of the remaining three government multi-storey car parks under TD's purview where parking tickets are sold by balloting, members of the public are already able to submit applications for parking tickets through electronic means.

10. TD has all along closely monitored the performance of the car park contractors in the day-to-day management and operation of the multi-storey car parks under its purview. TD has enhanced the procedures in order to step up monitoring and expedite the handling of abandoned vehicles in the car parks under its purview. Currently, the contractors would submit monthly reports to TD on their handling of abandoned vehicles occupying parking spaces, and handle these vehicles in accordance with the "Conditions of Parking and Use" displayed at the car parks concerned. When an abandoned vehicle is found, the contractor will send a letter to the registered address of the car owner concerned by registered mail,

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<sup>1</sup> Excluding the Yau Ma Tei Multi-storey Car Park, which was permanently closed on 1 January 2021 to make way for the construction works of the Central Kowloon Route.

asking him/her to settle the parking fees payable and remove his/her vehicle from the space it has been occupying, so as to vacate the parking space for public use as soon as possible.

11. Since September 2019, TD has provided all multi-storey car parks under its purview with the new management systems so as to enhance system reliability and service quality. Furthermore, in order to enhance security, the Electrical and Mechanical Services Department (EMSD) is installing additional closed-circuit televisions in the car parks concerned for completion by the fourth quarter of 2021.

### ***Management of on-street parking spaces***

12. With effect from December 2019, TD conducts half-yearly surveys to assess the utilisation of non-metered parking spaces. The latest survey will be completed in the first half of 2021. Should any unlawful occupation of non-metered parking spaces be identified, TD will promptly refer the cases to relevant government departments for follow-up actions as appropriate. On the handling of abandoned vehicles at parking spaces on unleased land, relevant government departments have worked out the new modus operandi of joint operations, which involve TD, the Highways Department (HyD) as well as LandsD, whereas concerned District Offices are responsible for overall co-ordination. The first joint operation under the new modus operandi was conducted in January 2021 under the co-ordination of Yau Tsim Mong District Office, covering over 40 locations. More than 110 abandoned vehicles (which involved about 50 on-street motorcycle parking spaces) were successfully removed. In the next stage, joint operations will be extended to Central and Western District, Kowloon City District, Sai Kung District and Tuen Mun District, and relevant departments have started the preparation in March 2021. Depending on the progress of the joint operations, relevant departments will further extend the coverage of joint operations to other districts progressively.

13. TD commenced the installation of the new generation on-street parking meters for public use by batches starting from January 2021. It is expected that the installation of about 12 000 new generation on-street parking meters (including replacing 9 800 existing on-street parking meters) will be completed in the first half of 2022. The new parking meters will support multiple payment means, including remote payment through mobile application, and will be equipped with sensors to detect whether individual parking spaces are occupied so that real-time vacancy information of on-street parking spaces can be provided. In addition, the backend computer system of the new parking meter system can consolidate information relating to the occupancy and payment status of parking spaces in order to identify parking spaces which are occupied without payment. TD will share such information with the Police to facilitate enforcement.

***Implementation of parking-related technology initiatives***

14. TD has been disseminating information of public car parks since 2013. The launch of the new version of “HKeMobility” mobile application in March 2021 has enabled users to bookmark their frequently visited car parks and access real-time parking vacancy information more conveniently. As at March 2021, parking vacancy information of about 430 public car parks involving about 64 000 parking spaces were disseminated via “HKeMobility”.

15. Taking reference from TD’s experience in updating the parking vacancy information of public car parks under their purview, other departments including the Government Property Agency (GPA), Housing Department (HD), and Leisure and Cultural Services Department (LCSD) have taken steps to incorporate relevant clauses into their new contracts for car park management, requesting car park operators to disseminate parking vacancy information. With the progressive renewal of the relevant car park management contracts, it is expected that the parking vacancy information of government public car parks could be fully disseminated in two years.

16. For non-government public car parks, TD will continue to encourage car park operators to collect and disseminate parking vacancy information and data, and introduce practical technology solutions to them. Since February 2021, LandsD has incorporated provisions in suitable new land leases, requiring developers to provide TD with real-time parking vacancy information after completion of the developments.

17. To implement Audit recommendations, the Environmental Protection Department (EPD) aims to install over 1 000 additional public electric vehicle (EV) chargers by 2022 (479 chargers had been installed as at end February 2021), and is collaborating with TD on the provision of information regarding utilisation status of EV chargers in individual multi-storey car parks under TD’s purview on a pilot basis. In addition, TD has implemented a six-month trial scheme since 1 August 2020 to designate about one-third of the parking spaces equipped with EV chargers in four of the car parks under its purview for the exclusive use by EVs. TD is now reviewing the effectiveness of the trial scheme so as to consider whether the trial scheme should be adjusted or expanded. Prior to the completion of the review, TD will continue to run the said trial scheme in the above-mentioned four car parks.

18. TD will continue to co-operate with the Environment Bureau (ENB) and EPD in implementing the new policy and initiatives for EVs, including installing more EV chargers in the multi-storey car parks under TD’s purview as far as practicable, and examining more measures to discourage non-EV drivers from using parking spaces equipped with EV chargers.

19. TD has identified four sites for launching Automated Parking System (APS) pilot projects so far, including an STT site at Hoi Shing Road in Tsuen Wan, a POS site at the junction of Yen Chow Street and Tung Chau Street in Sham Shui Po, and two proposed government building sites at Chung Kong Road in Sheung Wan and Sheung Mau Street in Chai Wan respectively. It is expected that the APS at the Tsuen Wan pilot project will be put into service in the fourth quarter of 2021. For the one in Sham Shui Po, it is expected that the Government will seek planning permission from the Town Planning Board within 2021, and then submit funding application for the project in due course. We plan to commence the proposed works upon obtaining funding approval from the Finance Committee for completion in around four years. For the proposed pilot projects in Sheung Wan and Chai Wan, TD is conducting feasibility assessments and will then consult relevant District Councils. TD is also exploring other suitable sites, including an STT site at Pak Shek Kok in Tai Po, for APS installation.

***Progress made in implementing Audit's and PAC's Recommendations***

Encl. 4      20. The latest progress made by the Government in response to the recommendations of Audit and PAC is at Enclosure 4.

**REPORT ON THE RESULTS OF VALUE FOR  
MONEY AUDITS  
(Report No. 73)**

**MATTERS OUTSTANDING**

**Consumer protection against unfair trade practices, unsafe goods, and short weights and measures**

(Paragraphs 3 and 4 of Part 3 of PAC Report No. 73)

- Encl. 5      21.            The Consumer Council has taken appropriate actions to follow up on the recommendations made by the Audit. The updated progress is at Enclosure 5.

**Government's efforts in managing excavation works on public roads**

(Paragraphs 5 and 6 of Part 3 of PAC Report No. 73)

22.            The relevant bureaux/departments (B/Ds) have completed follow-up actions on all recommendations made by the Audit as reported in the Government Minute tabled in May 2020. As PAC wishes to be kept informed of the subject, the Government would like to report that the consultancy study commissioned by HyD to review the implementation of Common Utility Enclosures (CUEs) in new development areas in Hong Kong was completed in April 2020. Taking the consultant's recommendations into consideration, we are implementing CUEs in some new development areas as pilot projects.

23.            As all the recommendations have been implemented and some will be carried out on an on-going basis, we recommend that this part be deleted from the next progress report.

**Monitoring of charitable fund-raising activities**

(Paragraphs 3 to 5 of Part 5 of PAC Report No. 73)

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

25. The Home Affairs Bureau (HAB) co-ordinates inputs from relevant B/Ds in formulating a response to the Law Reform Commission (LRC)'s recommendations for the Government's overall consideration. The Government has introduced and implemented a series of administrative measures relating to charitable fund-raising activities in phases since August 2018 with reference to the recommendations in the LRC Report, Audit Report and the PAC Report to optimise the relevant monitoring work. The latest progress is at Enclosure 6.

Encl. 6

**Management of squatter and licensed structures**  
(Paragraphs 6 to 8 of Part 5 of PAC Report No. 73)

26. The Government has taken follow-up actions as appropriate to address Audit's recommendations. An update of the outstanding items is at Enclosure 7.

Encl. 7

**Kai Tak Cruise Terminal**  
(Paragraphs 9 and 10 of Part 5 of PAC Report No. 73)

27. The Tourism Commission, together with relevant Government departments, already implemented in full all the recommendations made by the Audit in its Report No. 68 regarding Kai Tak Cruise Terminal (KTCT) and overall cruise tourism development in Hong Kong.

28. The PAC expressed in its Report No. 73 a wish to be informed of the latest development of cruise tourism amidst the COVID-19 epidemic. The Government has been monitoring the situation closely, maintaining communication with the cruise trade and providing appropriate support to them since the suspension of immigration service at the two cruise terminals in Hong Kong (i.e. KTCT and Ocean Terminal) in February 2020. The Government will continue to explore the feasibility of resuming "cruise-to-nowhere" itineraries that do not involve ports outside Hong Kong with implementation of effective anti-epidemic and social distancing measures provided that the epidemic situation remains stable. In doing so, we will have regard to the latest epidemic development and the gradual resumption of domestic cruise travel in nearby regions such as Taiwan, Singapore and Japan.

**Management of projects financed by the Lotteries Fund**

(Paragraphs 11 and 12 of Part 5 of PAC Report No. 73)

29. Regarding the assignment of the social centre for the elderly to the Government in Case 7, the GPA completed in mid-December 2020 the vetting of the revised draft assignment submitted by the developer. Following five reminders issued by GPA between mid-December 2020 and early March 2021, the developer eventually completed the assignment procedures in April 2021. The Social Welfare Department (SWD) has reimbursed the project cost to the developer and will close the project account. In view of this, we recommend that this part be deleted from the next progress report.

**Government's support and monitoring of charities**

(Paragraphs 13 to 15 of Part 5 of PAC Report No. 73)

30. The progress made by the departments concerned in following up on the recommendations made by the Audit and the PAC is reported below.

***Regulation of Chinese temples***

31. In respect of the expired delegation agreement of the remaining one delegated temple, the Chinese Temples Committee Secretariat has discussed with the new Chairman of the delegated organisation on re-entering into a new delegation agreement.

***Way Forward***

32. The LRC made recommendations on the regulation of charitable organisations and charitable fund-raising activities in its Report in December 2013. As the recommendations touch upon the duties and responsibilities of a number of Government B/Ds, HAB has been tasked to co-ordinate inputs from relevant B/Ds in formulating a response to the LRC's recommendations for the Government's overall consideration. As stated in paragraph 25 above, the Government has implemented a series of administrative measures in phases since August 2018 with reference to the recommendations in the LRC Report, Audit Report and the PAC Report. A progress update is at Enclosure 8.

Encl. 8

**Fresh food wholesale markets**

(Paragraphs 19 to 21 of Part 5 of PAC Report No. 73)

- Encl. 9      33.            The Food and Health Bureau and the Agriculture, Fisheries and Conservation Department (AFCD) have been actively following up on the recommendations in the Audit Report, and are liaising with relevant departments and stakeholders to take actions to implement the recommendations of the Director of Audit. A progress update is at Enclosure 9.

**Hong Kong Academy for Performing Arts**

(Paragraphs 22 and 23 of Part 5 of PAC Report No. 73)

- Encl. 10      34.            The Government and the Hong Kong Academy for Performing Arts (HKAPA) generally accept the recommendations made by the Audit and the PAC. HAB and HKAPA have continued to take forward Audit's recommendations. An update of the progress made is at Enclosure 10.

**Planning, construction and redevelopment of public rental housing flats**

(Paragraphs 26 to 28 of Part 5 of PAC Report No. 73)

- Encl. 11      35.            HD has taken appropriate actions to follow up on the subjects reported to PAC. An update of the progress made is at Enclosure 11.

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

(Paragraphs 29 and 30 of Part 5 of PAC Report No. 73)

36.            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 so as to settle the outstanding advances made by Hong Kong, which remain at \$1,162 million. The Security Bureau (SB) reiterated again by letters to the Hong Kong Sub-office of the UNHCR in March and September 2020 and March 2021, as well as at the meeting and telephone-conference with UNHCR's Representative to China in December 2018 and January 2021 respectively the Government's stance and registered the Hong Kong community's expectation of an early recovery of the outstanding advances. The Government notes the PAC's concern about the lack of progress in recovery, and that it has already referred the matter to the Panel on Security for further follow-up. SB has brought such concern to UNHCR's attention in its letters and during the said meeting/telephone-conference.

37. We are giving consideration to PAC's suggestion to the Panel on Security in March 2020 that the Government should re-consider writing off the outstanding payment.

### **Small house grants in the New Territories**

(Paragraphs 31 to 34 of Part 5 of PAC Report No. 73)

38. The Court of Appeal (CA) rules on 13 January 2021 that the Small House Policy (SHP), including the Free Building Licence, Private Treaty Grant (PTG) and Land Exchange arrangements, is lawful and constitutional. In view of the CA's judgment, the Government has resumed the receipt and processing of the applications for government land to build small houses through PTG and Land Exchange since 22 February 2021.

39. The review on the SHP involves complicated issues such as legal, environment, land use planning and demand, all of which should be considered carefully and judiciously. We also note that the Applicants of the judicial review case have applied for appeal. We will continue to monitor the developments of the judicial review case, which may have implications on the future of the SHP.

### **Management of roadside skips**

(Paragraphs 39 and 40 of Part 5 of PAC Report No. 73)

40. The Government continues to enhance the management and control of roadside skips in a coordinated manner through the Joint Working Group on Management of Roadside Skips<sup>2</sup> (JWG). A progress update on implementation of the Audit's recommendations is at Enclosure 12.

Encl. 12

### **Provision of long-term care services for the elderly**

(Paragraphs 41 and 42 of Part 5 of PAC Report No. 73)

41. The Government adopts a multi-pronged approach to strengthen subsidised elderly care services. To better support aging in place of frail elderly persons, the Government provided an additional 1 500 service quota under the Integrated Home Care Services (Frail Cases) in October 2020 and an additional 1 500 service quota in April 2021. In addition, the Government is purchasing

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<sup>2</sup> The JWG comprises the ENB, the Development Bureau (DEVB), the Transport and Housing Bureau (THB), the EPD, the Food and Environmental Hygiene Department (FEHD), the HyD, the Hong Kong Police Force, the LandsD, the TD and the Home Affairs Department (on a need basis).

5 000 additional EA1 places<sup>3</sup> under the Enhanced Bought Place Scheme in the five years starting from 2019-20, with a view to increasing the supply of subsidised residential care places for the elderly and enhancing the overall service quality of private residential care homes for the elderly (RCHEs). Around 1 700 EA1 places are under the first batch of purchase, most of which are already in service. Around 1 200 EA1 places of the second batch of purchase will commence service by phases starting from 2021-22.

42. The Government is taking forward 66 new development projects, which will provide about 8 800 residential care places (including subsidised and non-subsidised places) and about 2 800 subsidised day care service places for the elderly in the coming few years. In addition, the Government has invited the Hong Kong Housing Authority and Hong Kong Housing Society to reserve about 5% of the total domestic gross floor area in public housing development projects exclusively for welfare uses, in particular RCHEs which are much needed by the community, without affecting the supply of public housing and other ancillary facilities.

43. As all the Audit's recommendations have been implemented and the measures involved will be carried out on an on-going basis, we recommend that this part be deleted from the next progress report.

#### **Administration of the air traffic control and related services**

(Paragraphs 43 to 45 of Part 5 of PAC Report No. 73)

44. Since its full commissioning in November 2016, the Air Traffic Management System (ATMS) has been providing round-the-clock air traffic control services in a safe, reliable and smooth manner. It has also been regularly maintained.

45. THB and the Civil Aviation Department will continue to closely monitor the performance of the ATMS, and ensure that necessary civil aviation equipment and services are provided as per the contractual requirements.

46. As the ATMS has been operating smoothly and all the recommendations from the Audit and the PAC on the ATMS have been implemented, we recommend this part be deleted from the next progress report.

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<sup>3</sup> Currently, there are two categories of homes under the Enhanced Bought Place Scheme, known as EA1 homes and EA2 homes respectively. EA1 homes provide places with higher service requirement than that of EA2 in terms of manpower and space requirements.

**Regulation of non-franchised bus and school private light bus services**  
(Paragraphs 53 and 54 of Part 5 of PAC Report No. 73)

47. 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 is reported below.

***Administration of licensing requirements***

48. TD is considering the implementation of the proposal of aligning the validity periods of Passenger Service Licence (PSL) Certificates and related PSLs, and plans to consult relevant stakeholders in the second half of 2021. Taking into account the consultation outcome, we will proceed to work on the legislative amendment.

***Regulatory controls over unauthorised operations***

49. In order to deter PSL holders from avoiding sanctions through transferring the ownership of all the vehicles under the PSL, TD plans to enhance the existing regulatory framework and will consult relevant stakeholders in the second half of 2021. Taking into account the consultation outcome, we will proceed to work on the necessary legislative amendments.

***Progress made in implementing Audit's recommendations***

Encl. 13      50. A progress update on implementation of Audit's recommendations is at Enclosure 13.

**Operation of the Land Registry**  
(Paragraphs 55 and 56 of Part 5 of PAC Report No. 73)

Encl. 14      51. The Land Registry and the relevant B/Ds have been following up on the Audit recommendations regarding operation of the Land Registry. A progress update on the outstanding items is at Enclosure 14.

**Provision of government office accommodation and utilisation of government sites**

(Paragraphs 57 and 58 of Part 5 of PAC Report No. 73)

Encl. 15      52.              GPA has followed up on the recommendations made by the Audit on the provision of government office accommodation and utilisation of government sites. A progress update is at Enclosure 15.

**Administration of lump sum grants by the Social Welfare Department**

(Paragraphs 59 to 61 of Part 5 of P.C Report No. 73)

53.              SWD has taken appropriate follow-up actions on the outstanding recommendations made by the Audit, as reported below.

***Financial monitoring***

54.              Upon completion of the Review on Enhancement of Lump Sum Grant (LSG) Subvention System, SWD will draw up guidelines for non-governmental organisations (NGOs) on the use of LSG subvention, including a reasonable and appropriate apportionment arrangement for operation costs between Funding and Service Agreement (FSA) activities and non-FSA activities.

***Monitoring of service delivery by SWD***

55.              Regarding the activities provided by Agreement Service Unit (ASU) J, SWD has collaborated with the NGO concerned and completed the necessary follow-up action required for the programme for retired men (regarded as an FSA-related activity). As for ASU J's programme for children under six (not regarded as an FSA-related activity), SWD has worked out an agreed cost apportionment method with ASU J and completed the necessary follow-up action.

***Progress made in implementing the Audit's and PAC's recommendations***

Encl. 16      56.              A progress update of the outstanding items is at Enclosure 16.

**Centre for Food Safety: Management of food safety**

(Paragraphs 62 and 63 of Part 5 of PAC Report No. 73)

Encl. 17      57.              The Centre for Food Safety of FEHD has implemented measures to follow up on the recommendations of the Audit and the PAC. A progress update of the outstanding issues is at Enclosure 17.

### **Management of signboards by the Buildings Department**

(Paragraphs 64 and 65 of Part 5 of PAC Report No. 73)

58. The Buildings Department (BD) has followed up on the recommendations made by the Audit. In relation to the Audit's recommendation that the Director of Buildings should take early actions to establish a database of all legal or validated signboards to facilitate control and enforcement actions, BD has engaged a consultant in September 2020 to apply artificial intelligence in identifying and extracting the relevant information from BD records to establish a database of all legal or validated signboards. It is anticipated that the first batch of signboards information will be available for inspection by members of the public in the third quarter of 2021.

### **Radio Television Hong Kong: Provision of programmes**

(Paragraphs 66 and 67 of Part 5 of PAC Report No. 73)

59. Since the submission of the Progress Report in November 2020, Radio Television Hong Kong (RTHK) has continued to follow up proactively on the views and recommendations of the Audit regarding the provision of programmes by RTHK. The latest progress is reported below.

#### ***Evaluation of Programmes and Other Administrative Issues***

60. From 2021-22 onwards, based on the survey findings of the revised "Radio Audience Survey", RTHK has reported the share of total listening time per channel and the appreciation index per channel in respect of RTHK's radio service in the Controlling Officer's Report (COR).

61. RTHK commissioned survey institutions in November 2019 and October 2020 respectively to conduct the "RTHK Television (TV) Channel Penetration Survey" and the revised "TV Programme Appreciation Index and Audience Survey". Both survey reports were completed in February 2021. RTHK will make use of the information collected during the surveys and other relevant data as the basis to set targets/benchmarks in terms of programme quality and public awareness of different categories of programmes, as well as to take measures to enhance the penetration of RTHK TV channels and the popularity of RTHK TV programmes. Besides, based on the survey findings, RTHK has reported the appreciation index of RTHK TV 31, 32 and the average appreciation index for RTHK programmes in the 2021-22 COR.

#### ***Progress Made in Implementing Audit's Recommendations***

62. A progress update on the implementation of the recommendations of Audit is at Enclosure 18.

**Planning, provision and management of public toilets by the Food and Environmental Hygiene Department**  
(Chapter 1 of Part 9 of PAC Report No. 73)

63. FEHD has continued to follow up on the PAC and Audit recommendations regarding planning, provision and management of public toilets. The latest progress made is reported below.

64. FEHD continues to upgrade public toilets under its management, improve their facilities and hygiene condition by phases under the Enhanced Public Toilet Refurbishment Programme, as well as plan and construct new public toilets as appropriate to cater for the needs of the public and the tourists.

65. FEHD is developing a Smart Toilet System prototype to include the revamped visitor feedback system for trial at two public toilets to collect users' views on public toilet services in Q2 2021 and to evaluate the effectiveness of the feedback system. Furthermore, FEHD fully appreciates the importance of gathering public views for enhancing public toilet services and will continue to make use of different channels to engage various stakeholders to improve public toilet services such as organising design thinking workshops. FEHD also aims to conduct face-to-face interview surveys at a suitable juncture when the COVID-19 situation permits.

Encl. 19 66. A progress update on the implementation of PAC's and Audit's recommendations is at Enclosure 19.

**Provision of consultancy, research and development and training services by the Hong Kong Productivity Council**  
(Chapter 2 of Part 9 of PAC Report No. 73)

Encl. 20 67. The progress of follow-up actions taken by the Innovation and Technology Commission (ITC) and the Hong Kong Productivity Council (HKPC) to implement the recommendation of the Audit and the PAC is at Enclosure 20.

**Governance and administrative issues of the Hong Kong Productivity Council**  
(Chapter 3 of Part 9 of PAC Report No. 73)

Encl. 21 68. The progress of follow-up actions taken by the ITC and the HKPC to implement the recommendation of the Audit and the PAC is at Enclosure 21.

**Control of wild and stray animal nuisances**

(Chapter 4 of Part 9 of PAC Report No. 73)

Encl. 22      69.            The AFCD has been actively following up on the recommendations of the Audit. A progress update of the outstanding items is at Enclosure 22.

**Special education**

(Chapter 5 of Part 9 of PAC Report No. 73)

70.            The Education Bureau (EDB) has taken actions to follow up on the Audit's recommendations on special education. The progress is reported as follows.

***New initiatives in the 2021/22 school year***

71.            Starting from the 2021/22 school year, EDB will strengthen the support of professional and auxiliary staff in aided special schools, and allow flexibility in the appointment of staff to meet the needs of school operation and students, as well as to help aided special schools recruit and retain professional and auxiliary staff. Apart from the Audit's recommendations, EDB will also implement the following enhancement measures –

- (a)      upgrading the ranks of occupational therapists and physiotherapists;
- (b)      creating a nursing officer rank and schools can choose to appoint a nurse with psychiatric training;
- (c)      providing schools for children with mild intellectual disability with school bus driver posts, and improving the rank of school bus drivers in special schools; and
- (d)      allowing schools with vacancies in the posts of teacher assistant, cook, school bus driver and watchman to opt for cash grants in order to recruit corresponding temporary auxiliary staff.

***Progress made in implementing the Audit's recommendations***

Encl. 23      72.            A progress update of the outstanding items is at Enclosure 23.

**Judiciary Administration's work in implementing projects under Information Technology Strategy Plan**

(Chapter 6 of Part 9 of PAC Report No. 73)

Encl. 24 73. A progress update on the outstanding items is at Enclosure 24. As the Judiciary Administration (JA) has implemented in full all the recommendations made by the Director of Audit regarding JA's work in implementing projects under Information Technology Strategy Plan, we recommend that this item be deleted from the next progress report.

**Child Development Fund**

(Chapter 9 of Part 9 of PAC Report No. 73)

74. The Government has taken appropriate actions to follow up on the Audit's 20 recommendations on the management of the Child Development Fund (CDF), including the issuance of a guidebook on good practice and a set of guidelines on effective use of training provisions to existing operators, setting up of a mechanism to keep track of the status of the audited financial reports that are overdue, tightening of the monitoring of submission of audited financial reports to ensure timely clawing back of surplus, etc. The Government will continue to closely monitor the management and administrative work of the CDF to ensure its effective operation. As all the Audit's recommendations have been implemented and some of the measures will be carried out on an on-going basis, we recommend that this part be deleted from the next progress report.

## **REPORT ON THE RESULTS OF VALUE FOR MONEY AUDITS (Report No. 75)**

### **Chapter 1 – Acquisition and management of collection items in public museums**

75. The Government accepts the recommendations made by the Audit on the acquisition and management of collection items in public museums. LCSD has taken the following actions to follow up on the recommendations.

#### ***Acquisition and accession of museum collection items***

76. The Hong Kong Museum of History (Museum of History), the Hong Kong Heritage Museum (Heritage Museum) and the Hong Kong Film Archive (Archive) have put in place a series of measures, including streamlining the accessioning procedure (such as simplifying workflow and information required for accession), engaging additional manpower and reporting accessioning progress on a monthly basis, etc., to closely monitor and expedite the accession of collection items. It is expected that the accession of the items mentioned in the Audit Report can be completed in the coming two years for the Museum of History and the Heritage Museum, and in the coming seven to eight years for the Archive.

#### ***Stocktaking and storage of museum collection items***

77. The Museum of History and the Archive have put in place a series of measures, including streamlining the stocktaking process and engaging additional manpower, etc. to expedite the stocktaking process. The stocktaking exercises for the Museum of History and the Archive are expected to be completed in 2022 and 2026 respectively. Furthermore, the Archive has outsourced part of the stocktaking exercise of film-related items on a trial basis. If the outsourcing work continues to be satisfactory, it is expected that the exercise can be completed ahead of the original stocktaking cycle before 2026. LCSD has also reviewed the practices of regular stocktaking and surprise checking in other museums under its purview, and has identified no irregularity as mentioned in the Audit Report.

78. The Museum of History has completed the refurbishment works for the newly secured additional storage space, and has commenced the relocation of part of the collection items stored in the aged building to the additional space. The Archive has also taken measures to maintain the temperature and relative humidity in the storerooms within the reference ranges, and simplified the mechanism of monitoring the temperature and relative humidity with the recently completed

improvement works on the building's monitoring system. Meanwhile, LCSD is inspecting the conditions of storerooms inside museums and of the off-site stores of other LCSD museums. The exercise is expected to be completed in 2022.

79. LCSD has successfully obtained the support of the Yuen Long District Council on the Heritage Conservation and Resource Centre project on 23 February 2021, and plans to submit the funding application of the main construction works of the project to the Legislative Council (LegCo) in due course.

### ***Other related issues***

80. For the permanent exhibitions, LCSD will revamp different museums by phases. In the coming years, the Hong Kong Science Museum, the Museum of History and the Hong Kong Museum of Coastal Defence will complete revamping projects. LCSD convenes coordination meetings about every two months to closely monitor the progress of capital works and renewal projects for permanent exhibitions. Also, LCSD has adopted the latest technology to promote the museum displays to audience through a wider channel. For example, LCSD has made use of the newly launched 360° virtual tour and LCSD's mobile application "iM Guide" to facilitate public's viewing of the exhibits and use the audio guide services anytime and anywhere.

81. On the publication of information on museum collection items, LCSD has adopted a consistent approach to report the number of objects in all museums in the COR. LCSD will continue to redeploy its manpower and draw up timetables for uploading the information of collection items without copyright or intellectual property issues onto respective museums' websites for public access.

### ***Progress made in implementing Audit's recommendations***

Encl. 25 82. The progress of follow-up actions taken by the Government to implement the recommendations of the Audit is at Enclosure 25.

## **Chapter 2 – Energy efficiency and conservation in government buildings**

83. The Government agrees with the recommendations made by the Audit and the PAC on energy efficiency and conservation in government buildings. ENB, EMSD and the Architectural Services Department (ArchSD) have taken a series of measures to follow up on the recommendations. The progress made is reported below.

### ***Achievement of Energy Saving Targets***

84. To complete the compilation and submission of the annual reports on achievement of energy saving targets to ENB as early as possible, EMSD has worked closely with, and provided the necessary assistance to, B/Ds to facilitate their early processing of 2019-20 data returns. Regarding the suggestion of making better use of information technology (IT) in compiling government-wide energy consumption data to enhance the efficiency of the compilation work, EMSD has completed a review of feasible and pragmatic IT solutions and adopted a suitable one for the compilation of future annual reports. Besides, EMSD will continue to take follow-up actions on the energy saving performance of B/Ds, and will remind them at an appropriate time when their energy saving performance falls short of the government-wide achievement. Such additional technical assistance will help them improve their energy performance.

85. EMSD has enhanced the checking of B/Ds' normalisation calculations of energy saving, and reminded B/Ds to fully explain their normalisation adjustments. In September 2020, EMSD promulgated the guiding principles for its staff to check normalisation calculation submissions from B/Ds. Besides, in November 2020, EMSD had started compiling the management information for checking the returns on energy saving data from B/Ds regularly.

86. EMSD has taken into account the experience gained in implementing the 2015-20 electricity saving target and the findings in the Audit Report in implementing the Green Energy Target. EMSD also issued guidelines on applying normalisation to energy consumption in March 2021 and will keep track of the measures implemented by B/Ds to help them achieve the Green Energy Target.

87. Regarding the recommendation on renewable energy projects, ArchSD has stepped up control and will continue to closely monitor the progress of the projects at existing government buildings at various stages of implementation to ensure completion as early as possible.

### ***Management of Energy Audits and Retro-commissioning (RCx) for Government Buildings***

88. On energy audits, EMSD has formulated selection criteria and mechanism to thoroughly review if there are other potential government buildings meeting the selection criteria for conducting energy audits over the three-year implementation period of the energy audit programme for achieving the Green Energy Target. During the planning of energy audits for 2020-21, EMSD had reviewed with all B/Ds concerned to ensure that government buildings selected for energy audits in 2020-21 (about 80 in total) meet the selection criteria based on the established mechanism. During the planning of energy audits on government

buildings for 2021-22 and 2022-23, EMSD will conduct similar reviews with the B/Ds concerned, based on established selection criteria and mechanism. Besides, EMSD has engaged energy auditors to review with the B/Ds concerned the implementation of energy management opportunities (EMOs) and the achieved energy saving for the selected government buildings as far as practicable, with a view to identifying further scope for implementing the EMOs recommended by previous energy audits.

89. For RCx, EMSD has formulated a tentative master implementation timetable for about 200 major government buildings. EMSD will keep under review the timetable each year or when necessary having regard to the implementation priority of government buildings, and confirm the implementation schedule with the B/Ds concerned. EMSD arranged online seminars in July and August 2020, and organised a presentation in January 2021 to encourage B/Ds to join the RCx programme. After further coordination with relevant B/Ds, 15 major government buildings have joined the RCx plan in recent months. EMSD will continue to encourage B/Ds to join the RCx plan and coordinate with them to avoid or reduce possible impacts on public services.

### ***Management of Energy Saving Projects and Other Management Issues***

90. Regarding the recommendations on management of energy saving projects funded under EMSD's Block Vote, EMSD will continue to work closely with B/Ds to monitor the progress of energy saving projects and conduct timely reviews to achieve the expected energy saving as soon as possible. For energy saving projects funded under the Minor Building Works Block Vote, ArchSD has taken steps to remind B/Ds concerned or their works agents as appropriate to make more accurate cashflow forecasts, and will monitor more closely the financial situation of approved energy saving projects. ArchSD has stepped up communication with EMSD to handle together, in a timely manner, issues affecting project progress and cashflow. The B/Ds concerned or their works agents as appropriate have also been reminded to provide information on the estimated payback periods and anticipated electricity savings when submitting funding applications for such projects.

91. ENB, EMSD and ArchSD issued a joint reminder on 23 November 2020 to B/Ds inviting them to –

- (a) closely monitor the progress of energy saving projects with a view to ensuring their timely completion;
- (b) closely monitor the progress of performance measurements on completed energy saving projects with a view to ensuring their timely completion, preferably within one year;

- (c) provide accurate project estimates and cashflow requirements of energy saving projects; and
- (d) encourage their green managers to apply for green building certification for the buildings under their management with a view to demonstrating the Government's continued commitment to promoting green buildings.

92. Moreover, ArchSD has been closely monitoring the progress of assessment submissions for new government buildings with a view to obtaining the final green building certification as early as possible. All assessment submissions of new building projects are also monitored by an internal committee to ensure smooth progress of the certification process.

### ***Progress Made in Implementing Audit's Recommendations***

Encl. 26 93. The progress of follow-up actions taken by the Government to implement the recommendations of Audit is set out at Enclosure 26.

## **Chapter 3 – Funding schemes for conservation of built heritage managed by the Development Bureau**

94. The Government accepts the views and recommendations made by the Audit and the PAC on the funding schemes for conservation of built heritage managed by DEVB, namely, the Revitalising Historic Buildings Through Partnership Scheme (Revitalisation Scheme), the Financial Assistance for Maintenance Scheme on Built Heritage (FAS) and two pilot funding schemes, namely the Funding Scheme for Public Engagement Projects on Built Heritage Conservation (FSPEP) and the Funding Scheme for Thematic Research on Built Heritage Conservation (FSTR). Appropriate actions have been taken to follow up on the recommendations. The progress made is reported below.

### ***Management of the Revitalisation Scheme***

#### ***Processing of applications***

95. Since the launch of the Revitalisation Scheme, DEVB has introduced various measures to facilitate potential applicants to better understand the application requirements of the Scheme, including reviewing and enhancing the Guide to Application for each batch, organising workshops for interested applicants, etc. For projects under Batches I to V, the selected proposals are all innovative and of high quality, offering various kinds of adaptive re-use of the historic buildings such as hostel, café, hotel, training camp, cultural centre, Chinese

medical clinic, music training school, leadership training institute, news-expo, etc. Our projects have won five United Nations Educational, Scientific and Cultural Organisation Asia-Pacific Awards for Cultural Heritage Conservation. In particular, the project of Viva Blue House received the Award of Excellence in 2017, the first built heritage conservation project in Hong Kong to receive this top honour. For Batch VI under the Revitalisation Scheme, under which four historic buildings were launched in September 2019 and one in August 2020, the response was overwhelming with a total of 72 applications received.

96. To further enhance the attractiveness of historic buildings to potential applicants, when launching a new batch of buildings under the Revitalisation Scheme in future, DEVB will step up promotion through social media and other means to facilitate interested organisations of varying scales to submit applications for the most suitable historic buildings according to their needs and abilities. DEVB will continue to explore measures to attract applications with high quality proposals and further enhance applicants' understanding of the application requirements.

97. The Advisory Committee on Built Heritage Conservation (ACBHC) is responsible for assessing applications in accordance with a marking scheme consisting of five assessment criteria, namely, reflection of historical value and significance; technical aspects; social value and social enterprise operation; financial viability; and management capability and other considerations. Taking on board Audit's recommendation, ACBHC discussed and set the benchmarks for shortlisting applications into second-round assessment for Batch VI projects in March 2021.

#### *Monitoring of project implementation*

98. DEVB has all along been monitoring the works progress of the projects under the Revitalisation Scheme through regular progress and site meetings with the non-profit making organisations (NPOs) selected for the projects. Since Batch III of the Revitalisation Scheme, to better monitor works progress, we have put in place a contractor performance mechanism. Under this mechanism, contractors' performance is reported to a review committee comprising relevant government departments for review and endorsement on a quarterly basis. DEVB will make continued efforts to monitor the implementation of projects under the Revitalisation Scheme to ensure their timely completion. Progress of various projects under the Revitalisation Scheme will be reported to the Panel on Development of the LegCo.

99. Having regard to Audit's recommendation, NPOs have been reminded to submit their works variation requests, if any, for DEVB's prior approval and to submit draft project accounts in a timely manner. DEVB is reviewing the guidelines relating to the time limit for submission of draft project accounts, and aims to set a more realistic time limit having regard to the requirement stipulated in Financial Circular No. 7/2017<sup>4</sup> and experience in the finalisation of project accounts under the Revitalisation Scheme. The review is expected to be completed by end 2021.

### *Monitoring of project performance*

100. DEVB has been monitoring regularly and will continue to keep under review the financial viability and sustainability of projects under the Revitalisation Scheme through scrutiny of audited financial statements submitted by NPOs and reporting to ACBHC annually. For projects with deficits in their financial plans, the relevant NPOs have implemented measures to improve financial performance, including providing new services to attract more visitors and customers; and obtaining sponsorships and donations through different channels. Where justified, assistance such as one-off start-up grants and maintenance subsidies will be provided to NPOs in running the projects.

101. In response to Audit's recommendation, DEVB has strengthened measures to ensure that NPOs comply with the submission requirements as stipulated in the tenancy agreements of projects under the Revitalisation Scheme. These include holding regular internal meetings to review the progress of report submission; enhancing communication with NPOs to understand their causes of delay and to render assistance in addressing any difficulties encountered for timely submission of reports.

### *Management of FAS*

102. In view that various complex matters (including clarification of land issues/ownerships, conducting tendering exercise for engaging consultants, submission of technical assessments of the proposed scope of works, and responding to concerns from relevant departments) need to be handled and addressed by FAS applicants and their consultants before formal approval of applications, to facilitate submission DEVB has arranged meetings with individual applicants to brief them on the technical issues to be resolved and the submission requirements. DEVB will continue to take measures to assist the applicants to submit the required information in a timely manner.

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<sup>4</sup> According to Financial Circular No. 7/2017, project accounts under the Capital Works Programme should be finalised as soon as possible and in any event no later than three years after commissioning of the facilities.

103. DEVB also arranges regular meetings with relevant government departments to review and discuss applications with more complex technical issues in order to provide timely and professional assistance to the FAS applicants so that formal approval can be given as soon as possible.

104. In response to Audit's recommendation, DEVB completed the review of the guidelines and practice in handling concurrent FAS applications in March 2021. The revised Guide to Application has been uploaded to FAS website for public information. DEVB has also made and issued corresponding revisions to internal guidelines.

105. Regarding the maintenance works of approved FAS applications, DEVB closely monitors works progress and will make continued efforts to remind applicants to commence and complete the works in a timely manner.

### ***Management of FSPEP and FSTR***

106. The Secretariat to the Built Heritage Conservation Fund under DEVB will make continued efforts to monitor the implementation of FSPEP and FSTR projects through examining reports and financial accounts submitted by the grantees, on-site inspection and meetings with the grantees. Recommendations and advice on measures to improve the attractiveness, attendance rate and publicity of public engagement activities as well as the content of research outcomes will be given to the grantees as and when required.

### ***Other management issues***

107. Regarding the provision of guided tours organised by NPOs under the Revitalisation Scheme, DEVB will keep under review the decreasing number of participants for some projects and incorporate into new or renewed tenancy agreements the requirement for NPOs to provide guided tours in appropriate languages that can better suit the needs of their participants. Experience-sharing sessions will be organised to further improve the implementation of the Revitalisation Scheme.

108. Regarding the declaration of interests by ACBHC members, for the current term from May 2020 to May 2022, members have already registered their interests upon appointment. DEVB will request all members to make annual declaration of interests in the second year of the term in May 2021.

### ***Progress made in implementing Audit's recommendations***

109. A summary of follow-up actions on Audit's recommendations is at Enclosure 27.

## **Chapter 4 – Hong Kong Tourism Board: Corporate governance and administrative issues**

110. The Government and the Hong Kong Tourism Board (HKTb) agree with the recommendations made by the Director of Audit regarding the corporate governance and administrative issues of HKTb. The Commerce and Economic Development Bureau (CEDb) and HKTb are actively following up with the implementation of the recommendations as soon as possible.

### ***Corporate governance***

111. CEDb has all along attached great importance to the corporate governance of HKTb, which is tasked to promote Hong Kong as a destination worldwide, and to enhance visitors' experience upon their arrival. CEDb has started implementing measures in relation to appointment of HKTb Members and administrative arrangements, including appointing more young people to the Board, entering into a Memorandum of Administrative Arrangements with HKTb and setting up a mechanism of handling unspent additional funding for HKTb.

112. Regarding the handling of declaration of interests in meetings, HKTb implemented the related recommendations in August 2020, including mitigation measures for declared interests and the documentation of the decision and the rationale behind the handling in the meeting minutes. References to the Independent Commission Against Corruption guidelines have also been made to set out the guiding principles for members' continued participation in meetings, speaking and/or voting at meetings, based on the nature of the declared interests. In the Board meeting held in January 2021, HKTb discussed the matter as a special item and once again reminded all Board Members and HKTb management to comply with the guidelines, and will remind all Board members, including new members, every year.

113. HKTb has formulated detailed guidelines concerning meeting procedures for the Board and Committee and the detailed arrangements, including appointment of committee chairmen and members, issue of minutes of meetings, distribution of papers, handling of declaration of interest in meetings and submission of declaration of interest forms. These guidelines are expected to be implemented in Q2 of 2021.

114. Regarding performance measurement and reporting, when devising the Business Performance Indicators and their respective targets for the year 2021-22, HKTb had sought confirmation from the Board and the Marketing and Business Development Committee respectively in March 2021, and will regularly report the actual performances against the targets set to the Board in the future. HKTb has included the information on the Key Performance Indicators on tourism performances and their achievement starting from the Annual Report of 2019-20.

***Human resource management and other administrative issues***

115. HKTb is conducting a new round of review on the pay structure of the Head Office, which is expected to complete by the end of May 2021. Meanwhile, HKTb is also reviewing the number, ranking and remuneration of staff at the top three tiers, and is expected to submit to CEDb report on the review findings by the end of June 2021. In future, HKTb will conduct the related reviews every three years according to the requirements of the Circular Memorandum No. 11/2018 issued by the Director of Administration on Guidelines for the Control and Monitoring of Remuneration Practices in Respect of Senior Staff in Subvented Organisations.

116. On staff management matters, HKTb has further enhanced the related recruitment procedures to ensure proper documentation. Through an internal random check, HKTb has confirmed that the recruitment exercises and submission of notifications related to new recruits and outgoing employees have been properly documented and reported in accordance with HKTb's Human Resources Policies and Procedures and the Inland Revenue Ordinance. HKTb will continue to comply with the relevant procedures in future.

117. On other administrative matters, HKTb is working to require its staff to list in detail all related information and rationales including price comparison among nearby hotels when submitting a special application for enhancing the hotel accommodation allowance for duty travel. In cases of damaged or lost fixed assets, HKTb plans to require its staff to clearly list the follow-up actions when reporting fixed assets that are lost or damaged beyond repair. The report will then be submitted to department heads for approval before reporting to the management. The above requirements are expected to take effect from Q2 of 2021 onward. In addition, HKTb has tightened measures for inventory control since June 2019, and will continue to closely monitor the level of slow-moving inventories and conduct regular inventory clearing exercises.

***Worldwide Offices (WWOs) and Representative Offices (ROs)***

118. HKTB is conducting a holistic review on Hong Kong's tourism brand, overall promotion and market investment strategies, including establishment of WWOs in different places, which is expected to complete in Q4 of 2021. Meanwhile, HKTB has also reviewed the guidelines on the establishment of WWOs and ROs.

119. On administrative matters relating to WWOs, in order to optimize the use of office premises in WWOs and maintain regular review of their leasing arrangements, HKTB reached an agreement with the owner of the New York office in December 2020 that the office space will be cut by half starting in June 2021 because the number of staff has been reduced from four to two. Besides, as the pandemic has affected the leasing market of office buildings globally, all of HKTB's WWOs have actively reached out to landlords to negotiate for rental deduction, and is expected to complete negotiations in Q2 of 2021. In future, when any WWO lease expires, HKTB will review the office costs and operations to adopt suitable measures when needed to ensure prudent use of resources.

120. The WWOs are also providing inputs and recommendations on the existing entertainment expenses guidelines. The Head Office will assess whether the existing limit is appropriate with reference to the recommendations provided by WWOs. The review is expected to complete in Q2 of 2021.

121. In view of the pandemic situation, HKTB is currently holding business plan meetings with WWO staff through web conferences. After the pandemic, HKTB will review the needs and arrangements for WWO staff to travel to Hong Kong for business meetings.

122. Details of the progress made by CEDB and HKTB in implementing Audit's recommendations are at Enclosure 28.

Encl. 28

**Chapter 5 – Hong Kong Tourism Board: Efforts in promoting tourism**

123. The Government and HKTB agreed with the recommendations of the Audit on HKTB's efforts in promoting tourism. HKTB is actively following up on the implementation of the recommendations. The progress is detailed below.

### ***Mega events***

124. On solicitation of sponsorship, starting from 2021, in the first quarter of every year, HKTb will publish the schedule and related information about the mega events that require title sponsorship in the coming year on its website and will keep the list updated for the consideration by interested parties. Details of mega events for 2021-22 were published in February 2021. HKTb will also make open invitations for title sponsorship on its website and in newspapers nine months before the event date. The submission deadline for letters of intent will be extended from three weeks to six weeks after the open invitation to allow sufficient time for submission. The recommendation has been implemented after approval by the Product and Event Committee (P&EC) of HKTb in April 2021.

125. On the recommendation of providing further details of mega events to the P&EC, HKTb will establish a set of standardised performance indicators and items that require the P&EC's review, including the budget, expenditure and revenue for each event, which are to be reviewed by the Committee at least four months before the event dates. The recommendation is expected to be implemented in Q2 of 2021 upon approval by the P&EC.

126. On evaluation of performance of mega events, HKTb will adopt a new standardised format starting from Q2 of 2021 to report the performance of mega events, including all indicators, performances and actual expenditures, to the P&EC within three months after the end of the events. HKTb is reviewing the existing indicators for assessing the performances of mega events and exploring new ones. The review is expected to be completed in Q4 of 2021.

### ***Marketing activities***

127. HKTb will continue to actively promote the Funding Support for Small-sized Meeting, Incentive and Convention Groups, to the trade. It will launch a new round of the Funding Support after the pandemic and will inform the trade through industry circulars and other channels to encourage more ground operators to apply. HKTb has already completed the update of the application form of the Funding Support to comply with the requirements under the Personal Data (Privacy) Ordinance.

128. On digital marketing, HKTb has fully revamped its website according to schedule. If certain mobile applications are to be replaced, measures will be taken to ensure a smooth transition. Also, it has reviewed the related guidelines to ensure that commercial entities' names will be displayed on HKTb's website according to the requirements. All content partners of HKTb's website are also required to sign a form of declaration of interests to avoid conflict of interest with commercial entities featured on the website.

### ***Quality Tourism Services (QTS) Scheme***

129. The recommendations on the QTS Scheme have already been implemented. In particular, to encourage merchants' participation in the Scheme, HKTb has reviewed its strategy in recruiting merchants for the QTS Scheme, and the QTS Committee approved the plan for implementation in December 2020. HKTb will continue to adopt measures to encourage participation. Besides, the QTS Committee of HKTb reviewed the guidelines and immediately tightened the control in December 2020 over the display of QTS decals and the use of QTS logo. The Committee is communicating with merchants to ensure that they are aware of the changes. HKTb will continue to closely monitor the situations and take further actions when necessary.

### ***Way forward***

130. HKTb has closely monitored the latest situations and the challenges that Hong Kong's tourism industry is facing, with a view to acting promptly with flexible strategies. In consideration of the changes brought about by the COVID-19 pandemic to the global tourism landscape, HKTb has taken the opportunity to conduct a holistic review on Hong Kong's tourism positioning, overall promotion and investment strategies to reinvent Hong Kong's tourism brand and drive the long-term and sustainable development of the tourism industry. The marketing strategy for the existing 20 key source markets will be evaluated at the same time. HKTb will also review if any other market(s) should be included as Hong Kong's key source markets. The review is expected to complete by the end of 2021. HKTb management will continue to report to the Board and the Committees on the latest situations and seek their advice.

### ***Progress made in implementing Audit's recommendations***

Encl. 29      131. Details of the progress made by HKTb in implementing Audit's recommendations are at Enclosure 29.

## **Chapter 6 – Management of Mandatory Building Inspection Scheme by the Buildings Department**

132. The Government welcomes the comments made by the PAC and the Audit on the Management of Mandatory Building Inspection Scheme (MBIS) by BD and generally have taken proactive follow-up actions to implement the recommendations as far as practicable. The progress made is reported below.

### ***Selection of buildings for issuance of statutory notices***

#### ***Reviewing the implementation of MBIS***

133. The Government attaches great importance to ensuring building safety. To tackle the building neglect problems at source, BD has implemented the MBIS since 30 June 2012. Founded on the principle of “prevention is better than cure”, statutory MBIS notices are issued requiring owners of old buildings to carry out inspection and repair works as needed.

134. We noted PAC’s concern on whether BD can fully achieve the objective of MBIS to tackle the problem of building neglect within an acceptable time frame in view of rapid ageing of the overall building stock. PAC recommended that BD should review the implementation of MBIS on a regular basis, so as to enhance its effectiveness in tackling the problem of building neglect.

135. We are mindful that the pace of implementation of MBIS is subject to, among others, the building owners’ understanding of the requirements of MBIS, their willingness to comply with the statutory notices under MBIS, their ability to coordinate with other owners of the same building for inspection and requisite repair works, the availability of support to the building owners, the capacity of the market for building inspections and repair works, etc.

136. BD will continue to regularly review the number of target buildings to be covered by MBIS each year, taking into account the operational experience gained, market situation, as well as feedback from stakeholders and members of the community. BD will formulate the annual target and incorporate it into the COR. In parallel, BD will continue to optimise its efficiency by streamlining the operational procedures with a view to speed up the implementation of MBIS. Furthermore, BD will review the progress of compliance by the owners in formulating the long term strategy for MBIS.

#### ***Reviewing the selection criteria of target buildings under MBIS***

137. Given the large number of buildings covered by MBIS, prioritisation is necessary in the course of implementation. BD adopts a risk-based approach in prioritising the MBIS target buildings and will continue to review the selection criteria annually. Scores would be given to all buildings covered by MBIS in accordance with the Building Score System.

### *Promotion of voluntary building inspection*

138. BD will continue to organise various public education and publicity campaigns to raise public awareness of the importance of regular building maintenance, thereby encouraging more owners to carry out timely and necessary building inspection and repair works on their own initiative without waiting for the issuance of MBIS notices. BD launched another series of publicity campaign to promote voluntary building inspection and repair by owners in September 2020 under the theme “Check Your Building”, including broadcasting of an Announcement in the Public Interest and other videos on TV/radio and through the social media and advertisement on public transport.

### *Follow-up actions on compliance with statutory notices*

#### *Warning letters for non-compliant statutory notices*

139. Since August 2020, BD has streamlined the procedures for issuing warning letters. BD has also enhanced the Building Condition Information System (BCIS) in October 2020 to record information of all warning letters issued against non-compliant statutory notices under MBIS, and reminded staff to timely update the records in BCIS.

#### *Prosecution actions*

140. After years of public education and publicity on MBIS and taking into account the feedback from stakeholders and the community and operational experience gained, BD has stepped up its prosecution actions against non-compliant statutory notices since 2016. In addition, Fast Track Prosecution Teams were set up in early 2019 to streamline and expedite prosecution actions for non-compliant statutory notices. Compared with the around 110 summonses issued in 2017 and 2018, BD issued a total of over 2 200 summonses against non-compliant statutory notices in 2019 and 2020. BD will continue to step up prosecution and explore measures to streamline and facilitate prosecution work while at the same time providing necessary support to needy owners.

### *Monitoring of Registered Inspectors (RIs)’ submissions*

141. BD has since March 2021 compiled monthly reports from BCIS to facilitate monitoring of RIs’ MBIS submissions not meeting the statutory timeframe. The progress of follow-up actions, including issuing of reminder letters or warning letters, is also monitored in the regular sectional meetings. In addition to reminding RIs to comply with statutory requirements on timely MBIS submissions at its regular briefing sessions, BD also issued a circular letter to RIs in February 2021 reiterating the importance of adhering to the regulatory timeframe on various MBIS submissions.

142. In respect of audit checks on RIs' submission, BD updated its operational guidelines in March 2021 to set time targets for completing audit checks and issuing reminders or warning letters against irregularities identified. The progress of audit checks and follow-up actions are monitored in the regular sectional meetings.

143. BD will enhance the BCIS to mandate data entry to all fields related to RIs' MBIS submissions before creating and storing of compliance records in the BCIS, except for cases not requiring further action in meeting the requirements of MBIS, such as target buildings demolished after serving of the statutory notice.

***Progress made in implementing Audit's recommendations***

Encl. 30 144. A summary of the progress in implementing the Audit's recommendations is at Enclosure 30.

**Chapter 7 – Provision of humanitarian assistance to non-refoulement claimants by the Social Welfare Department**

145. The Government accepts and has taken follow-up actions on the views and recommendations of the Audit and the PAC regarding the provision of humanitarian assistance to non-refoulement claimants (NRCs) by the SWD. The progress made is reported below.

***Provision of Humanitarian Assistance under the Service Contract***

146. SWD has enhanced monitoring to ensure timely submission of statistical reports by the service contractor, including requiring the contractor to streamline its internal workflow, putting in place a mechanism to issue reminders to the service contractor, and stepping up regular audit of the service contractor's documents. In addition, SWD has tasked the service contractor to step up follow-up actions for unsuccessful spot checks, enhance financial assessment of service users who are in receipt of other sources of financial support, and strengthen controls on rental deposits. SWD will continue to closely monitor the service contractor's performance in these areas.

***Provision of Humanitarian Assistance under the Food Contract***

147. SWD has also enhanced monitoring to ensure timely submission of statistical reports by the food contractor, including requiring the contractor to streamline its internal workflow, putting in place a mechanism to issue reminders to the food contractor, and stepping up regular audit of the food contractor's documents. In addition, the food contractor and the service contractor have both established a mechanism to share information about service users' misuse of e-tokens and sanctions imposed on service users regularly, so as to prevent misuse and negative balance in e-tokens.

***Other Administrative Issues***

148. SWD has clarified with the service contractor the definition of service users for the purpose of calculating the administrative cost payable more accurately. To enhance competition in future tendering for the service contract, SWD will remove "tenderer's experience" as an essential requirement starting from the next tendering exercise upon expiry of the current service contract by the end of January 2023.

149. SWD will continue to conduct timely review of the level of assistance to NRCs in consultation with SB so as to prevent the NRCs from being destitute, while avoiding any magnet effect.

***Progress made in implementing the recommendations of the Audit and PAC***

150. A progress update on the implementation of the specific recommendations of the Audit and PAC is at Enclosure 31.

Encl. 31

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**Management of Greening Master Plans  
Progress in implementing Audit's Recommendations**

<b>Para. No.</b>	<b>Audit's Recommendations</b>	<b>Progress to Date</b>
<b>Part 3: Handover and maintenance of greening works under Greening Master Plans</b>		
3.11	The Director of Leisure and Cultural Services (DLCS) should properly record in the Leisure and Cultural Services Department (LCSD)'s inventory records the greening works taken over based on the handover records.	<p>LCSD completed the enhancement to the Tree Data Bank System (TDBS) in December 2019 so as to allow all trees planted, and the locations and size of shrubs planting areas under the Greening Master Plans (GMPs) to be input into the TDBS for the GMPs in Southwest and Northeast New Territories. The Civil Engineering and Development Department (CEDD) has commenced the works under the GMPs in Southwest and Northeast New Territories in December 2020 and will prepare handover records for LCSD as per the requirements specified in the TDBS.</p> <p>Apart from taking over greening works from CEDD, LCSD will apply the same record arrangement to future greening projects initiated by other departments.</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>
<b>Part 4: Overseeing and public engagement of Greening Master Plans</b>		
4.19	<p>The Secretary for Development should –</p> <p>(a) monitor the progress of the to-be-followed-up medium and long-term measures under GMPs for urban areas on a more regular and systematic basis; and</p>	<p>The Greening, Landscape and Tree Management Section has requested government departments and encouraged public organisations/private sector to follow up actively and report on the progress of the proposed medium and long-term</p>

<b>Para. No.</b>	<b>Audit's Recommendations</b>	<b>Progress to Date</b>
	(b) set target dates for completing the to-be-followed-up medium and long-term measures under GMPs for urban areas as far as practicable.	<p>greening measures, and to implement the measures whenever the conditions permit.</p> <p>For these 288 measures, 93 have been completed, eight will be implemented, 42 will be considered as part of the development parameters of the project, and 145 are considered not feasible (reasons including the original location being no longer suitable for planting due to changes in the surrounding environment, changes in land use in on-going development, or not being technically feasible).</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>

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**Employment services provided by the Labour Department  
Progress on implementing the recommendations of the PAC**

<b>Para. No.</b>	<b>PAC's Recommendations</b>	<b>Progress to Date</b>
Para. 57 (Page 36) of the PAC Report	<p>PAC urges Labour Department (LD) to –</p> <p>(e) review the effectiveness of the pilot programme to provide employment services for ethnic minority (EM) job seekers through a case management approach.</p>	<p>LD has commissioned two non-governmental organisations (NGOs) to implement the pilot programme called “Racial Diversity Employment Programme” since November 2020. The pilot programme adopts a case management approach to provide one-stop employment services for EM job seekers. LD reviews the effectiveness of the pilot programme on a continuous basis in tandem with its implementation.</p> <p>As the follow-up work on this recommendation is being carried out on an on-going basis, we recommend that this part be deleted from the next progress report.</p>

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**Hospitality training provided by the Hotel and Tourism Institute,  
the Chinese Culinary Institute and the International Culinary Institute  
Progress in implementing the Audit's Recommendations**

Para. No.	Audit's Recommendations	Progress to Date
<b>Part 4: Administrative Issues</b>		
<i>Campus management</i>		
4.17(a)	Audit has recommended that the Executive Director, Vocational Training Council (VTC) should endeavour to improve the environmental performance of the Hotel and Tourism Institute, the Chinese Culinary Institute and the International Culinary Institute (collectively referred to as the "Institutes").	<p>The VTC commissioned a consultant in 2017 to draw up a Carbon Footprint Reduction Plan (the Plan). The study areas include devising longer-term carbon reduction targets, a roadmap and implementation plans regarding the different VTC campuses.</p> <p>The consultant has been working on the Plan with the assistance of the VTC. Due to the pandemic and the resulting closure of the Institutes, the consultant was unable to conduct site inspections and related research as scheduled. That said, the consultant expects that a draft Plan would be drawn up by the end of second quarter of 2021. The VTC will continue to work closely with the consultant and follow up accordingly with a view to enhancing the environmental performance of the Institutes.</p>

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**Planning, provision and management of public parking spaces  
Progress Made in Implementing Audit's and PAC's Recommendations**

<b>Para. No.</b>	<b>Audit's/PAC's Recommendations</b>	<b>Progress to Date</b>
<b>Part 2: Planning and provision of public parking spaces</b>		
<i>Planning and provision of long-term public parking spaces</i>		
Para. 2.17(b) of the Audit Report	Audit has recommended that the Commissioner for Transport should review the planning standards of parking spaces for private cars in the housing developments promulgated in the Hong Kong Planning Standards and Guidelines (HKPSG).	The Transport Department (TD) has consulted relevant stakeholders on the results of the review on the standards on parking spaces stipulated in the HKPSG and will give due consideration to the views gauged before promulgating the revised standards. The proposed revisions will increase the provision of private car parking spaces in future private and subsidised housing developments as well as the provision of commercial vehicle parking spaces in subsidised housing developments.
Para. 2.17(c) of the Audit Report  Para. 110 (Page 53 (g)) of the PAC report	Audit has recommended that the Commissioner for Transport should consider issuing internal guidelines for establishing the requirements for public parking spaces in new development and redevelopment proposals.  PAC strongly urges TD to issue internal guidelines for establishing the requirements for public parking spaces in new development and redevelopment proposals.	TD promulgated new internal guidelines in January 2021 on the principles and requirements for the planning and provision of public parking spaces in new development and redevelopment proposals.  As the recommendation has been implemented, we suggest deleting this part from the next progress report.
Para. 2.17(d) of the Audit Report	Audit has recommended that the Commissioner for Transport should, in consultation with the Sai Kung District Council, endeavour to work out a reprovisioning plan for the short-term tenancy (STT) car park in Tseung Kwan O Area 66 (see Case 1).	The Tseung Kwan O Area 66 project is currently under planning, which includes the impact assessment study on various technical aspects and relevant study required for planning application. TD will gauge the views of the Sai Kung District Council after the completion of the studies.

Para. No.	Audit's/PAC's Recommendations	Progress to Date
<b><i>Planning and provision of temporary public parking spaces</i></b>		
Para. 2.19 of the Audit Report	Audit has recommended that the Secretary for Transport and Housing should, in consultation with relevant government bureaux and departments, promulgate a circular setting out the criteria for considering whether and how public parking spaces should be provided under individual Government, Institution or Community developments and open space projects.	The Transport and Housing Bureau (THB)/TD will promulgate a circular with a view to setting out the requirement for government bureaux/departments (B/Ds) to, in consultation with TD, incorporate public parking spaces in government projects as part of the project scope. THB/TD is liaising with relevant B/Ds to discuss the details of the circular.
Para. 110 (Page 50, 1st bullet, item (b)) of the PAC Report	PAC notes that the internal guidelines are being reviewed to require all government departments to consult TD on the need to provide public car parks during the early stage of project planning.	
<b>Part 3: Management of government multi-storey car parks</b>		
<b><i>Review of parking fees and sale of parking tickets</i></b>		
Para. 110 (Page 52, 1st bullet, item (c)) of the PAC Report	PAC strongly urges TD to put in place a mechanism to monitor the availability and occupancy rates of public parking spaces in government multi-storey car parks on a regular basis.	<p>TD has commenced the installation of Bay Guidance System at multi-storey car parks under its purview to better monitor the availability and occupancy rates of parking spaces. The sensors to be installed on individual parking spaces could collect real-time parking occupancy information, which could assist drivers in identifying vacant parking spaces, as well as facilitate the handling of abandoned vehicles by identifying vehicles that have been parked at the same parking spaces for a prolonged period and are suspected to be abandoned vehicles.</p> <p>The Electrical and Mechanical Services Department (EMSD) is taking forward the project and it is expected that the works will be completed in the first quarter of 2022.</p>

Para. No.	Audit's/PAC's Recommendations	Progress to Date
<b>Facilities management</b>		
Para. 3.29(a) of the Audit Report	Audit has recommended that the Commissioner for Transport should review the adequacy of closed-circuit television (CCTV) security systems installed in government multi-storey car parks, especially for those with only a small number of CCTV cameras, and take necessary measures to enhance the security of the car parks.	EMSD is now installing additional CCTVs in the multi-storey car parks under TD's purview for completion by the fourth quarter of 2021.
Para. 111 (Page 56, 1st bullet, item (a)) of the PAC Report	PAC notes that TD has, in collaboration with the Architectural Services Department (ArchSD) and the Hong Kong Police Force, embarked on a review of the provision of CCTVs in TD's car parks.	
<b>Part 4: Management of on-street parking spaces</b>		
<b>Management of on-street metered parking spaces</b>		
Para. 111 (Page 59, 1st bullet, item (e)) of the PAC Report	PAC notes that TD has kick-started the preparatory work for the installation of new parking meters by phases starting from the first half of 2020. Its backend system will provide real-time information on those metered parking spaces which are being occupied but without payment of parking fees.	TD commenced the installation of the new generation of on-street parking meters for public use by batches starting from 20 January 2021. It is expected that the installation of about 12 000 new generation on-street parking meters (including replacing 9 800 existing on-street parking meters) will be completed in the first half of 2022. The new parking meters will support multiple payment means, including remote payment through mobile application, and will be equipped with sensors to detect whether individual parking spaces are occupied so that real-time vacancy information of on-street parking spaces can be provided.

Para. No.	Audit's/PAC's Recommendations	Progress to Date
Para. 4.19(c) of the Audit Report	<p>Audit has recommended that the Commissioner for Transport should formulate a meter replacement plan before the end of serviceable life of the new generation of parking meter systems.</p>	<p>The contracts for “Procurement cum Management, Operation and Maintenance of New Generation of Parking Meter System” have already included provisions requiring the contractors to complete a review on vehicle sensing technologies and electronic payment means by the end of the sixth contract year (i.e. in early 2025). TD will examine the review report with a view to considering the way forward of the future management of on-street metered parking spaces and taking timely action to replace or enhance the new on-street parking meter system.</p> <p>As TD will follow up the recommendation on an on-going basis, we suggest deleting this part from the next progress report.</p>
<b><i>Management of on-street non-metered parking spaces</i></b>		
Para. 4.30(a) of the Audit Report	<p>Audit has recommended that the Commissioner for Transport should take measures to ensure that on-street non-metered parking spaces are utilised effectively with a view to improving the parking space availability rate, including –</p> <p>(iii) for parking places where both metered and non-metered parking spaces are provided (see para. 4.28(b) of the Audit Report), considering installing parking meters for the non-metered parking spaces to better manage parking demand, taking into account utilisation rates.</p>	<p>TD has arranged to conduct site inspections for on-street non-metered parking spaces to consider the need for metering.</p> <p>As TD will follow up the recommendation on an on-going basis, we suggest deleting this part from the next progress report.</p>

Para. No.	Audit's/PAC's Recommendations	Progress to Date
<b>Part 5: Implementation of parking-related technology initiatives</b>		
<i>Provision and management of electric vehicle charging facilities</i>		
Para. 5.17(b) of the Audit Report	Audit has recommended that the Director of Environmental Protection should, in collaboration with the Commissioner for Transport, consider introducing administrative measures to facilitate both electric vehicle (EV) and non-EV drivers with an aim to ensure that parking spaces equipped with EV chargers are available for use by EVs.	<p>The Government plans to set up a smart system for the Government's public EV charging network to support the development of Smart City. The system will capture instant electronic information on utilisation status of EV chargers.</p> <p>The Environmental Protection Department (EPD) will work closely with TD on the provision of information regarding utilisation status of EV chargers in individual multi-storey car parks under TD's purview to facilitate EV drivers to identify vacant parking spaces equipped with EV chargers. In order to assist drivers in identifying EV parking spaces, electronic display panels will be installed at the entrance of government car parks in future to display the real-time availability of parking spaces with EV chargers.</p> <p>TD will provide assistance to EPD in examining measures to cater for the need for EV chargers, including the installation of more EV chargers in car parks under TD's purview. In view of the latest utilisation rates of car parks under TD's purview, TD has implemented a six-month trial scheme in four car parks (namely Rumsey Street, Star Ferry, City Hall and Tin Hau Car Parks) since 1 August 2020 to designate some EV charging-enabled parking spaces for the exclusive use by EVs. TD is now reviewing the effectiveness of the trial scheme so as to consider whether the trial scheme should be adjusted or expanded. Prior</p>

Para. No.	Audit's/PAC's Recommendations	Progress to Date
		to the completion of the review, TD will continue to run the said trial scheme in the above-mentioned four car parks.
Para. 5.17(c) of the Audit Report	Audit has recommended that the Director of Environmental Protection should, in collaboration with the Commissioner for Transport, take into account the occupation problem of parking spaces equipped with EV chargers by non-EVs and explore measures to discourage non-EV drivers to park their cars at such spaces in planning suitable locations for the installation of EV chargers at car parks in the future.	<p>To increase the availability of EV charging-enabled parking spaces for EV drivers, EPD plans to install additional EV chargers at locations that are less popular among car park users, such as at the upper floors of car parks or at parking spaces located far away from exits and lifts, where possible, so as to allow EV drivers have more chances to charge their EVs. To expand the public EV charging network at government car parks, the Government allocated \$120 million in 2019-20 to install additional medium chargers at government car parks in three years. It is expected that over 1 000 public chargers will be added by 2022.</p> <p>TD will continue to fully collaborate with Environment Bureau (ENB) and EPD, including installing more EV chargers in multi-storey car parks under TD's purview as far as practicable, and exploring more measures to discourage non-EV drivers from occupying those parking spaces equipped with EV chargers.</p> <p>As TD will follow up the recommendation on an on-going basis, we suggest deleting this part from the next progress report.</p>
Para. 111 (Page 61, 2nd bullet, item (c)) of the PAC Report	PAC notes that EMSD has taken forward the installation of Bay Guidance System at TD's car parks. It will complete the tender for the system by early 2020 and commence the installation works at TD's car parks in mid-2020 with a view to fully completing the project by early 2021.	EMSD is taking forward the project, which is expected to be completed in the first quarter of 2022.

Para. No.	Audit's/PAC's Recommendations	Progress to Date
<b><i>Implementation of automated parking systems</i></b>		
Para. 5.23 of the Audit Report	Audit has recommended that the Commissioner for Transport should step up efforts in implementing automated parking systems (APSs) in government car parks based on the recommendations of the related pilot study.	
Para. 110 (Page 52, 1st bullet, item (a)) of the PAC Report	PAC strongly urges TD to closely monitor the progress of the pilot study on APSs and step up efforts in implementing APSs in government car parks based on the recommendations of the pilot study.	TD has identified four sites for launching APS pilot projects so far, including an STT site at Hoi Shing Road in Tsuen Wan, a public open space site at the junction of Yen Chow Street and Tung Chau Street in Sham Shui Po, and two proposed government building sites at Chung Kong Road in Sheung Wan and Sheung Mau Street in Chai Wan respectively. It is expected that the APS at the Tsuen Wan pilot project will be put into service in the fourth quarter of 2021. For the one in Sham Shui Po, it is expected that the Government will seek planning permission from the Town Planning Board within 2021, and then submit funding application for the project to the Legislative Council (LegCo) in due course. We plan to commence the proposed works upon obtaining funding approval from the Finance Committee (FC) for completion in around four years. For the proposed pilot projects in Sheung Wan and Chai Wan, TD is conducting feasibility assessments and will consult the relevant District Councils. TD is also exploring other suitable sites, including an STT site at Pak Shek Kok in Tai Po, for APS installation.

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**Consumer protection against unfair trade practices,  
unsafe goods, and short weights and measures  
Progress in implementing the Audit's Recommendations**

<b>Para. No.</b>	<b>Audit's Recommendations</b>	<b>Progress to Date</b>
4.24(a)	Audit has recommended that the Consumer Council should enhance the analytical capability of the Complaints Case Management System to facilitate the identification of serious and repeated cases of undesirable trade practices for taking follow-up actions	<p>The Consumer Council has started to implement the project to enhance its Complaints Case Management System. The enhancement seeks to improve the analytical and reporting capabilities of the system for more effective case management, as well as to strengthen its capability to issue system reminders and alerts on traders and complaint trends that warrant special attention, so that the Council can issue timely and appropriate warnings to the public more proactively when necessary. The project is expected to complete by mid-2022.</p> <p>As implementation of the recommendation has commenced, we recommend that this part be deleted from the next progress report.</p>

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**Monitoring of charitable fund-raising activities**  
**Progress on follow-up actions of the recommendations of the Audit and the PAC**

<b>Para. No.</b>	<b>Audit's/PAC's Recommendations</b>	<b>Progress to Date</b>
<b>Part 6: The Way Forward</b>		
<p>Para. 6.11 of the Audit Report</p>	<p>Audit has recommended that Secretary for Home Affairs (SHA) should –</p> <ul style="list-style-type: none"> <li>(a) expedite the consultation with relevant B/Ds with a view to formulating a response to all the recommendations of the Law Reform Commission (LRC) Report; and</li> <li>(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.</li> </ul>	<p>HAB co-ordinates inputs from relevant B/Ds in formulating a response to LRC's recommendations for the Government's overall consideration.</p> <p>The Government has introduced and implemented a series of administrative measures relating to charitable fund-raising activities in phases since August 2018 with reference to the recommendations in the LRC Report, the Audit Report and the PAC Report, to optimise the relevant monitoring work.</p>
<p>Page 42 of the PAC Report No.68</p>	<p>PAC urged Home Affairs Bureau (HAB) to –</p> <ul style="list-style-type: none"> <li>(a) expedite the consultation with relevant B/Ds with a view to formulating a substantive response to all recommendations in the LRC Report; and</li> <li>(b) take into account the areas for improvement identified in the PAC Report and the Audit Report in co-ordinating inputs</li> </ul>	

<b>Para. No.</b>	<b>Audit's/PAC's Recommendations</b>	<b>Progress to Date</b>
	from relevant B/Ds for formulating a substantive response to the LRC's recommendations with a concrete timetable for action.	

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

<b>Para. No.</b>	<b>Audit's Recommendations</b>	<b>Progress to Date</b>
<b>Part 2: Monitoring of Squatter and Licensed Structures</b>		
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>(a) and (e)</p> <p>The inspection of all SS structures along the concerned seafront in Kowloon currently occupied for commercial purposes have been completed. LandsD is drawing up a pilot scheme for regularisation by way of short term tenancies and/or short term waivers in consultation with Development Bureau (DEVB) and will seek the views of relevant B/Ds when ready. The proposal aims to regularise justified cases through reasonable arrangements, having regard to the overall enforcement priorities under the squatter control policy, difficulties encountered by the occupants and local sentiments, as well as any special policy considerations relevant to businesses operating in that particular area.</p>
<b>Part 3: Rates, Government Rent and Licence Fees on Squatter and Licensed Structures</b>		
3.25	<p>Audit has recommended that the Director of Lands should –</p> <p>(a) expedite actions on conducting a review of the Government Land Licence (GLL) fee levels.</p>	<p>With a view to identifying obsolete fee items and considering the appropriate arrangements for other fee items of GLL, LandsD is conducting an overall review of the charging mechanism for GLLs, taking into account the various uses covered by some 15 000 GLLs and their history, as well as the views of relevant B/Ds which issued some of these GLLs.</p>

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

<b>Para. No.</b>	<b>Audit's/PAC's Recommendations</b>	<b>Progress to Date</b>
<b>Part 2: Administration of tax exemption of charities and tax-deductible donations</b>		
Page 71 of the PAC Report No. 68A	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.	HAB has been tasked to co-ordinate inputs from relevant B/Ds for formulating a response to the LRC Report. HAB has been actively following up the co-ordination work and would make reference to the recommendations set out in the Audit Report and the PAC Reports.
<b>Part 5: Regulation of Chinese temples</b>		
Para. 5.15 of the Audit Report	<p>Audit has recommended that the SHA, 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 of the Audit Report), 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</p>	<p>In respect of the renewal of the expired delegation agreement of the remaining one delegated temple, the CTC Secretariat has discussed with the new Chairman of the delegated organisation on re-entering into a new delegation agreement. As the follow-up action on the recommendation will continue to be implemented on an on-going basis, we recommend that this part should be deleted from the next progress report.</p>
<b>Part 6: Way Forward</b>		
Para. 6.6 of the Audit Report	Audit has recommended that the SHA should take into account the areas for improvement identified in the Audit Report (see para. 6.4 of the Audit Report) in coordinating inputs from relevant B/Ds for formulating a response to the LRC's recommendations for the Government's consideration.	<p>HAB is responsible for co-ordinating inputs from relevant B/Ds for formulating a response to LRC's recommendations for the Government's overall consideration.</p> <p>A series of administrative measures relating to charitable fund-raising activities has been introduced and</p>

<b>Para. No.</b>	<b>Audit's/PAC's Recommendations</b>	<b>Progress to Date</b>
Page 69 of the PAC Report	<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>implemented by the Government in phases since August 2018 with reference to the recommendations as set out in the LRC Report, the Audit Report and the PAC Report, with a view to optimising the monitoring and supportive work relating to charitable fund-raising activities.</p>

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

<b>Para. No.</b>	<b>Audit's Recommendations</b>	<b>Progress to Date</b>
<b>Part 4: Reprovisioning of Private and Public Fresh Food Wholesale Markets</b>		
<i>Public fresh food wholesale markets on temporary sites</i>		
4.47	<p>Audit has recommended that the Director of Agriculture, Fisheries and Conservation (DAFC) should –</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.</p>	<p>Having thoroughly considered the findings and recommendations of the consultancy 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. The study is expected to be completed by 2021.</p> <p>Depending on the study results and other considerations, Food and Health Bureau/Agriculture, Fisheries and Conservation Department (AFCD) will consult the relevant stakeholders and consider the way forward.</p>

Para. No.	Audit's Recommendations	Progress to Date
<b>Part 5: Way Forward</b>		
5.11	<p>Audit has recommended that the Secretary for Food and Health and the DAFC should –</p> <p>(b) take measures to help the Fish Marketing Organization (FMO) and the Vegetable Marketing Organization (VMO) and the AFCD perform their roles and functions effectively and efficiently, including –</p> <p>(i) updating the legal framework under which the FMO and the VMO operate and taking effective law enforcement actions; and</p> <p>(ii) regularising, where necessary, new activities required to be performed by the FMO and the VMO.</p>	<p>The review on the roles and functions of the FMO and the VMO has been completed. We will engage the stakeholders at an appropriate time and formulate the implementation plan in taking forward the recommendations. 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>

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**Hong Kong Academy for Performing Arts**  
**Progress on follow-up actions of 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	<p>Audit has recommended that SHA should –</p> <p>(a) in consultation with the Secretary for Education (SED), 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</p> <p>(b) in consultation with SED, pursue further with HKAPA on setting a tuition fee level for non-local students to recover all additional direct costs.</p>	<p>HKAPA has established a mechanism to review the tuition fee level for non-local students by taking into account the Government’s policy that non-local students should be charged at a level which is at least sufficient to recover all additional direct costs. To achieve consistency, an activity-based cost analysis has been adopted by HKAPA to review the annual tuition fee level for non-local students since the academic year 2017/18.</p> <p>The review result conducted for the academic year 2021/22 is available. Taking a holistic account of the relevant factors, including the global economic situation and the continual impact of the pandemic, HKAPA has decided to increase the tuition fee level for 2021/22 by 1.9% as compared with the 2020/21 level for degree and sub-degree programmes as follows –</p> <table><tr><td></td><td>2020/21</td><td>2021/22</td></tr><tr><td>Degree Programmes</td><td>\$52,000 p.a.</td><td>\$53,000 p.a.</td></tr><tr><td>Sub-degree Programmes</td><td>\$39,000 p.a.</td><td>\$39,750 p.a.</td></tr></table> <p>HKAPA aims to achieve full recovery of the additional direct costs in the academic year 2022/23.</p> <p>In 2020/21, the number of non-local students admitted comprised about 10% of the total student number. HKAPA will continue to review the</p>		2020/21	2021/22	Degree Programmes	\$52,000 p.a.	\$53,000 p.a.	Sub-degree Programmes	\$39,000 p.a.	\$39,750 p.a.
	2020/21	2021/22										
Degree Programmes	\$52,000 p.a.	\$53,000 p.a.										
Sub-degree Programmes	\$39,000 p.a.	\$39,750 p.a.										

Para. No.	Issues examined	Audit's Recommendations	Progress to Date																
			present admission policy of non-local students. Relevant factors including the need to sustain a satisfactory mix of international and local students will be duly considered.																
2.38	Student unit cost	Audit has recommended that HKAPA and SHA should closely monitor the student unit cost and take effective measures to contain the increasing trend, making reference to student unit costs of UGC-funded institutions.	<p>The student unit cost of HKAPA is calculated by the following formula –</p> $\text{Student unit cost of HKAPA} = \frac{\text{Government recurrent subvention}}{\text{Number of full-time equivalent students of all the subvented programmes}}$ <p>The student unit cost of HKAPA in the recent and coming academic years is tabulated below –</p> <table> <tr> <th></th><th>Number of full-time equivalent students</th><th>Unit cost per full-time equivalent student</th><th>Change (for student unit cost)</th></tr> <tr> <td>2019/20</td><td>949</td><td>\$380,159</td><td>+7.4%</td></tr> <tr> <td>2020/21 (Revised estimate)</td><td>1 071</td><td>\$343,571</td><td>-9.6%</td></tr> <tr> <td>2021/22 (Estimate)</td><td>1 023</td><td>\$359,692</td><td>+4.7%</td></tr> </table> <p>The Coronavirus Disease 2019 (COVID-19) pandemic has affected teaching and learning, necessitating extension of studies for some disciplines. The decrease in unit cost per full-time equivalent student in 2020/21 is mainly due to the extension of studies of graduating students from 2019/20 to 2020/21, thereby increasing the number of full-time equivalent students in 2020/21.</p>		Number of full-time equivalent students	Unit cost per full-time equivalent student	Change (for student unit cost)	2019/20	949	\$380,159	+7.4%	2020/21 (Revised estimate)	1 071	\$343,571	-9.6%	2021/22 (Estimate)	1 023	\$359,692	+4.7%
	Number of full-time equivalent students	Unit cost per full-time equivalent student	Change (for student unit cost)																
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Para. No.	Issues examined	Audit's Recommendations	Progress to Date
			<p>As the enrolment figures would have a direct impact on student unit cost, HKAPA has implemented different measures with a view to increasing the number of full-time students. Measures already in place include –</p> <p>(a) the launch of a new one-year Diploma in Foundation Studies since 2019/20, which has provided an alternative entry pathway to degree programmes for local applicants. In 2020/21, out of the 218 first-year undergraduate intakes, 29 (or 13.3%) of them are the first cohort of graduates of the Diploma in Foundation Studies;</p> <p>(b) the launch of the Principals' Recommendation Scheme in 2019 to encourage more qualified local students to apply for admission to HKAPA upon their completion of secondary school education; and</p> <p>(c) the implementation of the online application system (the System) by phases. Phase 1 came into operation in September 2019 while Phase two development has been completed for processing student admissions in 2021/22. Functions in relation to the System are summarised as follows –</p> <ul style="list-style-type: none"> <li>• Phase 1 of the System accepts electronic applications and serves as an online platform to collect and update student application data/status to facilitate online checking of applicants' eligibility for</li> </ul>

Para. No.	Issues examined	Audit's Recommendations	Progress to Date
			<p>initial screening. The System provides periodic updates of the application status, applications in progress, etc. to facilitate HKAPA's proactive follow-up with each of the applicants. The system also facilitates HKAPA's consideration of the applications' eligibility online for initial screening. This is particularly important during the COVID-19 pandemic when face-to-face auditions and interviews have to be deferred under the social distancing measures; and</p> <ul style="list-style-type: none"> <li>• Phase 2 of the system development enables HKAPA to conduct online audition/interview; to make admission offers to applicants; and to process students' registration. HKAPA plans to review and enhance the user interface of Phase 2 application for possible integration with its existing systems. This allows more useful management information reports and statistics be retrieved to facilitate decision making in respect of student admission.</li> </ul> <p>HAB and HKAPA will continue to monitor the student unit cost of HKAPA.</p>

Para. No.	Issues examined	Audit's Recommendations	Progress to Date
<b>Part 3: Governance and Government Monitoring</b>			
3.40	Government monitoring	<p>Audit has recommended that SHA should –</p> <p>(a) update the Memorandum of Administrative Arrangements (MAA) with the Government's prevailing subvention guidelines.</p>	<p>To further improve the content of the audited financial report for fulfilling the recommendations of Audit in respect of the compliance of subvention requirements, HKAPA engaged an auditor to provide a reasonable assurance on Government Reserve Fund Account (which records income and expenditure of subvented activities) in the financial year ending 30 June 2020 for the purpose of forming an opinion as to whether the accounts have been prepared, in all material respects, in accordance with the requirements of the Government and terms and conditions of the subvention as specified in the relevant subvention guidelines. HAB will continue to discuss with HKAPA to enrich the content and/or fine-tune its presentation of the audited financial statements.</p> <p>As regards Audit's recommendation on the updating of the MAA, HAB will, in liaison with and on agreement with HKAPA, consider the incorporation of suitable clause(s), including clauses on Government Reserve and submission of audited account, that are in line with the prevailing subvention guidelines.</p>

Para. No.	Issues examined	Audit's Recommendations	Progress to Date
<b>Part 5: Campus Improvement and Expansion</b>			
5.16	Wanchai Campus expansion project	<p>Audit has recommended that HKAPA should –</p> <ul style="list-style-type: none"> <li>(a) endeavour to complete the on-campus expansion (OCE) project within budget by December 2017;</li> <li>(b) for future government-subsvented capital works projects, implement the project in strict accordance with the scope of the project as approved by the 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</li> <li>(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.</li> </ul>	<p>HKAPA moved into the new Annex of the Wan Chai campus in September 2019.</p> <p>The final account of the main construction works has been agreed upon by ArchSD. HAB has reminded HKAPA of early submission of consultancy fees and employment of resident site staff cost claims under the OCE project for ArchSD's vetting with a view to completing the final account of the project by August 2021.</p>
5.17	Wanchai Campus expansion project (cont'd)	<p>Audit has recommended that SHA should –</p> <ul style="list-style-type: none"> <li>(a) monitor closely the progress of the OCE project to ensure that HKAPA completes it within budget by December 2017;</li> <li>(b) in performing the role of vote controller of subsvented capital works projects, provide timely guidance to subsvented organisations to remind</li> </ul>	<p>For progress of the OCE project, please refer to the progress in response to Audit Report para. 5.16 above.</p> <p>HKAPA has been reminded of the need to follow the relevant guidelines in implementing subsvented projects and keep them up-to-date. Recently, it has reviewed its internal guidelines on contract administration as applicable to capital works projects. Proper authority and procedures are clearly set out for compliance.</p>

<b>Para. No.</b>	<b>Issues examined</b>	<b>Audit's Recommendations</b>	<b>Progress to Date</b>
		<p>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>In March 2016, HAB reported to Panel on Home Affairs of the LegCo the progress of the OCE project; and provided a detailed account of the delay and reduction in project scope.</p>

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

<b>Para. No.</b>	<b>PAC's Recommendations</b>	<b>Progress to Date</b>
Para. 27 of the PAC Report Part 5	<p>PAC was informed that –</p> <p>according to the Hong Kong Housing Authority (HKHA)'s Public Housing Construction Programme as at September 2020, the estimated total public housing production of HKHA and the Hong Kong Housing Society (HKHS) in the five-year period from 2020-2021 to 2024-2025 would be 101 300 units. As announced in the Chief Executive's 2020 Policy Address, based on the Long Term Housing Strategy (LTHS) Annual Progress Report 2020 published by THB, the Administration had identified all the land required for providing 316 000 public housing units to meet the demand for about 301 000 public housing units in the coming ten years (i.e. 2021-2022 to 2030-2031). The Administration had submitted the LTHS Annual Progress Report 2020 and Public Housing Construction Program 2020-2021 to 2024-2025 to the LegCo Panel on Housing at its meeting held on 14 January 2021.</p>	<p>According to the latest long term housing demand projection under the LTHS, the Government has adopted 430 000 units as the total housing supply target for the ten-year period from 2021-22 to 2030-31. According to a 70 30 public/private split of new housing supply, the public housing target for the above ten-year period is 301 000 units (comprising 210 000 public rental housing (PRH)/Green Form Subsidised Home Ownership Scheme (GSH) units and 91 000 other subsidised sale flats).</p> <p>As at December 2020, the estimated total public housing production by HKHA and HKHS in the five-year period from 2020-21 to 2024-25 is about 101 400 flats, comprising about 70 500 PRH/GSH units and about 30 900 other subsidised sale flats.</p> <p>The Government has been making public at regular intervals –</p> <ul style="list-style-type: none"> <li>(i) the housing supply target and the progress of public housing construction, which includes announcing the rolling ten-year housing supply target and the progress of land supply preparation in the LTHS Annual Progress Report; and</li> <li>(ii) the estimated production number of public housing in the next five years on the website of THB and LegCo submission.</li> </ul>

<b>Para. No.</b>	<b>PAC's Recommendations</b>	<b>Progress to Date</b>
		As the above work will be carried out on an on-going basis, we recommend deleting this part from the next progress report.

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

<b>Para. No.</b>	<b>Audit's Recommendations</b>	<b>Progress to Date</b>
	<p>Audit has recommended that the Secretary for Development, the Secretary for the Environment (SEN) 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) continues 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 STTs for use by the skip 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 or imminent danger to the public, thereby enhancing enforcement efficiency and deterrent effect.</p> <p>Since 2017, 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. Despite the COVID-19 pandemic, the JWG conducted 11 joint enforcement operations in 2020 to step up enforcement and deterrence. The malpractice of indiscriminate placement of skips at the above spots has been improved considerably. The JWG will continue to closely monitor the situation and conduct more joint enforcement operations at the above black spots as necessary.</p>

Para. No.	Audit's Recommendations	Progress to Date
		<p>As regards enhancing the management and facilitation of skip operations, the JWG is progressively implementing the recommendations of a previous study to establish the voluntary skips management system, under which the “Certification Scheme for Skips”, “Registration Scheme for Skip Operators” (Registration Scheme) and “Charter for Skip Users” (Charter Scheme) will be rolled out to facilitate the trade’s compliance with the relevant regulations and guidelines of the Government.</p> <p>The JWG will provide the trade with financial assistance in this financial year for retrofitting about 300 in-use roadside skips, which are used for collecting construction waste at roadsides, to meet the requirements of road safety and environmental protection, with a view to increasing the number of certified roadside skips in the market. The Government will continue to subsidise the trade to retrofit roadside skips, and the certification of all roadside skips is expected to be completed within the 2022-23 financial year. As for the Registration Scheme and Charter Scheme, the Government plans to roll them out progressively in the first quarter of 2022 according to the amount of certified skips in the market.</p> <p>The JWG will continue to explore options for enhancing the standards of skip operations. Taking into account the progress of and the experience gained in implementing the voluntary management system, the JWG will consider whether there is a need to introduce a new regulatory system in the long run.</p>

<b>Para. No.</b>	<b>Audit's Recommendations</b>	<b>Progress to Date</b>
		As the recommendations have been implemented and follow-up works will be carried out on an on-going basis, we recommend deleting this part from the next progress report.

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

<b>Para. No.</b>	<b>Audit's Recommendations</b>	<b>Progress to Date</b>
<b>Part 2: Administration of Licensing Requirements</b>		
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>(ii) aligning the validity periods of PSLCs and related Passenger Service Licences (PSLs).</p>	<p>TD is considering the implementation of the proposal of aligning the validity periods of PSLCs and related PSLs, and plans to consult relevant stakeholders in the second half of 2021. Taking into account the consultation outcome, we will proceed to work on the legislative necessary amendments.</p>
<b>Part 3: Regulatory Controls over Unauthorised Operations</b>		
3.35	<p>Audit has recommended that the Commissioner for Transport should strengthen enforcement actions against unauthorised non-franchised bus operations. In particular, the Commissioner for Transport should –</p> <p><b><i>Enforcement actions against unauthorised operations</i></b></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</p>	<p>TD has completed the review and plans to consult relevant stakeholders in the second half of 2021 on the measures to prevent PSL holders from avoiding sanctions. Taking into account the</p>

<b>Para. No.</b>	<b>Audit's Recommendations</b>	<b>Progress to Date</b>
	holder can avoid sanctions by transfer of ownership of vehicles.	consultation outcome, we will proceed to work on the necessary legislative amendments.

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**Operation of the Land Registry**  
**Progress in Implementing Audit's Recommendations**

<b>Para. No.</b>	<b>Audit's Recommendations</b>	<b>Progress to Date</b>
<b>Part 2: Provision of Services</b>		
2.38(b)	The Land Registrar should in collaboration with the Director of Home Affairs, explore the feasibility of computerising the owners' corporation records.	The project of computerisation of owners' corporation records is in progress and is targeted for completion in early 2022.
<b>Part 3: Implementation of Land Title Registration System</b>		
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.
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 has reached a consensus with key stakeholders on the issue of title certificates and is seeking consensus on the other major outstanding issues, including indemnity arrangements, verification of applications for registration and caution mechanism. We have been discussing these issues with the key stakeholders as well as the Land Titles Ordinance Review Committee and LTOSC through meetings and circulation of discussion papers.
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 Land Titles Ordinance Steering Committee (LTOSC) for consideration.	If things go as planned, the Government expects that consensus would be reached with the stakeholders on the main issues concerning the "new land first" proposal by the second quarter of 2021 and plans to consult the LTOSC on the proposed major amendments to the Land Titles Ordinance in the third quarter of 2021.

<b>Para. No.</b>	<b>Audit's Recommendations</b>	<b>Progress to Date</b>
		We will then refine the Land Titles (Amendment) Bill having regard to the comments of the LTOSC and work out a more concrete implementation timetable.

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

<b>Para. No.</b>	<b>Audit's Recommendations</b>	<b>Progress to Date</b>
<b>Part 2: Provision of Government-owned Office Accommodation</b>		
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 continue to consider “Government, Institution and Community” sites recommended by Planning Department (PlanD) in its site search for planning new JUBs, with a view to meeting additional office accommodation needs on a long-term basis. GPA is examining suitability of the sites recommended by PlanD and will continue to seek PlanD’s assistance to identify more sites for planning of new JUBs.</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 Director of Architectural Services (DArchS), 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) and the move-in of user B/Ds to WKGO were completed. Construction works for the Government Information Technology Building (GITB), the Inland Revenue Tower (IRT), the Treasury Building (TB), the Immigration Headquarters (ImmHQ) and the Tseung Kwan O Government Offices (TKO GO) have commenced. The GITB, IRT and TB are scheduled to be completed in 2022, while ImmHQ and TKO GO are expected to be completed in 2023 and 2025 respectively.</p>

Para. No.	Audit's Recommendations	Progress to Date
		<p>The Drainage Services Department Office Building (to be named as the Drainage Services Tower) project obtained funding approval from the LegCo FC on 11 December 2020. The construction works have commenced in January 2021 and are expected to be completed in 2025. The Water Supplies Department Headquarters with the Hong Kong and Islands Regional Office and the Correctional Services Department Headquarters Building (to be named as the Water Supplies Department Building and the Correctional Services Headquarters Building) project obtained funding approval from the FC on 16 December 2020. The construction works have commenced in February 2021 and are expected to be completed in 2024. The preparation of the remaining District Court project is in progress.</p> <p>It is the Government's target to complete the construction of all the replacement building projects under the WCGOC relocation exercise by 2026.</p> <p>The Financial Services and the Treasury Bureau 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>

Para. No.	Audit's Recommendations	Progress to Date
<b>Part 4: Utilisation of Government Sites</b>		
4.17	<p>Audit has recommended that the Government Property Administrator should –</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>GPA is keeping site particulars in GPIS up-to-date with reference to the relevant information from ArchSD's completed projects under the established mechanism. All system enhancements to the GPIS to perform more automatic cross-checking of various processes to prevent data omissions/discrepancies have also been put in place since July 2018 and the GPIS is running smoothly.</p> <p>As the recommendation has been implemented, we recommend deleting this part from the next progress report.</p>
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, 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. TD, together with CEDD is studying the aforementioned traffic impact assessment and relevant supplementary information to review the need for implementing the Kwai Chung Circumferential Road project.</p>

<b>Para. No.</b>	<b>Audit's Recommendations</b>	<b>Progress to Date</b>
		Meanwhile, the Government land at No. 5-7 Yip Shing Street, Kwai Chung (currently reserved for implementing the Kwai Chung Circumferential Road project) will be let to an NGO by way of direct grant under short term tenancy for the purpose of transitional housing for a proposed term of four years and nine months certain and thereafter quarterly.

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**Administration of lump sum grants by the Social Welfare Department**  
**Progress in implementing the Audit's Recommendations**

<b>Para. No.</b>	<b>Audit's Recommendations</b>	<b>Progress to Date</b>
<b>Part 2: Financial Monitoring</b>		
2.41	<p>Audit has recommended that the Director of Social Welfare (DSW) should –</p> <p>(a) request the three NGOs (i.e. NGOs I, J and K – see para. 2.39), which have not apportioned the head office overheads between Funding and Service Agreement (FSA) activities and non-FSA activities, to apportion such overheads; and</p>	<p>NGOs I, J and K have worked out an appropriate cost apportionment basis for head office overheads between FSA and non-FSA services, as agreed by the Social Welfare Department (SWD).</p> <p>Upon completion of the Review on Enhancement of Lump Sum Grant (LSG) Subvention System, SWD will draw up guidelines for NGOs on the use of LSG subvention, including the apportionment arrangement and basis for costs between FSA and non-FSA activities. As the recommendation has been implemented, we recommend that this part be deleted from the next progress report.</p>
	<p>(c) request the two NGOs that have anomalies in apportioning the overheads between FSA activities and non-FSA activities (i.e. NGOs H and G – see Cases 1 and 2 in para. 2.40) to review their bases of apportionment and properly apportion the costs.</p>	<p>NGO G has worked out a concrete calculation basis for apportioning the overheads between FSA and non-FSA activities, as agreed by SWD. 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
<b>Part 4: Monitoring of Service Delivery by Social Welfare Department</b>		
4.32	<p>Audit has recommended that DSW should –</p> <p>(a) determine whether the activities provided by Agreement Service Unit (ASU) J to children under six and retired men are FSA-related activities and instigate remedial action where necessary;</p>	<p>SWD has collaborated with ASU J to rectify the relevant statistics regarding the cross generation project involving retired men, which in fact was an FSA-related activity.</p> <p>The target participants of the programmes provided for children aged under six are not the target service users (aged six to 24) or affiliated family members of the Children and Youth Centre. As such, those programmes are not regarded as FSA-related activities. SWD has worked out an agreed cost apportionment method with ASU J and completed necessary follow-up action. As the recommendation has been implemented, we recommend that this part be deleted from the next progress report.</p>

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

<b>Para. No.</b>	<b>Audit's/PAC's Recommendations</b>	<b>Progress to Date</b>
<b>Part 2: Assessment of Food Safety Risks</b>		
Para. 2.12(a) of the Audit Report	Audit has recommended that the Director of Food and Environmental Hygiene (DFEH) 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.	CFS has been closely supervising the progress of the second FCS and the contractor's performance. The contractor has submitted the survey report to CFS. CFS plans to publish the survey results in June 2021 and report the details to the Panel on Food Safety and Environmental Hygiene of the LegCo afterwards.
Page 97 of the PAC Report	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.	As the recommendations have been implemented, we recommend deleting this part from the next progress report.

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

Para. No.	Audit's Recommendations	Progress to Date
<b>Part 4: Evaluation of Programmes and Other Administrative Issues</b>		
4.33	<u><i>Evaluation of Television (TV) Programmes</i></u>	<p>RTHK commissioned a survey institution in October 2020 to conduct the revised "TV Programme Appreciation Index and Audience Survey" (TVAI&amp;A), and the report was completed in February 2021. Based on the survey findings, RTHK has reported the appreciation index of RTHK TV 31, 32 and the average appreciation index for RTHK programmes in the 2021-22 Controlling Officer's Report (COR). RTHK will further study the survey findings and draw up the relevant plans.</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>Audit has recommended that the Director of Broadcasting (DB) should –</p> <p>(a) review the strategy for the coverage of programmes in TV Programme Appreciation Index Surveys;</p>	
	(b) strike a balance between the need to survey more programmes and the need to survey flagship programmes more frequently;	
	(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;	
	(e) take measures to address the issue of lower TV ratings of RTHK TV programmes broadcast on RTHK channels	

Para. No.	Audit's Recommendations	Progress to Date
	<p>than the ratings of the same programmes broadcast on a commercial channel;</p>	<p>both the Penetration Survey and TVAI&amp;A, and then conducted programme performance evaluations to review the programmes with low audience reach collected by TVAI&amp;A. RTHK will continue to conduct various kinds of publicity and programme promotion to enhance the penetration of its DTT channels and the popularity of RTHK TV programmes.</p> <p>Further, as from March 2020, commercial TV broadcasters are no longer required to broadcast RTHK programmes, the issue of different ratings of the same programmes broadcast on RTHK and commercial TV channels will not arise in the future.</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>(f) collect the cross-media TV ratings to obtain more comprehensive information on the viewership of RTHK's programmes;</p>	<p>RTHK has conducted a preliminary study of the key performance indicators (KPIs) of other public service broadcasters and planned to use the number of viewers and media browsing information of TV programmes as the basis to set targets/benchmarks in terms of programme quality and public awareness of different categories of programmes.</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>(g) consider developing viewership indicators for RTHK's TV channels and its programmes and reporting them in the COR; and</p> <p>(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.</p>	<p>The reports of the "RTHK TV Channel Penetration Survey" and the TVAI&amp;A were completed in February 2021. Based on the survey findings, RTHK has reported the appreciation index of RTHK TV 31, 32 and the average appreciation index for RTHK programmes in the 2021-22 COR. Besides, RTHK will base on the information collected during the surveys and other data (e.g. media browsing information) to set targets/benchmarks in terms of programme quality and public awareness of different categories of 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>
4.44	<p><u>Evaluation of Radio Programmes</u> Audit has recommended that the DB should –</p> <p>(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;</p>	<p>RTHK commissioned a survey institution in April 2020 to conduct the revised Radio Audience Survey, and the report was completed in September 2020. Based on the survey findings, RTHK has reported the share of total listening time per channel and the appreciation index per channel in respect of RTHK's radio service in the COR from 2021-22 onwards.</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>Para. No.</b>	<b>Audit's Recommendations</b>	<b>Progress to Date</b>
	(b) take measures to improve the appreciation index and awareness level of RTHK's radio channels;	
	(c) consider including the share of total listening time per channel as a performance indicator and report it in the COR;	
	(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	
	(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.	

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**Planning, provision and management of public toilets  
by the Food and Environmental Hygiene Department  
Progress of Implementing Recommendations of PAC and Audit**

Para. No.	Audit's/PAC's Recommendations	Progress to Date
<b>Part 2: Planning and Provision of Public Toilets</b>		
Para. 2.19 of the Audit Report	<p>Audit has recommended that DFEH should –</p> <p>(a) subject to the review in (b) below, in consultation with the DArchS, take measures to meet the male-to-female toilet compartment ratio as stated in Food and Environmental Hygiene Department (FEHD) guidelines as far as practicable; and</p> <p>(b) consider reviewing FEHD guidelines on provision of sanitary fitments (including urinals and compartments), taking into account up-to-date information on usage pattern of compartments and urinals, and male and female users of public toilets.</p>	<p>Where circumstances permit, FEHD will continue to work with ArchSD to provide male and female toilet fitments in the ratio required under the existing guidelines when the public toilets are refurbished.</p> <p>Based on the head count data on the number of users of FEHD public toilets collected between February 2019 and February 2020 by using the infrared sensor counting technology, FEHD has completed the assessment on the demand for and usage pattern of public toilets. FEHD is now reviewing the existing male-to-female compartment ratio. This review also includes whether sanitary fitments (including urinals and compartments) can be used as the basis of calculation, and is expected to be completed in Q3 2021.</p>
<b>Part 4: Management of Public Toilets</b>		
Para. 4.31(a) of the Audit Report	Audit has recommended that DFEH should review FEHD guidelines on the inspection frequency of public toilets converted from aqua privies.	FEHD completed the review in Q4 2020 on the guidelines on the inspection frequency of public toilets, including the minimum inspection frequency of those public toilets converted from aqua privies as well as the vetting and approval arrangements. To ensure the standard of public toilet services and in the light of Audit's recommendation, we have taken stock of the situation on the ground with a view to providing some form of guidelines and have conducted

Para. No.	Audit's/PAC's Recommendations	Progress to Date
		<p>a briefing to responsible officers in District Environmental Hygiene Offices in exercising the discretion to determine the inspection frequency for public toilet facilities in remote areas. The revised guidelines were implemented in January 2021.</p> <p>As the above measure has been implemented, we recommend deleting this part from the next progress report.</p>
Para. 4.31(l) of the Audit Report	Audit has recommended that DFEH should, if the trial result of visitor feedback system is satisfactory, implement the visitor feedback system promptly with a view to ascertaining and meeting the changing needs and expectations for public toilet services.	FEHD has put on trial the visitor feedback system at a public toilet since November 2019 to collect the rating in terms of the level of satisfaction on the overall cleanliness and maintenance of toilet facilities from toilet users. FEHD is developing a Smart Toilet System prototype to include the revamped visitor feedback system for trial at two public toilets to collect users' views on public toilet services in Q2 2021 and to evaluate the effectiveness. Furthermore, FEHD fully appreciates the importance of gathering public views for enhancing public toilet services and will continue to make use of different channels to engage various stakeholders to improve public toilet services such as organising design thinking workshops. Besides, FEHD aims to conduct face-to-face interview surveys at a suitable juncture when the COVID-19 situation permits.
Item (a) in para. 118 on Page 109 of the PAC Report	PAC has urged FEHD to proactively conduct surveys and use reliable methods/channels to collect public views on public toilets and data on the utilization of public toilets so as to map out the policies and planning for the provision of public toilets.	<p>As the above measures will be implemented on an on-going basis, we recommend deleting this part from the next progress report.</p>

<b>Para. No.</b>	<b>Audit's/PAC's Recommendations</b>	<b>Progress to Date</b>
Para. 4.42(b) of the Audit Report	Audit has recommended that DFEH should review the provision of toilet attendant services, having regard to the up-to-date utilisation rates of public toilets assessed with the use of technology and other relevant factors (e.g. hygiene condition).	FEHD completed the review in Q4 2020 on the basis for the provision of toilet attendants to public toilets with high usage rates and implemented the revised guideline in January 2021.  As the above measure has been implemented, we recommend deleting this part from the next progress report.

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**Provision of consultancy, research and development and training services  
by the Hong Kong Productivity Council  
Progress in implementing the PAC's Recommendations**

Para. No.	PAC's Recommendations	Progress to Date
<b>Way Forward of Hong Kong Productivity Council</b>		
Page 161 of the PAC Report No. 73	<p>PAC urges the Innovation and Technology Bureau (ITB) and Innovation and Technology Commission (ITC) to –</p> <p>(a) regularly keep in view the mode of operation, future business direction and subvention mode of Hong Kong Productivity Council (HKPC) having regard to the changing economic development of Hong Kong.</p>	<p>In consultation with its Standing Committees and ITC, HKPC has reviewed its mode of operation, future business direction and subvention mode, and held around 80 meetings during October to December 2020 with over 100 entities, including trade and industry associations, major clients, government departments, NGOs, partner organisations and start-ups across a wide spectrum of industry sectors to collect relevant views from the industry and stake-holders.</p> <p>Based on the industry's views on its mode of operation and future business direction, HKPC has updated its vision, mission and values as well as formulated a new business strategic framework to meet the industry's needs. The relevant measures have been implemented since 1 April 2021. In respect of the subvention mode, given the good operational performance under the existing subvention mode, and that HKPC's current healthy financial position has enabled it to provide affordable services to small and medium enterprises, HKPC considers that the existing Government subvention mode should be maintained at this stage. ITB and ITC agree with HKPC's views.</p> <p>As the recommendation has been followed up, we recommend deleting this part from the next progress report.</p>

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**Governance and administrative issues of the Hong Kong Productivity Council  
Progress in implementing the Audit's Recommendations**

<b>Para. No.</b>	<b>Audit's Recommendations</b>	<b>Progress to Date</b>
<b>Part 3: Human Resource Management</b>		
3.16	<p>Audit has recommended that Executive Director, HKPC should –</p> <p>(a) set shortlisting criteria for selecting candidates for interview.</p>	<p>Since 15 November 2019, divisions of HKPC are required to fill in a designated form “Shortlisting for Interview” to set out the shortlisting criteria for selecting candidates for interview. At the eight special meetings on recruitment procedures the HKPC management held with staff between 29 November and 5 December 2019, all HKPC staff were reminded to follow the requirement of setting out shortlisting criteria in writing for selecting candidates for interview. These are on-going measures and have been reflected in the Government Minute of May 2020.</p> <p>In addition, the Independent Commission Against Corruption (ICAC) commenced a review on HKPC's staff administration, including the revised recruitment policy, in April 2021 upon the invitation from HKPC. HKPC will regularly invite ICAC to review HKPC's staff administration policy as and when necessary.</p> <p>As the recommendation has been implemented in full and will continue to be implemented, we recommend deleting this part from the next progress report.</p>

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**Control of wild and stray animal nuisances**  
**Progress of implementing Audit's Recommendations**

<b>Para. No.</b>	<b>Audit's Recommendations</b>	<b>Progress to Date</b>
<b>Part 2: Control of wild animal nuisances</b>		
2.45	<p>Audit has recommended that the DAFC should –</p> <p>(a) review the sterilisation targets under the monkey contraceptive programme and reconsider the need for specifying a target range/optimum number of monkeys to be sterilised; and</p> <p>(b) consider setting suitable performance indicators under the monkey contraceptive programme with a view to better measuring the contractor's performance.</p>	<p>(a) and (b)</p> <p>The AFCD is planning to launch a monkey population viability analysis in the second half of 2021 to devise suitable indicators for the monkey contraceptive programme for better assessment of the contractor's performance.</p>
2.52	<p>Audit has recommended that the DAFC should keep in view the need to extend Feeding Ban Area under the Wild Animals Protection Ordinance to cover nuisance blackspots for wild pigs, taking into account the need for better addressing wild pig nuisances over the territory.</p>	<p>Due to the pandemic, the AFCD is unable to arrange overseas experts from the Wild Pig Management Advisory Group (Advisory Group) to conduct site visits in Hong Kong to study the feasibility of extending the feeding ban areas. The AFCD plans to initiate the discussion on the relevant subject with experts of the Advisory Group through online platform in the second quarter of 2021. The Department will then consider the experts' views and recommendations on the extension of feeding ban areas in detail.</p>

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**Special education**  
**Progress in Implementing the Audit's Recommendations**

<b>Para. No.</b>	<b>Audit's Recommendations</b>	<b>Progress to Date</b>
<b>Part 3: Staffing of Special Schools</b>		
3.14(a)	Audit has recommended that the SED should take measures to address the difficulties faced by special schools in filling occupational therapist and physiotherapist posts.	<p>Starting from the 2021/22 school year, the Education Bureau (EDB) will upgrade the ranks of occupational therapists and physiotherapists of aided special schools to strengthen the support of professional staff in special schools and provide students with better service. It will also enable special schools to make more attractive job offers for recruiting occupational therapists and physiotherapists so as to ease their recruitment difficulties.</p> <p>As the follow-up work on the recommendation will be implemented in the 2021/22 school year, we suggest that this part be deleted from the next progress report.</p>
3.14(b)	Audit has recommended that SED should monitor the vacancy situation of non-specialist staff in special schools and take measures to reduce the vacancy rate where necessary.	<p>Starting from the 2021/22 school year, EDB will allow aided special schools with vacancies in the posts of teacher assistant, cook, school bus driver and watchman to opt for cash grants in order to recruit corresponding temporary auxiliary staff. It will allow more flexibility for schools to ease their recruitment difficulties.</p> <p>As the follow-up work on the recommendation will be implemented in the 2021/22 school year, we suggest that this part be deleted from the next progress report.</p>

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**Judiciary Administration's work in implementing projects  
under Information Technology Strategy Plan  
Progress in implementing Audit's Recommendations**

<b>Para. No.</b>	<b>Audit's Recommendations</b>	<b>Progress to Date</b>
<b>Part 4: Other related issues</b>		
4.13(e)	Consider the need to review the use of online evaluation questionnaires on voluntary mediation	<p>The review on the use of the online evaluation questionnaires on voluntary mediation was completed in end 2020. The questionnaires were removed in January 2021 because of the low response rates and availability of alternative means of gathering information about voluntary mediation.</p> <p>Since action has been completed, we propose removing this part from the next progress report.</p>
4.24(a)	Take measures to ensure that enhanced/up-to-date audio-visual presentation systems (AVPS) and required display facilities for viewing e-bundles are provided in courtrooms to support court proceedings	<p>Arrangements for upgrading of AVPS facilities in the District Court by phases are progressing as planned. It is targeted that the whole upgrade exercise will be completed in 2021.</p> <p>Since follow-up actions are being taken and will proceed by phases as planned, we propose removing this part from the next progress report.</p>

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**Acquisition and management of collection items in public museums**  
**Progress in implementing Audit's Recommendations**

Para. No.	Audit's Recommendations	Progress to Date
<b>Part 2: Acquisition and Accession of Museum Collection Items</b>		
<i>Acquisition of museum collection items</i>		
2.12	<p>Audit has recommended that the DLCS should –</p> <p>(a) take measures to ensure that Museum Expert Advisers (MEAs) are timely appointed for each term and consider laying down guidelines and setting a timetable for the MEA appointment process;</p> <p>(b) explore effective means to increase the number of MEAs to ensure that at least five MEAs are maintained in each panel as far as practicable;</p>	<p>LCSD has prepared the guidelines and set a timetable for the MEA appointment process, aiming to issue invitation letters to nominated MEAs at least four weeks before the beginning of the next term (April 2022), and to update the list of newly appointed MEAs in a timely manner. If experts in the specialised areas are available, LCSD will continue to make efforts in achieving a desirable size of at least five MEAs in each MEA panel.</p> <p>As the follow-up actions of the recommendation will be carried out on an on-going basis, we recommend deleting this part from the next progress report.</p>
	<p>(c) make greater efforts to identify storage spaces for donated items, sign deeds of donation and collect donated items from donors promptly in future as far as practicable; and</p>	<p>LCSD has always been making and will continue to make efforts in identifying storage spaces. LCSD has also completed drawing up the guidelines, including those for enhancing the checking of the progress of all donation offers on a monthly basis and for sending donation deeds to donors for signature within one month upon working out the necessary logistical arrangement.</p> <p>As the follow-up actions of the recommendation will be carried out on an on-going basis, we recommend deleting this part from the next progress report.</p>

Para. No.	Audit's Recommendations	Progress to Date
	(d) review whether the performance target of an incremental increase of about 2% of new acquisition is an appropriate performance measure.	LCSD is reviewing whether the existing performance target of new acquisition every year is an appropriate performance measure. The review will be completed this year.
<b><i>Accession of museum collection items</i></b>		
2.28	<p>Audit has recommended that DLCS should –</p> <p>(a) for the Hong Kong Museum of History (Museum of History) –</p> <p>(i) continue to make efforts to ensure timely completion of accession of collection items;</p>	<p>The Museum of History has reviewed and put in place a series of measures, including streamlining the accessioning procedure (such as simplifying the workflow and information required for accession), engaging additional manpower, reporting accessioning progress on a monthly basis and setting reminder in the centralised collection management system, to closely monitor and expedite the accessioning of collection items. The Museum of History has also updated the relevant parts of its operation manual. With the new workflow, it is estimated that the time required for completing accessioning will be reduced by about one-third. The Museum of History expects that the accessioning of the 13 346 items mentioned in the Audit Report will be completed in the coming two years.</p> <p>In addition, the Museum of History has also set a target of accessioning new collections acquired from 2020-21 onwards in one to two years.</p>

Para. No.	Audit's Recommendations	Progress to Date
	(ii) complete accession of items with unknown source acquired in the 1980s as soon as practicable; and	The Museum of History is in the process of accessioning the items with an unknown source acquired in the 1980s. It is expected to be completed this year.
	(iii) for the items pending final checking and recording but being presented in permanent exhibitions, take measures to ensure that they are suitably recorded before dismantling so that they would not be mixed up with other decoration materials, and complete accession of them as soon as practicable after the items are dismantled; and	The permanent exhibition of the Museum of History has been closed. Accessioning of the items concerned is in progress and is expected to be completed this year.
	(b) for the Hong Kong Heritage Museum (Heritage Museum) and the Hong Kong Film Archive (Archive), critically review the accession processes and closely monitor the progress of each process with a view to completing the accession of collection items in a timely manner.	<p>The Heritage Museum has reviewed and put in place a series of measures, including streamlining the accessioning procedure (such as simplifying the workflow and information required for accession), engaging additional manpower, reporting accessioning progress on a monthly basis and setting reminder in the computerised collection management system, to closely monitor and expedite the accessioning of collection items. The Heritage Museum has updated the relevant parts of its operation manual, and expects that the accessioning of the 24 314 items mentioned in the Audit Report will be completed in the coming two years.</p> <p>In addition, the Heritage Museum has also set a target of accessioning new collections acquired from 2021-22 onwards in one to two years.</p>

Para. No.	Audit's Recommendations	Progress to Date
		<p>The Archive has reviewed and put in place a series of measures, including streamlining the accessioning procedure, engaging additional manpower, enhancing the computerised collection management system, securing more workspace and equipment, drawing up a work schedule and a regular reporting mechanism, with a view to closely monitoring the effectiveness of the measures and completing the accessioning of collection items in a timely manner. The Archive has updated the relevant parts of its operation manual. With the new workflow, it is estimated that the time required for completing accessioning will be reduced by more than one-third. Also taking into account the additional manpower engaged, the Archive expects that the accessioning of the 693 819 items mentioned in the Audit Report will be completed in the coming seven to eight years. LCS D has critically reviewed the time required for completing the outstanding accessioning work, but considered that the proposed time cannot be shortened any further because other than manpower, additional professionally-equipped working space and specialised facilities will be required to process the objects.</p> <p>In addition, the Archive has also set a target of accessioning new collections acquired from 2021-22 onwards in three to five years.</p>

Para. No.	Audit's Recommendations	Progress to Date
<b>Part 3: Stocktaking and Storage of Museum Collection Items</b>		
<i>Stocktaking of museum collection items</i>		
3.14	<p>Audit has recommended that DLCS should –</p> <p>(a) review the progress of regular stocktaking of collection items in the Museum of History to ascertain whether it is practicable to complete the stocktaking within the ten-year cycle ending in March 2021, and draw up a backup plan if necessary;</p>	<p>The Museum of History has reviewed and streamlined the regular stocktaking process, and has engaged and allocated additional manpower to expedite the stocktaking process. The stocktaking exercise of the remaining collection items is expected to be completed in 2022.</p>
	<p>(b) for the Archive –</p> <p>(i) closely monitor the progress of regular stocktaking of film items and film-related items, and take measures to ensure that stocktaking is completed within the timeframe as stated in the operation manual in future;</p>	<p>The Archive has put in place a series of measures, including streamlining the stocktaking process, engaging additional manpower, securing more workspace and equipment as well as drawing up a work schedule and a regular reporting mechanism to ensure that stocktaking exercises are to be completed within the timeframe stated in the operation manual.</p> <p>As the follow-up actions of the recommendation will be carried out on an on-going basis, we recommend deleting this part from the next progress report.</p>
	<p>(ii) for film-related items, review the progress of regular stocktaking of the current cycle and draw up a timetable with a view to completing the stocktaking process within the cycle;</p>	<p>For the film-related items, the Archive has reviewed the progress of regular stocktaking of the current cycle. It has also drawn up a timetable and a regular reporting mechanism to ensure that the stocktaking exercises are to be completed within the cycle.</p>

Para. No.	Audit's Recommendations	Progress to Date
		<p>The Archive has outsourced part of the stocktaking exercise of the film-related items on a trial basis. The initial outcome is satisfactory. It is expected that the stocktaking cycle can be further shortened.</p> <p>Upon the implementation of a series of measures, the stocktaking exercise is expected to be completed within the stocktaking cycle stated in the operation manual, i.e. in 2026. If the outsourcing work continues to be satisfactory, the stocktaking exercise is expected to be completed ahead of the original cycle.</p>
	(iii) consider conducting regular stocktaking on film-related reference items;	<p>The Archive plans to start the annual stocktaking exercise of film-related reference items in September this year. Stocktaking procedure has already been drawn up and included in the operation manual of the Archive to ensure that the film-related reference items are properly kept.</p> <p>As the follow-up actions of the recommendation will be carried out on an on-going basis, we recommend deleting this part from the next progress report.</p>
	(iv) revise the operation manual to specify adequate number of collection items to be checked in surprise checking; and	<p>The Archive has reviewed and revised the operation manual to specify an adequate number of collection items to be included in the surprise checking starting from this year. In addition, the collection items handled by staff during daily operation will not be counted. The new requirement has been included in the operation manual of the Archive.</p>

Para. No.	Audit's Recommendations	Progress to Date
		<p>As the follow-up actions of the recommendation will be carried out on an on-going basis, we recommend deleting this part from the next progress report.</p>
	<p>(v) review the frequency of regular stocktaking for collection items with higher monetary or historical value; and</p>	<p>The Archive has reviewed and drawn up mechanism to conduct stocktaking exercises on collection items of higher monetary or historical value. The Archive has also started to evaluate value of the collection items in regular programme meetings, and the valuation will serve as a basis for setting stocktaking assessment standard. The new requirement has been included in the operation manual of the Archive.</p> <p>As the follow-up actions of the recommendation will be carried out on an on-going basis, we recommend deleting this part from the next progress report.</p>
	<p>(c) review the practices of regular stocktaking and surprise checking in other LCSD museums (i.e. other than the Museum of History and the Archive), look into any similar irregularities as identified in paras. 3.3 to 3.13, and take remedial measures as necessary.</p>	<p>LCSD has reviewed the practices of regular stocktaking and surprise checking in other LCSD museums, and found no irregularity similar to those mentioned in paras. 3.3 to 3.13 of the Audit Report.</p> <p>As the follow-up actions of the recommendation have been completed, we suggest deleting this part from the next progress report.</p>

Para. No.	Audit's Recommendations	Progress to Date
<i>Storage of museum collection items</i>		
3.33	<p>Audit has recommended that DLCS should –</p> <p>(a) for the off-site stores of the Museum of History, lay down guidelines on suitable storage of collection items;</p>	<p>LCSD is laying down guidelines for selecting suitable collection items to be kept in off-site stores of the Museum of History. The work is expected to be completed by end of this year.</p>
	<p>(b) for the store located in the aged building –</p> <p>(i) relocate the collection items stored in the aged building as soon as practicable; and</p>	<p>LCSD is following up with GPA and ArchSD on the technical feasibility of the site identified in Tuen Mun. Moreover, refurbishment works for the additional storage space in Tsuen Wan secured by LCSD was completed in February this year. Relocation of part of the Museum of History's collection items stored in the aged building has begun and is expected to be completed in 2022.</p>
	<p>(ii) in collaboration with the DArchS, continue to closely monitor the structural condition of the aged building, and take prompt actions to strengthen the structure if the building would continue to be used as stores and repair any defects identified;</p>	<p>LCSD has started relocating part of the collection items stored in the aged building. In addition, LCSD, in collaboration with ArchSD, conducted another on-site inspection of the aged building in late 2020 and arranged the repair works for defects, including defective floor finishes and roof tiles, as well as water seepage at walls, etc.</p> <p>LCSD will continue to collaborate with ArchSD to closely monitor the structural condition of the aged building. ArchSD will also continue to provide appropriate assistance and technical advice to LCSD regarding the aged building and arrange necessary repair works in a timely manner upon LCSD's request.</p>

Para. No.	Audit's Recommendations	Progress to Date
		As the follow-up actions of the recommendation will be carried out on an on-going basis, we recommend deleting this part from the next progress report.
	(c) take measures to maintain the temperature and relative humidity in the storerooms of the Archive within the reference ranges;	The Archive has taken measures to maintain the temperature and relative humidity in the storerooms within the reference ranges. With the recently completed improvement works on the building's monitoring system, the temperature and relative humidity can be better controlled. Besides, the Archive will commence two replacement and improvement works on the dehumidification system and unit cooler system with automatic control in 2021-22. The works are expected to be completed by the end of 2022. Upon completion of the works, the temperature and relative humidity can be maintained within the reference ranges more effectively.
	(d) review the conditions of storerooms inside museums and off-site stores of other LCSD museums (i.e. other than the Museum of History and the Archive), look into any similar irregularities as identified in paras. 3.17 to 3.27, and take remedial measures as necessary; and	LCSD is inspecting the conditions of storerooms inside museums and of the off-site stores of other LCSD museums. The exercise is expected to be completed in 2022.

Para. No.	Audit's Recommendations	Progress to Date
	(e) step up efforts to expedite the development of the Heritage Conservation and Resource Centre (HCRC).	LCSD has consulted and successfully obtained the support of the Yuen Long District Council on the preliminary design of the HCRC on 23 February 2021. LCSD is currently working on the detailed design and technical details of the project, and plans to submit the funding application of the main construction works of the project to the LegCo in due course.
<b>Part 4: Other Related Issues</b>		
<b><i>Enhancement of museum permanent exhibitions</i></b>		
4.13	<p>Audit has recommended that DLCS should –</p> <p>(a) timely enhance the permanent exhibitions in the science-related museums and other museums; and</p>	<p>LCSD has been devoting and will continue to devote great efforts to enhance the permanent exhibitions in its museums. LCSD has planned to renew the permanent exhibitions and related exhibits in accordance with the different nature of the museums, with details as follows –</p> <p>(1) For the permanent exhibitions of science-related museums, the Hong Kong Science Museum (Science Museum) is working in various aspects to update exhibits, including keeping abreast of the development of new technologies and applying sophisticated technologies to exhibit production, as well as stepping up its collaboration with local universities and scientific research institutions to promote science knowledge behind new technologies and their future applications. Initiatives completed include presenting a new “Robohelpers” exhibition, which was jointly organised by the</p>

Para. No.	Audit's Recommendations	Progress to Date
		<p>Science Museum and the Robotics Catalysing Centre of the Hong Kong Science and Technology Parks Corporation, in the permanent exhibition gallery since November 2020. The exhibition featured local research projects on artificial intelligence and robotic technologies and the application of these technologies in the construction and commercial sector. Moreover, the brand new Earth Science Gallery was opened on 20 November 2020. The Science Museum has also formulated a renewal plan and timetable to update the contents of various permanent exhibitions, to replace aging interactive exhibits as well as to bring new visitation experiences to visitors by utilising latest presentation methods. Relevant works are in progress as planned.</p> <p>(2) The progress of renewal of permanent exhibitions in other major museums is as follows –</p> <p>(i) The Heritage Museum is setting up a new permanent exhibition on Hong Kong popular culture. The exhibition is expected to open this year;</p> <p>(ii) The permanent exhibition gallery of the Museum of History has been closed since October 2020 for a large-scale revamping project. Given the sizable area of the exhibition gallery (7 000 m<sup>2</sup>) and major structural works as well as the</p>

Para. No.	Audit's Recommendations	Progress to Date
		<p>complicated installations involved, it is expected to take more than two years to complete the revamping project. Meanwhile, the abridged version of the "Hong Kong Story" exhibition is open to the public as a temporary permanent exhibition until the opening of the new "Hong Kong Story" exhibition; and</p> <p>(iii) Renovation of the permanent exhibition and historical trail, as well as enhancement works of the ancillary facilities of the Hong Kong Museum of Coastal Defence is in progress. The museum is expected to reopen in 2021-22.</p> <p>(3) In addition, LCSD has adopted the latest technology to promote the museum displays to audience through a wider channel. For example, a 360° virtual tour of the Law Uk Folk Museum was launched in October 2020, allowing the public to visit the museum and its exhibition via the Internet comfortably at home. Also, the Dr Sun Yat-sen Museum has made use of LCSD's mobile application "iM Guide" since December 2020 to facilitate visitors' viewing of the selected exhibits of the permanent exhibitions and use of the audio guide services anytime and anywhere.</p>

Para. No.	Audit's Recommendations	Progress to Date
		As the follow-up actions of the recommendation will be carried out on an on-going basis, we recommend deleting this part from the next progress report.
	(b) better monitor the progress of enhancement for permanent exhibitions in future and take prompt actions to ensure timely completion.	<p>LCSD convenes coordination meetings about every two months to closely monitor the progress of capital works and renewal projects for permanent exhibitions.</p> <p>As the follow-up actions of the recommendation will be carried out on an on-going basis, we recommend deleting this part from the next progress report.</p>
<b><i>Maintenance of museum exhibits and facilities</i></b>		
4.23	<p>Audit has recommended that DLCS should –</p> <p>(a) improve documentation for repair orders in the Science Museum and the Hong Kong Space Museum (Space Museum);</p>	<p>The Science Museum and the Space Museum have arranged their exhibit maintenance unit supervisors to meet their staff quarterly to monitor the progress of exhibit repair as well as to enhance staff's understanding in the operation of the Exhibit Maintenance Portal (EMP) and of the proper documentation of exhibit repair and maintenance. Communication among different units has also been strengthened. In case additional information on individual exhibit is required from exhibit suppliers or relevant experts, records of related correspondences and information will be properly kept by unit supervisors for future reference. Relevant procedures will be included in the operation manual of the Science Museum and the Space Museum. In addition, unit supervisors will follow up on exhibit repair and maintenance in a timely manner.</p>

Para. No.	Audit's Recommendations	Progress to Date
		As follow-up actions of the recommendation will be carried out on an on-going basis, we recommend deleting this part from the next progress report.
	(b) review the documentation and time taken for conducting maintenance works of museum exhibits and facilities in other LCSD museums (i.e. other than the Science Museum and the Space Museum), look into any similar irregularities as identified in paras. 4.16 to 4.20, and take remedial measures as necessary; and	<p>LCSD has reviewed the documentation and time taken for conducting maintenance works of museum exhibits and facilities in other LCSD museums, and found no irregularity similar to those mentioned in paras. 4.16 to 4.20 of the Audit Report.</p> <p>As the follow-up actions of the recommendation have been completed, we suggest deleting this part from the next progress report.</p>
	(c) closely monitor the progress of the EMP enhancement project to improve accuracy in calculating the availability of interactive exhibits in the Space Museum.	The Space Museum is upgrading the EMP to enhance its functions and to increase the accuracy of calculating the number of available interactive exhibits. The project is expected to be completed this year.
<b><i>Publication of information on museum collection items</i></b>		
4.29	<p>Audit has recommended that DLCS should –</p> <p>(a) review and adopt a consistent approach in reporting the number of museum collection items in the COR in future; and</p>	<p>Since January 2021, LCSD has adopted a consistent approach to report the number of objects in all museums in the COR. Unlike museums, the Archive will continue to follow its existing practice given that its nature as an archive.</p> <p>As the follow-up actions of the recommendation will be carried out on an on-going basis, we recommend deleting this part from the next progress report.</p>

Para. No.	Audit's Recommendations	Progress to Date
	<p>(b) step up efforts to increase the number of museum collection items accessible on the museum websites, in particular the websites of the Heritage Museum, the Museum of History and the Archive.</p>	<p>LCSD has been enabling greater virtual access by the public to the information of museum collection items. Actions taken include –</p> <p>(1) The Museum of History has expedited the uploading of collection information onto its website by redeploying its manpower;</p> <p>(2) The Heritage Museum will continue to upload the information of collection items without any copyright or intellectual property right issue onto its website as far as practicable, and encourage donors to grant the right of reproducing and uploading the information of collection items onto its website for public access where possible. In addition to its website, the Heritage Museum has also made its collection available for digital viewing by the public with the computers at its resource centre. Moreover, the Heritage Museum has simplified the procedure for uploading collection information, so as to increase the number of museum collection items accessible in its website and with the computers at its resource centre; and</p> <p>(3) As most of the collection items of the Archive involve complicated copyright or intellectual property right issues, the Archive will upload the information of collection items without any copyright or intellectual property right issues onto its website as far as practicable. In addition, the Archive will continue to make its</p>

<b>Para. No.</b>	<b>Audit's Recommendations</b>	<b>Progress to Date</b>
		<p>collection items available for digital viewing by the public at its resource centre.</p> <p>As the follow-up actions of the recommendation will be carried out on an on-going basis, we recommend deleting this part from the next progress report.</p>

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**Energy efficiency and conservation in government buildings**  
**Progress in Implementing Audit's Recommendations**

Para. No.	Audit's Recommendations	Progress to Date
<b>Part 2: Achievement of Energy Saving Targets</b>		
2.10	<p>Audit has recommended that the Director of Electrical and Mechanical Services (DEMS) should –</p> <p>(a) explore measures to complete the compilation and submission of the annual reports on achievement of energy saving target to the ENB as early as possible with a view to providing the government-wide statistical information for planning, monitoring and reference purposes;</p>	<p>EMSD has worked closely with and provided the necessary assistance to B/Ds to facilitate their early processing of 2019-20 data returns. The 2019-20 annual report was submitted to ENB in February 2021.</p> <p>Since the recommendation has been implemented and will be carried out on an on-going basis, we suggest deleting this item from the next progress report.</p>
	<p>(b) make better use of information technology (IT) in compiling government-wide energy consumption data with a view to enhancing the efficiency of the compilation work; and</p>	<p>The review on feasible and pragmatic IT solutions to enhance the efficiency of the compilation work was completed in December 2020 and adopted a suitable one for the compilation of future annual reports.</p> <p>Since the recommendation has been implemented and will be carried out on an on-going basis, we suggest deleting this item from the next progress report.</p>
	<p>(c) continue to take follow-up actions on the energy saving performance of B/Ds with a view to providing more technical assistance to help B/Ds improve their performance.</p>	<p>EMSD will continue to take follow-up actions on the energy saving performance of B/Ds, and will remind them at an appropriate time when their energy saving performance falls short of the government-wide achievement. Such additional technical assistance will help them improve their performance.</p>

Para. No.	Audit's Recommendations	Progress to Date
		<p>Since the recommendation has been implemented and will be carried out on an on-going basis, we suggest deleting this item from the next progress report.</p>
2.11	<p>Audit has recommended that the SEN should take measures to encourage B/Ds to include their achievements in energy saving in their environmental reports.</p>	<p>ENB updated the relevant guidelines in November 2020 to encourage B/Ds to include their achievements in energy saving in their environmental reports. ENB, EMSD and ArchSD also issued a joint reminder to draw B/Ds' attention to the update.</p> <p>Since the recommendation has been implemented, we suggest deleting this item from the next progress report.</p>
2.18	<p>Audit has recommended that DEMS should take measures to improve the normalisation process with a view to facilitating the proper evaluation of the achievement of energy saving target, including –</p> <p>(a) enhancing EMSD's follow-up actions on checking of B/Ds' normalisation calculations of energy saving (e.g. following up with B/Ds with outstanding responses and reminding B/Ds to fully explain the normalisation adjustments);</p>	<p>EMSD has completed processing the 2019-20 returns from B/Ds. Follow-up actions on checking of B/Ds' normalisation returns have been enhanced.</p> <p>Since the recommendation has been implemented and will be carried out on an on-going basis, we suggest deleting this item from the next progress report.</p>
	<p>(b) early finalising and promulgating the guiding principles for checking normalisation calculations submitted by B/Ds (e.g. sample selection criteria, sample size, and documentation of checking results and follow-up actions) and reminding EMSD staff to conduct checking accordingly; and</p>	<p>EMSD promulgated the guiding principles for checking of normalisation calculations in September 2020, which were adopted for the checking of 2019-20 returns prepared by B/Ds.</p> <p>Since the recommendation has been implemented and will be carried out on an on-going basis, we suggest deleting this item from the next progress report.</p>

Para. No.	Audit's Recommendations	Progress to Date
	(c) compiling regularly the management information for checking the returns on energy saving data from B/Ds.	<p>The template for management information has been drawn up and adopted for checking of 2019-20 returns prepared by B/Ds since November 2020.</p> <p>Since the recommendation has been implemented and will be carried out on an on-going basis, we suggest deleting this item from the next progress report.</p>
2.26	<p>Audit has recommended that SEN and DEMS should –</p> <p>(a) take into account the experience gained in implementing the 2015-20 electricity saving target and the audit findings in this Audit Report in implementing the Green Energy Target; and</p>	<p>EMSD has taken into account the experience gained in the 2015-20 electricity saving target and the findings in the Audit Report in working towards the Green Energy Target. In light of the experience gained in achieving the 2015-20 electricity saving target, ENB, EMSD and ArchSD issued a joint reminder on 23 November 2020 to remind B/Ds of areas requiring their special attention.</p> <p>Since the recommendation has been implemented and will be carried out on an on-going basis, we suggest deleting this item from the next progress report.</p>
	(b) keep under review the implementation of measures by B/Ds to achieve the Green Energy Target (in particular the new areas covered by the target) and provide necessary assistance (e.g. issuing guidelines on applying normalisation to energy other than electricity as scheduled) to help B/Ds achieve the target.	<p>EMSD issued guidelines on applying normalisation to energy consumption data in March 2021, and will keep under review the implementation of measures by B/Ds to help them achieve the Green Energy Target.</p> <p>Since the recommendation has been implemented and will be carried out on an on-going basis, we suggest deleting this item from the next progress report.</p>

Para. No.	Audit's Recommendations	Progress to Date
2.27	<p>Audit has recommended that the DArchS should complete the renewable energy (RE) projects at existing government buildings as early as possible.</p>	<p>ArchSD will continue to closely monitor the progress of RE projects at existing government buildings at various stages of implementation to ensure completion as early as possible. Starting from November 2020, ArchSD has prepared regular overall progress and financial reports and arranged project coordination meetings to draw the project officers' attention to issues affecting the works progress and financial positions, so that they can be dealt with in a timely manner. In the joint reminder issued in November 2020, ArchSD also reminded the B/Ds concerned to ensure site availability for works before funding application to facilitate timely commencement of the projects, so as to minimise the risk of delay due to unavailability of site.</p> <p>Since the recommendation has been implemented and will be carried out on an on-going basis, we suggest deleting this item from the next progress report.</p>
<b>Part 3: Management of Energy Audits and Retro-commissioning for Government Buildings</b>		
3.10	<p>Audit has recommended that DEMS should –</p> <p>(a) take measures to ensure that government buildings meeting the selection criteria are selected for conducting energy audits;</p>	<p>Comprehensive selection criteria and mechanism are in place for identification of potential government buildings for conducting energy audits over the three-year implementation period of the energy audit programme for achieving the Green Energy Target.</p> <p>During the annual planning of energy audits for 2020-21, EMSD had reviewed with all concerned B/Ds to ensure that government buildings selected for audit in 2020-21 (about</p>

Para. No.	Audit's Recommendations	Progress to Date
		<p>80 in total) meet the selection criteria. EMSD will conduct similar reviews with the B/Ds concerned in accordance with the established selection criteria and mechanism during the annual planning of energy audits for 2021-22 and 2022-23.</p> <p>Since the recommendation has been implemented and will be carried out on an on-going basis, we suggest deleting this item from the next progress report.</p>
	<p>(b) early complete the reviews on the need for conducting energy audits for the government buildings identified by Audit in para. 3.6(b) and conduct energy audits for them if needed; and</p>	<p>EMSD has completed a review on the need for conducting energy audits for the four venues mentioned in para. 3.6(b) of the Audit Report. All these venues meet the selection criteria based on the established mechanism. Energy audits on these venues will commence in 2021-22.</p> <p>Since the recommendation has been implemented, we suggest deleting this item from the next progress report.</p>
	<p>(c) consider taking measures to collect information on the implementation of energy management opportunities (EMOs) and the related energy savings achieved for selected government buildings (e.g. those with no or insignificant energy savings achieved after conducting energy audits) as far as practicable with a view to identifying areas for improvement in conducting energy audits and implementing the EMOs identified.</p>	<p>EMSD has already engaged energy auditors to review with the B/Ds concerned the implementation of EMOs and the related energy savings achieved for selected government buildings as far as practicable, with a view to identifying improvement areas in conducting energy audits and implementing the EMOs identified.</p> <p>Since the recommendation has been implemented and will be carried out on an on-going basis, we suggest deleting this item from the next progress report.</p>

Para. No.	Audit's Recommendations	Progress to Date
3.29	<p>Audit has recommended that DEMS should –</p> <p>(a) update the technical guidelines on retro-commissioning (RCx) concerning the assessment of energy savings arising from the implementation of energy saving opportunities (ESOs) and remind EMSD staff to conduct the assessment in accordance with the updated guidelines;</p>	<p>EMSD completed the review of the technical guidelines on RCx in November 2020. The updated guidelines include application of the whole-facility metering option for assessment of energy savings arising from the implementation of ESOs, and were uploaded to the dedicated website for sharing with the trade. EMSD has also reminded its staff to conduct the assessment of energy savings in accordance with the updated guidelines.</p> <p>Since the recommendation has been implemented and will be carried out on an on-going basis, we suggest deleting this item from the next progress report.</p>
	<p>(b) take measures to ensure that on-going commissioning plans are developed at RCx implementation stage for future RCx projects;</p>	<p>EMSD has already included the requirement of developing on-going commissioning plans in the technical guidelines for RCx, so that such plans could be developed at the implementation stage for future RCx projects.</p> <p>Since the recommendation has been implemented and will be carried out on an on-going basis, we suggest deleting this item from the next progress report.</p>
	<p>(c) keep under review the RCx implementation timetable for government buildings included in the RCx programme, having regard to their implementation priority, and confirm the implementation schedule with the concerned B/Ds as early as possible with a view to facilitating planning and</p>	<p>EMSD has formulated a tentative RCx master implementation timetable for about 200 major government buildings. EMSD will keep under review the timetable each year or when necessary, having regard to the implementation priority, and confirm the implementation schedule with the concerned B/Ds.</p>

Para. No.	Audit's Recommendations	Progress to Date
	preparation work of both EMSD and the concerned B/Ds; and	Since the recommendation has been implemented and will be carried out on an on-going basis, we suggest deleting this item from the next progress report.
	(d) take measures to encourage the pertinent B/Ds to include the government buildings under their management in the RCx programme (e.g. studying B/Ds' reasons for not including their buildings in the programme and addressing their concerns) with a view to optimising energy efficiency performance of the buildings.	<p>EMSD arranged online seminars on 28 July and 3 August 2020, and organised a presentation on 29 January 2021 to encourage B/Ds to join the RCx programme. After further coordination with relevant B/Ds, 15 major government buildings have joined the RCx plan in recent months. EMSD will continue to encourage B/Ds to join the RCx plan and coordinate with them to avoid or reduce possible impacts on public services.</p> <p>Since the recommendation has been implemented and will be carried out on an on-going basis, we suggest deleting this item from the next progress report.</p>
<b>Part 4: Management of Energy Saving Projects and Other Management Issues</b>		
4.14	<p>Audit has recommended that, in administering energy saving projects in government buildings and funded under EMSD Block Vote, DEMS should –</p> <p>(a) closely liaise with the B/Ds concerned or their works agents as appropriate to request them to monitor the progress of energy saving projects with a view to ensuring their timely completion; and</p>	<p>ENB, EMSD and ArchSD issued a joint reminder on 23 November 2020 to request B/Ds to work with their works agents to closely monitor the progress of energy saving projects with a view to ensuring their timely completion.</p> <p>Since the recommendation has been implemented and will be carried out on an on-going basis, we suggest deleting this item from the next progress report.</p>

Para. No.	Audit's Recommendations	Progress to Date
	(b)(i) remind the B/Ds concerned or their works agents as appropriate to closely monitor the progress of performance measurements for completed energy saving projects with a view to ensuring their timely completion; and	<p>ENB, EMSD and ArchSD issued a joint reminder on 23 November 2020 to request B/Ds to work with their works agents to closely monitor the progress of performance measurements on completed energy saving projects with a view to ensuring their timely completion, preferably within one year.</p> <p>Since the recommendation has been implemented and will be carried out on an on-going basis, we suggest deleting this item from the next progress report.</p>
	(b)(ii) remind the B/Ds concerned or their works agents as appropriate to make more accurate project estimates for energy saving projects as far as practicable.	<p>ENB, EMSD and ArchSD issued a joint reminder on 23 November 2020 to request B/Ds to work closely with their works agents to provide more accurate project estimates and cashflow requirements of energy saving projects.</p> <p>Since the recommendation has been implemented and will be carried out on an on-going basis, we suggest deleting this item from the next progress report.</p>
4.22	<p>Audit has recommended that, in administering energy saving projects in government buildings and funded under the Minor Building Works Block Vote, DArchS should –</p> <p>(a) remind the B/Ds concerned or their works agents as appropriate to make more accurate cashflow forecasts for energy saving projects, and inform ArchSD of the project status and cashflow regularly; and</p>	<p>In administering energy saving projects in government buildings and funded under the Minor Building Works Block Vote, ArchSD reminded the B/Ds concerned or their works agents as appropriate in November 2020 to make more accurate cashflow forecasts and inform ArchSD of the project status and cashflow regularly. ArchSD will continue to monitor closely the financial situation of approved energy saving projects. ArchSD has prepared regular overall progress and financial</p>

Para. No.	Audit's Recommendations	Progress to Date
		<p>reports to review the situation in a timely manner. As the majority of the approved energy saving projects are implemented by the Electrical and Mechanical Services Trading Fund under the purview of EMSD, ArchSD has stepped up the communication with EMSD through regular project coordination meetings, so as to handle together, in a timely manner, the issues affecting project status and cashflow.</p> <p>Since the recommendation has been implemented and will be carried out on an on-going basis, we suggest deleting this item from the next progress report.</p>
	<p>(b) require the B/Ds concerned or their works agents as appropriate to provide information on the estimated payback periods and anticipated electricity savings of proposed energy saving projects when submitting funding applications under the Minor Building Works Block Vote.</p>	<p>In administering funding applications for energy saving projects in government buildings and funded under the Minor Building Works Block Vote, starting from November 2020, ArchSD has requested the B/Ds concerned or their works agents as appropriate to provide information on the estimated payback periods and anticipated electricity savings of the proposed energy saving projects when submitting funding applications so as to facilitate the vetting work.</p> <p>Since the recommendation has been implemented and will be carried out on an on-going basis, we suggest deleting this item from the next progress report.</p>
4.34	<p>Audit has recommended that SEN should –</p> <p>(a) in collaboration with DEMS, take measures to encourage B/Ds (in particular those B/Ds with no representative attending the 2020 briefing sessions) to nominate representatives to participate in the annual briefing sessions or access the</p>	<p>ENB, EMSD and ArchSD issued a joint reminder on 23 November 2020 to encourage green managers of all B/Ds to nominate representatives to attend the annual briefing sessions. Presentation materials have been uploaded onto the CCGO website for sharing with B/Ds.</p>

Para. No.	Audit's Recommendations	Progress to Date
	presentation materials through the Central Cyber Government Office (CCGO) website with a view to enhancing their understanding of the Green Energy Target and facilitating its achievement; and	Since the recommendation has been implemented and will be carried out on an on-going basis, we suggest deleting this item from the next progress report.
	(b) take measures to encourage B/Ds to apply for green building certification for the existing government buildings under their management with a view to demonstrating the Government's continued commitment to promoting green buildings.	ENB, EMSD and ArchSD issued a joint reminder on 23 November 2020 to encourage green managers of all B/Ds to apply for green building certification for the buildings under their management with a view to demonstrating the Government's continued commitment to promoting green buildings.  Since the recommendation has been implemented and will be carried out on an on-going basis, we suggest deleting this item from the next progress report.
4.35	Audit has recommended that DEMS should upload all presentation materials (including seeking consent from non-government speakers for releasing the materials) for the annual briefing sessions onto the CCGO website as far as practicable with a view to providing useful and up-to-date materials for B/Ds' reference.	EMSD uploaded all up-to-date presentation materials of the briefings held in 2020 onto the CCGO website in September 2020 for sharing with B/Ds.  Since the recommendation has been implemented and will be carried out on an on-going basis, we suggest deleting this item from the next progress report.
4.36	Audit has recommended that DArchS should closely monitor the progress in making assessment submissions for new government buildings with a view to obtaining the final green building certification as early as possible.	ArchSD has been closely monitoring the progress of assessment submissions for new government buildings with a view to obtaining the final green building certification as early as possible.  The progress of assessment submissions of new building projects is regularly monitored by an internal committee to ensure a timely

<b>Para. No.</b>	<b>Audit's Recommendations</b>	<b>Progress to Date</b>
		<p>certification process. The internal committee had established an overall timetable for the assessment of submission for monitoring project status and for taking appropriate follow-up actions when necessary.</p> <p>Since the recommendation has been implemented and will be carried out on an on-going basis, we suggest deleting this item from the next progress report.</p>

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**Funding schemes for conservation of built heritage managed  
by the Development Bureau  
Progress in implementing the Audit's recommendations**

<b>Para. No.</b>	<b>Audit's Recommendations</b>	<b>Progress to Date</b>
<b>Part 2: Management of the Revitalising Historic Buildings Through Partnership Scheme</b>		
2.11	<p>Audit has recommended that the Secretary for Development should continue to –</p> <p>(a) explore measures to attract applications with high quality proposals for buildings included in the Revitalising Historic Buildings Through Partnership Scheme (Revitalisation Scheme);</p>	<p>DEVB has been promoting a new batch of buildings under Revitalisation Scheme through social media in addition to its websites, newsletters, press releases and publicity activities. Where appropriate, we will consider organising more open days during the application period to provide more opportunities for interested organisations to visit and have a better understanding of the historic buildings included in the Revitalisation Scheme. Furthermore, if necessary, we will consider extending the application period so that interested organisations will have more time to prepare application proposals.</p> <p>For Batch VI of the Revitalisation Scheme, under which four historic buildings were launched in September 2019 and one in August 2020, the response was overwhelming with a total of 72 applications received.</p> <p>As the 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
	(b) explore measures for further enhancing applicants' understanding of the application requirements of Revitalisation Scheme; and	<p>DEVB has already used various means to facilitate potential applicants to have a better understanding of the application requirements of the Revitalisation Scheme, including organising workshops, publishing the Guide to Application and resource kits, and publicising such requirements on our websites, newsletters and roving exhibitions.</p> <p>To further enhance applicants' understanding of the application requirements, we will include examples of previous invalid applications in future workshops to better illustrate the application requirements; and continue to arrange sharing sessions for selected non-profit making organisations (NPOs) to share their experience in completing the application form and preparing related documents.</p> <p>As the recommendation will be implemented on an on-going basis, we recommend deleting this part from the next progress report.</p>
	(c) take measures to ensure that the pre-determined shortlisting criteria for the second-round assessment of applications under Revitalisation Scheme are set and the justifications for any deviations from the pre-determined criteria are documented.	<p>The Advisory Committee on Built Heritage Conservation (ACBHC) has determined the benchmarks for shortlisting applications into second-round assessment for Batch VI projects in March 2021. ACBHC will also be asked to determine the shortlisting criteria for future projects before the assessment process when a new batch of Revitalisation Scheme is launched.</p> <p>As the recommendation has been implemented and will be followed up on an on-going basis, we recommend deleting this part from the next progress report.</p>

Para. No.	Audit's Recommendations	Progress to Date
2.28	<p>Audit has recommended that the Secretary for Development should –</p> <p>(a) make continued efforts to monitor the implementation of projects under Revitalisation Scheme with a view to ensuring their timely completion;</p>	<p>DEVB has been monitoring the works progress through various progress and site meetings with NPOs selected for the projects; and will make continued efforts to monitor the implementation of projects under the Revitalisation Scheme, including offering assistance to NPOs in providing technical advice for resolving unforeseen site constraints, and liaising with relevant government departments to expedite approval for works completion, with a view to ensuring their timely completion.</p> <p>As the recommendation will be implemented on an on-going basis, we recommend deleting this part from the next progress report.</p>
	<p>(b) complete the review of the validity of the variation orders as mentioned in para. 2.22(c) as early as practicable;</p>	<p>DEVB has been following up with the NPO concerned and regular meetings are convened with the NPO to review the validity of variation orders. Following the NPO's submission of revised draft final account with details of the variation orders in December 2020, the NPO has been requested to provide further supplementary information and clarifications in April 2021.</p> <p>Pending the submission and scrutiny of supplementary information, the review of validity of the works variations for the relevant project is expected to be completed in the second quarter of 2021.</p>

Para. No.	Audit's Recommendations	Progress to Date
	(c) take measures to ensure that NPOs seek DEVB's prior approval for variation works in accordance with the Revitalisation Scheme Works Projects Guidelines;	<p>DEVB has been holding progress and site meetings with NPOs on a regular basis to monitor the works progress of the projects and has reminded NPOs of the requirement for seeking approval in advance for works variations.</p> <p>As the recommendation will be implemented on an on-going basis, we recommend deleting this part from the next progress report.</p>
	(d) expedite action to complete the review of the guidelines relating to the time limit for submission of draft project accounts; and	<p>A review of relevant guidelines has commenced and is expected to be completed by end 2021 with a view to setting a more realistic time limit for the submission of draft project accounts by NPOs.</p>
	(e) strengthen monitoring mechanism of the project accounts finalisation process and remind NPOs to timely submit the draft project accounts in accordance with the Revitalisation Scheme Works Projects Guidelines.	<p>Regular meetings are convened with the project officers to monitor the project accounts finalisation process and NPOs are reminded to submit the draft project accounts timely in accordance with the guidelines.</p> <p>Since September 2020, DEVB has conducted bi-monthly internal meetings chaired by a directorate officer for discussing the progress of all projects under the Revitalisation Scheme. For cases with prolonged finalisation process, it will be brought up to the directorate officer during the meeting for following up with the NPOs and their consultants accordingly.</p> <p>As the 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
2.42	<p>Audit has recommended that the Secretary for Development should –</p> <p>(a) continue to keep under review the financial viability and sustainability of projects under Revitalisation Scheme and provide assistance to NPOs as needed in running the projects;</p>	<p>DEVB has been monitoring regularly and will continue to keep under review the financial viability and sustainability of projects under Revitalisation Scheme through examination of audited financial statements submitted by NPOs and reporting to ACBHC annually.</p> <p>The Government provides a one-off grant, capped at \$5 million, to an NPO to meet the starting costs and operating deficits (if any) of the social enterprise for the first two years of operation.</p> <p>DEVB provides subsidies for NPOs that renew their third tenancy to carry out repair and maintenance of the historic buildings in relation to Occupation Permit-related items, air conditioning system and tree management of the site. Subsidies are also provided to such NPOs, on a case-by-case basis, for renovation works that will contribute and enhance the heritage value of the historic buildings for better public enjoyment.</p> <p>To alleviate the impact of the COVID-19 epidemic, all operators applied for and were provided with a subsidy of \$3 million from the Anti-epidemic Fund in 2020-21.</p> <p>DEVB also helps the NPOs promote local built heritage tourism and provides them with financial assistance to attract visitors with a view to improving their operation.</p>

Para. No.	Audit's Recommendations	Progress to Date
		As the recommendation will be implemented on an on-going basis, we recommend deleting this part from the next progress report.
	(b) strengthen measures to ensure that NPOs comply with the submission requirements as stipulated in tenancy agreements of projects under Revitalisation Scheme; and	<p>At the bi-monthly meeting mentioned in para. 2.28(e) above, the progress of report submission is reviewed to allow timely follow-up with the NPOs where necessary. Cases with serious delay will be brought to the attention of the senior management of the NPOs. DEVB will enhance communication with the NPOs to understand their reasons of delay and assist them in addressing any difficulties encountered for timely submission of reports.</p> <p>As the recommendation will be implemented on an on-going basis, we recommend deleting this part from the next progress report.</p>
	(c) consider making better use of information system to enhance DEVB's efficiency in recording, analysing and monitoring the project performance of NPOs over time.	DEVB is exploring the use of information system to enhance its efficiency in recording, analysing and monitoring the project performance of the NPOs.
<b>Part 3: Management of the Financial Assistance for Maintenance Scheme on Built Heritage and two pilot funding schemes</b>		
3.21	<p>Audit has recommended that the Secretary for Development should –</p> <p>(a) continue to take measures to assist applicants in submission of required information and expedite the processing of the Financial Assistance for Maintenance Scheme on Built Heritage (FAS) applications as far as practicable;</p>	DEVB has enhanced communication with the applicants and their consultants by holding meetings with them at different stages of the application. Timely and professional assistance will be provided to FAS applicants to help them submit the required information so that formal approval could be granted as soon as practicable.

Para. No.	Audit's Recommendations	Progress to Date
		As the recommendation will be implemented on an on-going basis, we recommend deleting this part from the next progress report.
	(b) specify in the Guide to Application and DEVB's internal guidelines DEVB's practice for handling concurrent FAS applications;	<p>DEVB completed the review of the Guide to Application in March 2021. The revised Guide, which states clearly that the applicant can submit at most three applications at the same time for different trades of maintenance works, has been uploaded to FAS website for public information.</p> <p>DEVB has also made and issued corresponding revisions to internal guidelines.</p> <p>As the recommendation has been implemented, we recommend deleting this part from the next progress report.</p>
	(c) continue to take measures to ensure that maintenance works of approved FAS projects commence in a timely manner in accordance with the Guide to Application;	<p>Continued efforts have been made to remind the applicants to commence maintenance works in a timely manner. As at March 2021, all maintenance works approved under FAS since April 2015 have commenced as scheduled.</p> <p>As the recommendation will be implemented on an on-going basis, we recommend deleting this part from the next progress report.</p>
	(d) make continued effort to closely monitor the progress of maintenance works of approved FAS projects with a view to ensuring that the works are completed in a timely manner; and	Continued efforts have been taken to remind the applicants to complete the works in a timely manner. After commencement of works, the consultants are required to submit quarterly reports on site progress for monitoring. We will also carry out site visits to check the works progress when necessary. As at March 2021, maintenance works of all approved

Para. No.	Audit's Recommendations	Progress to Date
		<p>projects, except one, were completed within the anticipated completion dates. As for the one which could not be completed as scheduled, reminders have been given to the applicant and its consultant requesting them to closely monitor the works. As the delay was due to the contractor's poor site management, based on the works contract, liquidated damages were deducted from payment to the contractor.</p> <p>As the recommendation will be implemented on an on-going basis, we recommend deleting this part from the next progress report.</p>
	(e) take measures to ensure that grantees submit annual brief reports in accordance with the requirements in FAS agreements.	<p>DEVB has enhanced communication with the grantees and issued regular reminders requiring the grantees to submit annual brief reports on time.</p> <p>As the recommendation will be implemented on an on-going basis, we recommend deleting this part from the next progress report.</p>
3.25	Audit has recommended that the Secretary for Development should make continued efforts to monitor the implementation of Funding Scheme for Public Engagement Projects on Built Heritage Conservation (FSPEP) and Funding Scheme for Thematic Research on Built Heritage Conservation (FSTR) projects with a view to identifying areas for improvement.	The Secretariat to the Built Heritage Conservation Fund (the Secretariat) has been liaising closely with the grantees to monitor the implementation of FSPEP and FSTR projects. The progress report, evaluation report and audited statement of accounts submitted by the grantee are reviewed to monitor if the project activities or research outcomes have met the objectives and targets as stipulated in the approved project proposal.

Para. No.	Audit's Recommendations	Progress to Date
		<p>In addition, the Secretariat will continue to conduct on-site inspection during the activities and hold meetings with the grantee from time to time. Recommendations and advice on the improvement measures will be given to the grantee as and when required.</p> <p>As the recommendation will be implemented on an on-going basis, we recommend deleting this part from the next progress report.</p>
<b>Part 4: Other management issues</b>		
4.9	<p>Audit has recommended that the Secretary for Development should –</p> <p>(a) regarding the provision of guided tours organised by NPOs under Revitalisation Scheme –</p> <p>(i) keep under review the issue of decreasing number of guided tour participants for some projects under Revitalisation Scheme; and</p>	<p>DEVB is closely monitoring the decreasing number of guided tour participants for some projects under Revitalisation Scheme. With a view to enhancing participation rate, we have provided financial subsidy to NPOs in 2020-21 to promote local built heritage tourism (including strengthening their guided tours).</p> <p>As the recommendation will be implemented on an on-going basis, we recommend deleting this part from the next progress report.</p>
	<p>(ii) consider setting out the language requirements as appropriate (e.g. providing guided tours in languages fitting the need of the participants) for guided tours in all tenancy agreements; and</p>	<p>The languages for guided tours to be offered will depend on the clientele profile and the actual demand of each project. In future tenancy agreements to be entered into or renewed, DEVB will require NPOs to provide guided tours in appropriate languages to suit the need of the participants.</p>

Para. No.	Audit's Recommendations	Progress to Date
		As the recommendation will be implemented on an on-going basis, we recommend deleting this part from the next progress report.
	(b) organise more experience-sharing sessions when needed through suitable means (e.g. face-to-face or webinars), with a view to further improving the implementation of Revitalisation Scheme.	DEVB will continue to organise experience-sharing sessions in collaboration with selected NPOs when needed and/or explore other measures to further improve the implementation of Revitalisation Scheme.  As the recommendation will be implemented on an on-going basis, we recommend deleting this part from the next progress report.
4.15	Audit has recommended that the Secretary for Development should take measures to ensure that ACBHC members declare interests on appointment and annually thereafter.	ACBHC members of the current term (2020-2022) have already registered their interests upon their appointment. They will be requested to make annual declaration of interests in the second year of the term in May 2021.  As the recommendation will be implemented on an on-going basis, we recommend deleting this part from the next progress report.
4.29	Audit has recommended that the Secretary for Development should –  (a) continue to keep under review the implementation of Revitalisation Scheme, taking into account the related audit findings and recommendations of this audit review and DEVB's experience and NPOs' difficulties in implementing projects under the Scheme;	Over the years, DEVB has conducted review on various aspects of the Revitalisation Scheme. Issues that have been examined and improved include, amongst others, requiring NPOs to increase public access to and extend opening hours of the heritage buildings; arranging more free guided tours to the public and setting up a bi-lingual website for the projects; simplifying the application procedures to make it more user-friendly; according priority for sitting tenants to continue operation of the projects upon expiry of the second tenancy; providing

Para. No.	Audit's Recommendations	Progress to Date
		<p>financial subsidy for maintenance and repair to NPOs which have renewed their third term tenancy with the Government, etc.</p> <p>DEVB will continue to review various aspects of the Revitalisation Scheme having regard to the operational experience and public feedback on the Scheme.</p> <p>As the recommendation will be implemented on an on-going basis, we recommend deleting this part from the next progress report.</p>
	(b) keep under review the implementation of FAS, taking into account DEVB's experience and the related audit findings and recommendations in this audit review;	<p>DEVB will continue to conduct review when needed and explore measures to enhance the implementation of FAS. We have been enhancing communication with the FAS applicants and their consultants for timely resolution of technical problems with a view to expediting the processing of applications.</p> <p>As the recommendation will be implemented on an on-going basis, we recommend deleting this part from the next progress report.</p>
	(c) keep track of the progress of the projects yet to be completed under FSPEP and FSTR and kick start the review of these two pilot funding schemes for mapping out the way forward as soon as practicable.	<p>The Secretariat has been liaising closely with the grantees to monitor the progress of FSPEP and FSTR projects. The grantees have been providing updates on the financial position of the projects, schedule and implementation plan of the remaining public engagement activities and research work. The Secretariat will continue to work closely with the grantees to keep track of the progress of the projects yet to be completed under FSPEP and FSTR.</p>

<b>Para. No.</b>	<b>Audit's Recommendations</b>	<b>Progress to Date</b>
		Review of these two pilot funding schemes will be kick-started after completion of the current projects in late 2021 for mapping out the way forward.

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**Hong Kong Tourism Board: Corporate governance and administrative issues**  
**Progress made in implementing Audit's recommendations**

Para. No.	Audit's Recommendations	Progress to Date
<b>Part 2: Corporate governance</b>		
<i>Board and Committees</i>		
2.17	Audit has recommended that Secretary for Commerce and Economic Development (SCED) should step up efforts to appoint more young people to the Board.	<p>Commerce and Economic Development Bureau (CEDB) endeavours to appoint more young people to the Hong Kong Tourism Board (HKTb) whenever appointment opportunity arises.</p> <p>With the recent appointments of two Members aged between 35 - 40 to HKTb Board, the average age profile of members has further decreased from 49.6 in September 2020 to 47.7 in January 2021. We would continue our efforts in appointing more young people to the Board.</p> <p>Given the ongoing nature of this recommendation, we suggest deleting this part from the next progress report.</p>
2.18	<p>Audit has recommended that Executive Director, HKTb should –</p> <p>(a) take measures to ensure that the Chairmen and members of the Committees are appointed in a timely manner;</p> <p>(b) take measures to ensure that the draft minutes of Board/Committee meetings are circulated to members within three weeks of the meeting in accordance with HKTb's guidelines;</p>	<p>(a), (b), (e) and (f)</p> <p>In view of the Audit's recommendations, HKTb has formulated detailed guidelines concerning the meeting procedures for the Board and Committees and the detailed arrangements, including appointment of committee chairmen and members, issue of minutes of meetings, distribution of papers, handling of declaration of interest in meetings and submission of declaration of interest forms. These guidelines are expected to be implemented in Q2 of 2021.</p>

Para. No.	Audit's Recommendations	Progress to Date
	<p>(c) document the decisions on the mitigating measures relating to declared interest and the rationales behind the decisions in the meeting minutes;</p> <p>(d) enhance the guidelines in the Code of Conduct with a view to providing guiding principles on the circumstances where the Chairmen/members declaring their interest may remain in the meeting, and speak and/or vote in the meeting;</p> <p>(e) take measures to ensure that Board members submit declaration of interest forms in a timely manner; and</p> <p>(f) refrain from distributing papers to newly appointed Board members until their declaration forms have been received.</p>	<p>(c) and (d)</p> <p>The recommendations have already been implemented. HKTB has implemented the guidelines in August 2020. In the Board meeting held in January 2021, HKTB discussed the matter as a special item and once again reminded all Board Members and HKTB management to comply with the guidelines, and will remind all Board members, including new members, every year. As follow-up actions of the recommendations have been implemented and will be carried out on an on-going basis, we recommend deleting this part from the next progress report.</p>
2.23	<p>Audit has recommended that SCED should enter into an MAA with HKTB, setting out the responsibilities of the Government and HKTB in the delivery and monitoring of HKTB's services.</p>	<p>A draft MAA is under preparation.</p> <p>CEDB aims to enter into an MAA with HKTB within the third quarter of 2021.</p>
2.29	<p>Audit has recommended that SCED should set up a mechanism of handling unspent additional funding taking into account the requirements stipulated in Financial Circular No. 9/2004 and incorporate the mechanism into MAA with HKTB as appropriate.</p>	<p>The MAA will promulgate a mechanism of handling unspent funding taking into account the requirements stipulated in the Financial Circular.</p>

Para. No.	Audit's Recommendations	Progress to Date
<b><i>Performance measurement and reporting</i></b>		
2.36	<p>Audit has recommended that Executive Director, HKTb should –</p> <p>(a) consider seeking the endorsements of the Board in devising the Business performance indicators (BPIs) and their respective targets for monitoring HKTb's performance under the strategic focuses; and</p> <p>(b) take measures to enhance HKTb's performance reporting. In particular, HKTb should –</p> <p>(i) report the related targets for the KPIs in its annual report; and</p> <p>(ii) report the targets and the actual results for the BPIs under each strategic focus to the Board.</p>	<p>(a) and (b)(ii)</p> <p>The recommendations have already been implemented. When devising the BPIs and their respective targets for the year 2021-22, HKTb had sought confirmation from the Board and the Marketing and Business Development Committee respectively in March 2021, and will regularly report the actual performances to the Board.</p> <p>(b)(i) The recommendation has already been implemented. Starting from the Annual Report of 2019-20, HKTb has included tourism-related performances KPIs and information about the achievement of these KPIs.</p> <p>As follow-up actions of the recommendations have been implemented and will be carried out on an on-going basis, we recommend deleting this part from the next progress report.</p>
<b>Part 3: Human resource management and other administrative issues</b>		
<b><i>Pay structure of the Hong Kong Tourism Board</i></b>		
3.12	<p>Audit has recommended that Executive Director, HKTb should –</p> <p>(a) take measures to ensure that the pay structure review is conducted in a more timely manner, with a view to identifying in good time the job levels with mid-points of the salary ranges outside the acceptable deviance range; and</p>	<p>(a) In its meetings in April 2018 and May 2019, the Staff and FC of HKTb approved the recommendation to conduct a pay structure review for its Head Office and Worldwide Offices (WWOs) every three years. HKTb has accepted and implemented the recommendation. A new round of pay structure review of the Head</p>

Para. No.	Audit's Recommendations	Progress to Date
	(b) review the number, ranking and remuneration of staff at the top three tiers and submit to CEDB reports on the review findings according to the requirements of the relevant Circular Memorandum issued by the Director of Administration.	Office is being conducted, the results of which are expected to be available in late May 2021.  (b) HKTb is currently reviewing the number, ranking and remuneration of staff at the top three tiers, and is expected to submit to CEDB reports on the review findings before end of June 2021. In future, HKTb will also conduct the review every three years and submit a report to CEDB as required.
<b>Staff management issues</b>		
3.21	<p>Audit has recommended that Executive Director, HKTb should –</p> <p>(a) take measures to ensure that recruitment exercises are conducted and properly documented in accordance with HKTb's Human Resources Policies and Procedures; and</p> <p>(b) take measures to ensure that notifications relating to staff are submitted to IRD according to requirements stipulated in the Inland Revenue Ordinance.</p>	<p>(a) The recommendation has already been implemented. HKTb has further enhanced the related recruitment exercises to ensure proper documentation. HKTb has previously conducted random checks internally and found that the recruitment exercises have been properly documented in accordance with HKTb's Human Resources Policies and Procedures. HKTb will continue to comply with the relevant procedures in the future.</p> <p>(b) The recommendation has already been implemented. HKTb will continue to follow the requirements stipulated in the Inland Revenue Ordinance. HKTb has also conducted random checks internally on records of new recruits and outgoing employees, and found that the related notifications have been submitted to IRD according to the</p>

Para. No.	Audit's Recommendations	Progress to Date
		<p>requirements stipulated in the Inland Revenue Ordinance. HKTB will continue to comply with the relevant procedures in future.</p> <p>As follow-up actions of the recommendations have been implemented and will be carried out on an on-going basis, we recommend deleting this part from the next progress report.</p>
<b><i>Other administrative issues</i></b>		
3.32	<p>Audit has recommended that Executive Director, HKTB should –</p> <p>(a) take measures to ensure that detailed information is given by HKTB staff on duty travelling outside Hong Kong to support claims for enhanced rates of subsistence allowance;</p>	<p>(a) To ensure that employees are only reimbursed with enhanced rates of subsistence allowance for hotel accommodation costs in accordance with the situations stipulated in the Financial Policies and Procedures, HKTB requires the staff to list in detail all related information and rationales when submitting special application for enhancing hotel accommodation allowance for duty travel, including price comparison among nearby hotels. The approving officer should also ensure that the application is reasonable. HKTB's Finance department will also request for additional information from the applicant if needed. The above requirement is expected to take effect from Q2 of 2021 onward.</p>

Para. No.	Audit's Recommendations	Progress to Date
	<p>(b) take measures to ensure that fixed assets are kept under proper custody to guard against damage or loss and take prompt and thorough follow-up actions for each case of loss; and</p> <p>(c) closely monitor the level of slow-moving inventories and conduct regular inventory clearing exercises to dispose of the inventories that are no longer required.</p>	<p>(b) In cases of damaged or lost fixed assets, HKTB will require its staff to clearly list the follow-up actions when reporting lost fixed assets. The report will then be submitted to department heads for approval before reporting to the management. The above procedure is expected to take effect from Q2 of 2021 onward.</p> <p>(c) The recommendation has already been implemented. Measures for inventory control have been tightened since June 2019. HKTB will continue to closely monitor the level of slow-moving inventories and conduct regular inventory clearing exercises.</p> <p>As follow-up actions of the recommendations have been implemented and will be carried out on an on-going basis, we recommend deleting this part from the next progress report.</p>
<b>Part 4: Worldwide Offices and Representative Offices</b>		
<i>Establishment of Worldwide Offices and Representative Offices</i>		
4.8	<p>Audit has recommended that Executive Director, HKTB should review every two years the need to set up new WWOs/Representative Offices (ROs) and whether existing WWOs/ROs should be retained according to the requirements and criteria promulgated in HKTB's guidelines.</p>	<p>HKTB is conducting a holistic review on Hong Kong's tourism brand, overall promotion and market investment strategies, including establishment of WWOs in different places, to tally with the strategy and the priorities of various markets. The above work is expected to complete in Q4 of 2021. Meanwhile, HKTB will also review the guidelines on the establishment of WWOs and ROs. The review is expected to complete in May 2021.</p>

Para. No.	Audit's Recommendations	Progress to Date
<i>Administrative issues relating to Worldwide Offices</i>		
4.19	<p>Audit has recommended that Executive Director, HKTb should –</p> <p>(a) promulgate guidelines on the accommodation arrangements (e.g. the area and grade of office accommodations) of WWOs, taking into consideration local accommodation cost and business practices;</p>	<p>(a) The recommendation has already been implemented. As market practices vary across the world, needs for office space of each WWO also differ. In order to optimise the use of office premises in WWOs and maintain regular review for their leasing arrangements, HKTb reached an agreement with the owner of the New York office in December 2020 that the office space will be cut by half starting from June 2021.</p> <p>In addition, as the pandemic has affected the leasing market of office buildings globally, all of HKTb's WWOs have actively reached out to landlords to negotiate rental deduction, and is expected to complete negotiations in Q2 of 2021. In future, when any WWO lease expires, HKTb will review the office costs and operations to adopt suitable measures when needed to ensure prudent use of resources.</p> <p>As follow-up actions of the recommendations have been implemented and will be carried out on an on-going basis, we recommend deleting this part from the next progress report.</p>

<b>Para. No.</b>	<b>Audit's Recommendations</b>	<b>Progress to Date</b>
	<p>(b) review the limits for entertainment expenses outside Hong Kong regularly to better reflect the changing price levels of respective countries/regions; and</p> <p>(c) encourage staff to use video conferencing for conducting business planning meetings as far as practicable with a view to reducing the needs and related expenses for travelling back to Hong Kong for attending meetings.</p>	<p>(b) HKTb reviews the limits for entertainment expenses in accordance with the Government's guidelines. The WWOs will provide inputs and recommendations on the existing entertainment expenses guidelines. The Head Office will assess whether the existing limit is appropriate with reference to the recommendations provided by WWOs. The review is expected to complete in Q2 of 2021.</p> <p>(c) The recommendation has already been implemented. HKTb will continue to review the related situations to reduce the needs and expense arising from WWO staff attending meetings in Hong Kong physically. In view of the pandemic situation, HKTb is currently holding business plan meetings with WWO staff through web conferences. After the pandemic, HKTb will review the needs and arrangements for WWO staff to travel to Hong Kong for business meetings. As follow-up actions of the recommendations have been implemented and will be carried out on an on-going basis, we recommend deleting this part from the next progress report.</p>

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**Hong Kong Tourism Board: Efforts in promoting tourism  
Progress made in implementing Audit's recommendations**

Para. No.	Audit's Recommendations	Progress to Date
<b>Part 2: Mega events</b>		
<i>Solicitation of sponsorship</i>		
2.8	Audit has recommended that Executive Director, HKTb should set out the most appropriate timeframe of inviting title sponsorship for mega events and provide sufficient time for submission of expression of interest.	<p>In response to the Audit's recommendation, HKTb has started in 2021 to publish the schedule and related information about the mega events that require title sponsorship in the coming year on its website and keep the list updated for the consideration of interested parties in Q1 of every year. Details of mega events for this year were published in February 2021 on <a href="https://www.discoverhongkong.com/eng/hktb/about/event-sponsorship-opportunities.html">https://www.discoverhongkong.com/eng/hktb/about/event-sponsorship-opportunities.html</a>. The web page will be updated when opportunities for organising other mega events are available.</p> <p>HKTb will also place open invitations for title sponsorship on its website and in newspapers nine months before the event date. The submission deadline for letters of intent will be extended from three weeks to six weeks after the open invitation to allow sufficient time for submission. The recommendation on such change was tabled to the Product and Event Committee (P&amp;EC) for assessment and approval, and has been implemented after approval in April 2021.</p> <p>As follow-up actions of the recommendation have been implemented and will be carried out 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>Staging of mega events</i>		
2.15	<p>Audit has recommended that Executive Director, HKTb should –</p> <p>(a) take measures to enhance the information provided to the P&amp;EC in seeking its approval for mega events; and</p> <p>(b) draw on the experience gained from the mega event “Hong Kong New Year Countdown Celebrations” for 2019-20 with a view to preventing recurrence of similar deficiencies in organising other events in the future.</p>	<p>(a) HKTb agrees with the Audit's recommendation about providing budget of mega events to the P&amp;EC, and had already implemented the related recommendation when organising the “Hong Kong Wine &amp; Dine Festival” in November 2020.</p> <p>In addition, HKTb will establish a set of standardised performance indicators and items that require the P&amp;EC's review, including the budget, expenditure and revenue for each event, which are to be reviewed by the Committee at least four months before the event dates. The recommendation will be tabled to the P&amp;EC for assessment and approval in the Committee's first meeting in 2021-22, and will be implemented in Q2 of 2021 after approval.</p> <p>(b) The recommendation has already been implemented. HKTb has drawn on the experience from the mega event “Hong Kong New Year Countdown Celebrations” for 2019-20 and taken actions with a view to preventing recurrence of similar deficiencies.</p> <p>As follow-up actions of the recommendations have been implemented and will be carried out 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><i>Evaluation of performance of mega events</i></b>		
2.28	<p>Audit has recommended that Executive Director, HKTb should –</p> <p>(a) report the achievement in event awareness to the P&amp;EC in the post-event reports on mega events;</p> <p>(b) consider including in the post-event reports the actual expenditure on organising the mega events; and</p> <p>(c) take measures to improve the achievement of performance indicators of mega events and explore the desirability of adopting new performance indicators that are useful for evaluating mega events.</p>	<p>(a) and (b) HKTb will adopt a new standardised report format starting from Q2 of 2021 to report the performance of the mega events, including all targets, performances of review items and actual expenditures, to the P&amp;EC within three months of the end of the events.</p> <p>(c) HKTb is currently reviewing the existing indicators for assessing the performances of mega events, and exploring new ones. The review is expected to be completed in Q4 of 2021.</p>
<b>Part 3: Marketing activities</b>		
<b><i>Meetings, incentives, conventions and exhibitions tourism</i></b>		
3.10	<p>Audit has recommended that Executive Director, HKTb should –</p> <p>(a) keep in view the need to step up efforts in encouraging inbound tour operators to make better use of the Funding Support for Small-sized meeting, incentive and convention (SMIC) Groups with a view to achieving the target utilisation and number of Meeting, Incentive and Convention overnight visitors; and</p>	<p>(a) The recommendation has already been implemented. To encourage more ground operators to apply for the Funding Support, HKTb will continue to actively promote the scheme to the trade. HKTb will launch a new round of the Funding Support after the pandemic and will inform the trade through industry circulars and other channels to encourage more ground operators to apply.</p>

Para. No.	Audit's Recommendations	Progress to Date
	(b) take measures to ensure that the collection of personal information from the applicants of the Funding Support for SMIC Groups complies with the requirements under the Personal Data (Privacy) Ordinance.	<p>(b) The recommendation has already been implemented. HKTb has already completed the update of the application form of the Funding Support for SMIC Groups in the year 2020-21 to comply with the requirements under the Personal Data (Privacy) Ordinance. HKTb will continue to comply with the Ordinance in the future.</p> <p>As follow-up actions of the recommendations have been implemented and will be carried out on an on-going basis, we recommend deleting this part from the next progress report.</p>
<b>Digital marketing</b>		
3.22	<p>Audit has recommended that Executive Director, HKTb should –</p> <p>(a) take measures to ensure that –</p> <p>(i) HKTb's website revamp project is not further delayed; and</p> <p>(ii) mobile application services are discontinued only after planned replacement is ready for use in future projects;</p> <p>(b) take measures to ensure that commercial entities' names are displayed on HKTb's website according to the requirements; and</p>	<p>(a)(i) The recommendation has already been implemented. HKTb's website has been fully revamped according to the schedule.</p> <p>(a)(ii) The recommendation has already been implemented. HKTb has adopted new measures to ensure smooth transition, e.g. migration or suspension of mobile applications, in the future.</p> <p>(b) The recommendation has already been implemented. HKTb has reviewed the related guidelines and taken measures to ensure that commercial entities' names will be displayed on HKTb's website according to the requirements.</p>

Para. No.	Audit's Recommendations	Progress to Date
	(c) take measures to require content partners of HKTb's website to avoid conflict of interest with commercial entities they featured in accordance with HKTb's guidelines.	<p>(c) The recommendation has already been implemented. HKTb has required all content partners of HKTb's website to sign a form of declaration of interests to avoid conflict of interest with commercial entities they featured on the website.</p> <p>HKTb will continue to implement the above recommendations in the future.</p> <p>As follow-up actions of the recommendations have been implemented and will be carried out on an on-going basis, we recommend deleting this part from the next progress report.</p>
<b>Part 4: Quality Tourism Services Scheme</b>		
<i>Accredited merchants of Quality Tourism Services Scheme</i>		
4.7	Audit has recommended that Executive Director, HKTb should keep in view the effectiveness of the promotion efforts of Quality Tourism Services (QTS) Scheme in recruiting target merchants to join the Scheme and continue to take measures to encourage merchants to participate in QTS Scheme.	<p>The recommendation has already been implemented. HKTb has reviewed its strategy in recruiting merchants for the QTS Scheme, and introduced the revised plan to the QTS Committee in December 2020. The Committee has approved the revised plan to continue to adopt measures to encourage merchants' participation in the Scheme.</p> <p>As follow-up actions of the recommendation have been implemented and will be carried out 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><i>Quality Tourism Services decals and logos</i></b>		
4.15	<p>Audit has recommended that Executive Director, HKTb should –</p> <p>(a) take measures to encourage QTS accredited merchants to display valid decals;</p> <p>(b) step up the checking on fraudulent display of QTS decals and logos; and</p> <p>(c) take measures to strengthen control over the use of QTS logos (e.g. keeping proper records of approval given to the layout and types of stationery/promotional materials on which the QTS logo will be incorporated).</p>	<p>(a) to (c) The recommendations have already been implemented.</p> <p>The QTS Committee of HKTb reviewed the related guidelines in December 2020. HKTb immediately tightened the control over the display of QTS decals and the use of QTS logo, and has been communicating with merchants to ensure that they are aware of the changes. HKTb will continue to closely monitor the situations and take further actions when necessary.</p> <p>As follow-up actions of the recommendations have been implemented and will be carried out on an on-going basis, we recommend deleting this part from the next progress report.</p>
<b>Part 5: Way forward</b>		
<b><i>Deployment of marketing resources</i></b>		
5.10	<p>Audit has recommended that Executive Director, HKTb should take measures to optimise the deployment of marketing resources including conducting a review on HKTb's strategy of focusing marketing resources on the existing 20 key source markets to assess their market potential and whether there are other markets that can be included as key source markets.</p>	<p>HKTb has closely monitored the latest situations of the challenges that Hong Kong's tourism industry is facing, with a view to acting promptly with flexible strategies. In consideration of the changes brought about by the COVID-19 pandemic to the global tourism landscape, HKTb has taken the opportunity to conduct a holistic review on Hong Kong's tourism positioning, overall promotion and investment strategies to reinvent Hong Kong's tourism brand and drive the long-term and sustainable development of the tourism industry.</p>

Para. No.	Audit's Recommendations	Progress to Date
		The marketing strategy for the existing 20 key source markets will be evaluated at the same time. HKTb will also review if any other market(s) should be included as Hong Kong's key source markets. The review is expected to complete by the end of 2021.
<b><i>Hong Kong Tourism Board's measures to rebuild tourism industry</i></b>		
5.18	Audit has recommended that Executive Director, HKTb should closely monitor the latest situation of the challenges facing the tourism development in Hong Kong and take on board the observations and recommendations arising from this audit review in addressing the challenges and enhancing the work in promoting tourism in Hong Kong.	<p>The recommendation has already been implemented. HKTb has closely monitored the latest situations of the challenges that Hong Kong's tourism industry is facing, with a view to acting promptly with flexible strategies. HKTb will continue to report to the Board and the Committees on the latest situations and seek their advice.</p> <p>As follow-up actions of the recommendation have been implemented and will be carried out on an on-going basis, we recommend deleting this part from the next progress report.</p>

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**Management of Mandatory Building Inspection Scheme  
by the Buildings Department  
Progress in implementing the Audit's Recommendations**

<b>Para. No.</b>	<b>Audit's Recommendations</b>	<b>Progress to Date</b>
<b>Part 2: Selection of Buildings for Issuance of Statutory Notices</b>		
2.34	<p>Audit has recommended that, the Director of Buildings (DB) should –</p> <p>(a) keep under review the target number of buildings for issuance of statutory notices under Mandatory Building Inspection Scheme (MBIS), further streamline MBIS and formulate a long-term strategy for MBIS, having regard to all relevant factors (e.g. operational experience and compliance by the owners of buildings) in implementing MBIS, with a view to achieving MBIS's objective of tackling the problem of building neglect;</p>	<p>(a) Buildings Department (BD) will continue to regularly review the number of target buildings taking into account the manpower required to implement MBIS, the operational experience gained, market situation, as well as feedback from stakeholders and members of community. In parallel, BD will continue to optimise its efficiency by streamlining the operation procedures with a view to speeding up the implementation of MBIS. BD will also review the progress of compliance by the owners in formulating the long term strategy for MBIS.</p> <p>BD will continue to organise various public education and publicity campaigns to raise public awareness of the importance of building maintenance, thereby encouraging more owners to carry out timely and necessary building inspection and repair works on their own initiative.</p>

Para. No.	Audit's Recommendations	Progress to Date
	<p>(b) consider defining more clearly the key performance measure of “buildings targeted for prescribed inspection and, if necessary, prescribed repair under MBIS” in BD’s COR to enhance transparency and public accountability;</p> <p>(c) keep under review the use of the overriding selection criterion for selection of target buildings under MBIS, having regard to other selection criteria (e.g. building condition) under the Building Score System, with a view to achieving MBIS’s objective of tackling the problem of building neglect;</p> <p>(d) incorporate all selection criteria of target buildings under MBIS in BD guidelines;</p> <p>(e) take measures to ensure that all buildings covered by MBIS are scored as needed in accordance with the Building Score System for reviewing purpose;</p> <p>(f) inform the Selection Panel about the number of all buildings BD subsequently deleted after selection by the Panel (including those deleted without replacement) and the reasons for their deletion;</p>	<p>(b) BD has reviewed the key performance measure of “buildings targeted for prescribed inspection and, if necessary, prescribed repair under MBIS” and will define it more clearly in COR 2022-23.</p> <p>(c) BD will continue to review the selection criteria under the Building Score System annually. The last review on the selection criteria was made in August 2020 and the next review will be conducted in the second quarter of 2021.</p> <p>(d) BD has incorporated all selection criteria of target buildings under MBIS in its operational guidelines issued in February 2021.</p> <p>(e) BD will give score to all buildings covered by MBIS in accordance with the Building Score System starting from the second quarter of 2021 for reviewing purpose.</p> <p>(f) Since 2019, BD has reported to the Selection Panel the number of buildings subsequently deleted after selection and the reasons for their deletion, including those deleted without replacement.</p>

Para. No.	Audit's Recommendations	Progress to Date
	<p>(g) take measures to enhance data accuracy in Building Condition Information System (BCIS), thereby providing accurate information for selection of buildings for issuance of statutory notices under MBIS;</p> <p>(h) include in BD guidelines the practice of excluding buildings which have been recently repaired or with voluntary repair works in progress and are in fair condition from selection under MBIS;</p> <p>(i) maintain proper records on BD assessment in respect of buildings excluded from MBIS selection due to repair works recently completed or in progress;</p> <p>(j) strengthen actions on monitoring consultants' work for issuing statutory notices under MBIS; and</p>	<p>(g) BCIS is being improved to enhance data accuracy and the enhancements are anticipated to be completed in the first quarter of 2022.</p> <p>(h) BD has included in its operational guidelines issued in February 2021 the practice of excluding buildings, namely, excluding buildings that have recently been repaired or with voluntary repair works in progress and are in fair condition, from selection under MBIS.</p> <p>(i) BD updated its operational guidelines in September 2020, requiring proper records on assessment in respect of buildings excluded from MBIS selection.</p> <p>(j) To strengthen the monitoring of consultants' performance, BD has enhanced relevant provisions in the consultancy agreements since 2019, such as requiring consultants to attend regular monthly progress meetings with BD officers for timely discussion on problems encountered, and adding additional milestones in the work programme (i.e. submission of desk study reports and submission of draft statutory notices) to facilitate closer monitoring on progress of work.</p> <p>BD has also enhanced its progress monitoring reports since February 2021 with an automatic checking function to identify delays on the part of consultants.</p>

Para. No.	Audit's Recommendations	Progress to Date
	(k) improve the accuracy in reporting MBIS information	<p>(k) BCIS is being enhanced to improve the accuracy in reporting MBIS information and the improvement is anticipated to be completed in the first quarter of 2022.</p> <p>Save for follow-up actions relating to items (b), (e), (g) and (k), requisite follow-up actions for other recommendations have been completed or will be implemented on an on-going basis, we recommend deleting such parts from the next progress report.</p>
2.40	Audit has recommended that DB should strengthen actions in promoting voluntary building inspection and encouraging owners to carry out timely and necessary building repair on their own initiative.	<p>BD launched another series of publicity on voluntary building inspection and repair by owners in September 2020 under the theme "Check Your Building", including broadcasting of an Announcement in the Public Interest on TV/radio; broadcasting of a music video "Check Your Building" and video "MBIS Walk with Owners" at various social media platforms, and putting up advertisement on public transport.</p> <p>BD will continue to organise various public education and publicity campaigns with a view to raising public awareness on the importance of regular building maintenance, thereby prompting more owners to carry out timely and necessary building inspection and repair works on their own initiative.</p> <p>As the above measures 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
<b>Part 3: Follow-up Actions on Compliance with Statutory Notices</b>		
3.15	<p>Audit has recommended that DB should –</p> <p>(a) closely monitor the compliance with statutory notices under MBIS and take appropriate follow-up actions (e.g. issuing warning letters) on non-compliant cases;</p> <p>(b) strengthen actions to ensure that statutory notices served on the common parts of a building under MBIS are timely referred to the Land Registry (LR) for registration in accordance with BD guidelines;</p> <p>(c) consider enhancing BCIS to record information of all warning letters issued for non-compliant statutory notices under MBIS and take measures to ensure that BCIS records for warning letters issued are timely updated; and</p> <p>(d) strengthen actions to ensure that information about registration of statutory notices under MBIS at LR is accurately and timely updated in BCIS.</p>	<p>(a) The progress on compliance of statutory notices is being monitored in the regular sectional meetings and the BD's Progress Monitoring Committee chaired by a directorate officer to ensure timely follow-up actions on non-compliant cases including issuing warning letters. In addition, BD has since August 2020 streamlined the procedures for issuing warning letters.</p> <p>(b) to (d) Since November 2020, a list of statutory notices served on the common parts of a building under MBIS has been compiled on a monthly basis to remind staff to send such notices to LR for registration.</p> <p>BCIS was enhanced in October 2020 to record information of all warning letters issued for non-compliant statutory notices. BD also reminded its staff in March 2021 to timely update the BCIS records for warning letters issued. Staff will be reminded on a regular basis.</p> <p>In addition, BCIS is being enhanced to ensure timely referral of the statutory notices served on the common parts of a building to LR for registration, and timely and accurately updating of information about registration records of statutory notices at LR. The enhancements are anticipated to be completed in the first quarter of 2022.</p>

Para. No.	Audit's Recommendations	Progress to Date
		Save for the upgrading of the BCIS which is scheduled for completion in the first quarter of 2022, requisite follow-up actions for item (a) have been or will be implemented on an on-going basis, we recommend deleting it from the next progress report.
3.32	<p>Audit has recommended that DB should –</p> <ul style="list-style-type: none"> <li>(a) continue to step up referral of non-compliant statutory notices under MBIS to prosecution teams for instigating prosecution actions and explore opportunities to streamline BD's prosecution work;</li> <li>(b) provide further guidelines (with examples) for identifying blatant cases of non-compliant statutory notices under MBIS to facilitate making immediate referral of such cases for prosecution;</li> <li>(c) closely monitor the compliance with statutory notices under MBIS for convicted non-compliant cases and make referral of warranted continuous non-compliant cases for second prosecution;</li> <li>(d) take measures to address the issues leading to cases returned from prosecution teams to case officers (e.g. providing timely replies to enquiries from building owners and prosecution teams) with a view to facilitating prosecution actions; and</li> </ul>	<ul style="list-style-type: none"> <li>(a) In 2019 and 2020, BD issued a total of over 2 200 summonses against non-compliant statutory notices. BD will continue to step up prosecution and to explore measures to streamline and facilitate prosecution work while at the same time providing support to needy owners.</li> <li>(b) BD updated its operational guidelines in March 2021 to provide examples of blatant cases of non-compliant statutory notices to facilitate making immediate referral of such cases for prosecution.</li> <li>(c) Since September 2020, a list of convicted non-compliant cases has been compiled on a monthly basis to remind staff to consider instigating the next prosecution where warranted. Progress of follow-up action is also monitored in the regular sectional meetings.</li> <li>(d) Staff were reminded in March 2021 to make timely replies to enquiries from building owners and prosecution teams. Progress of making replies to enquiries is also monitored in the regular sectional meetings.</li> </ul>

Para. No.	Audit's Recommendations	Progress to Date
	(e) take measures (e.g. making use of the enhanced BCIS monitoring function) to ensure that demand notes for default works for the required inspection and repair under MBIS are issued to building owners within the time limit stipulated in BD guidelines and take follow-up actions on outstanding demand notes.	(e) BCIS was enhanced in June 2020 to facilitate monitoring the progress of the cost recovery actions. Progress of cost recovery action is also monitored in the regular sectional meetings to ensure timely follow-up actions.  As the above measures have been or will be implemented on an on-going basis, we recommend deleting this part from the next progress report.
<b>Part 4: Monitoring of Registered Inspectors' Submissions</b>		
4.16	<p>Audit has recommended that DB should –</p> <p>(a) take measures to strengthen monitoring of Registered Inspectors' (RIs) MBIS submissions (e.g. issuing reminder letters or warning letters for MBIS submissions found not complying with the statutory submission time limit);</p>	<p>(a) In addition to reminding RIs to comply with statutory requirements on MBIS submissions at its regular briefing sessions, BD also issued a circular letter to RIs in February 2021 reiterating the importance of adhering to the regulatory timeframe on various MBIS submissions.</p> <p>Since March 2021, BD has compiled monthly reports from BCIS to facilitate monitoring of RIs' MBIS submissions not meeting the statutory submission timeframe. The progress of follow-up actions, including issuing of reminder letters and warning letters, is also monitored in the regular sectional meetings.</p>

Para. No.	Audit's Recommendations	Progress to Date
	<p>(b) take measures to complete BD's audit checks for MBIS submissions as soon as practicable;</p> <p>(c) consider setting time target for completing BD's audit checks for MBIS submissions;</p> <p>(d) take timely follow-up actions on irregularities identified during BD's audit checks for MBIS submissions (including issuing reminder letters or warning letters to the related RIs) in accordance with BD guidelines;</p> <p>(e) consider setting time target for issuing reminder letters for irregularities identified during BD's audit checks for MBIS submissions; and</p> <p>(f) keep under review the effectiveness of the measure of engaging a consultant to carry out site audits for MBIS submissions during office and non-office hours in increasing the successful rate of site audits.</p>	<p>BCIS is being enhanced to compile regular reports on the compliance situation to facilitate monitoring. The enhancement is anticipated to be completed in the first quarter of 2022.</p> <p>(b) to (e) BD updated its operational guidelines in March 2021 to set time targets for completing audit checks and issuing of reminders and warning letters against irregularities identified. The progress of audit checks and follow-up actions are monitored in the regular sectional meetings.</p> <p>(f) Since September 2020, BD has engaged a consultant to carry out site audits both during office and non-office hours. BD completed an interim review in March 2021 on the effectiveness of such practice and found this measure of engaging a consultant to carry out site audits for MBIS submissions during office and non-office hours had effectively increased the success rate of site audits.</p>

Para. No.	Audit's Recommendations	Progress to Date
		Save for the follow-up action relating to item (a), requisite follow-up actions for other recommendations have been or will be implemented on an on-going basis, we recommend deleting such parts from the next progress report.
4.25	<p>Audit has recommended that DB should –</p> <p>(a) review the record keeping in BCIS for receipt of MBIS submissions and the compliance with statutory notices with a view to ensuring that the records are accurate, complete and up-to-date (including the discrepancies in BCIS records as identified by Audit in para. 4.20);</p> <p>(b) take measures to ensure that BD's audit check results on MBIS submissions are accurately recorded in BCIS;</p> <p>(c) make use of BCIS to regularly compile management information (e.g. highlights or summaries) on BD's audit check results of MBIS submissions to facilitate monitoring of operation and effectiveness of MBIS; and</p>	<p>(a) BCIS is being enhanced to mandate data entry to all fields related to RIs' MBIS submissions before creating and storing of compliance records in the BCIS and to issue alert when inaccurate compliance records are detected. The enhancements are anticipated to be completed by the first quarter of 2022.</p> <p>(b) and (c) BD reminded its staff in March 2021 to record the audit check results accurately in BCIS. In addition, BD has since March 2021 used BCIS to compile monthly audit check summary reports to facilitate checking of data accuracy.</p> <p>The monthly audit check summary reports are also used to help monitor the performance of RIs and follow-up actions to be taken by BD. The progress of follow-up actions on irregularities identified during audit checks is being monitored in the regular sectional meetings to ensure timely actions will be taken.</p>

<b>Para. No.</b>	<b>Audit's Recommendations</b>	<b>Progress to Date</b>
	(d) consider enhancing BCIS to maintain information on appointment dates of RIs to facilitate the monitoring of compliance with the statutory requirement on the time limit for notification of appointment of RIs.	<p>(d) BCIS is being enhanced to enable recording of the appointment dates of RIs. The enhancement is anticipated to be completed in the first quarter of 2022.</p> <p>As the requisite follow-up actions for items (b) and (c) have been or will be implemented on an on-going basis, we recommend deleting such parts from the next progress report.</p>

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**Provision of humanitarian assistance to non-refoulement claimants  
by the Social Welfare Department  
Progress in Implementing the Audit's Recommendations**

Para. No.	Audit's Recommendations	Progress to Date
<b>Part 2: Provision of Humanitarian Assistance under the Service Contract</b>		
2.10	<p>Audit has recommended that the DSW should –</p> <p>(a) step up efforts to ensure that the service contractor submits reports and statements in a timely manner in accordance with the service contract; and</p>	<p>The service contractor has reviewed and streamlined its internal workflow and speeded up the submission of Monthly Financial Report. SWD has issued regular alert notices to the service contractor. The service contractor has been submitting the Monthly Financial Reports in a timely manner since January 2021. SWD will adopt the same measures to ensure timely submission of half-yearly statements by the service contractor.</p> <p>As the recommendation has been implemented, we propose to delete this part from the next progress report.</p>
	<p>(b) review the reporting requirements to ensure that they facilitate monitoring of the service contractor's performance.</p>	<p>Since October 2020, SWD has revised the Monthly Service Statistical Report such that the service contractor's compliance/non-compliance with the time frame (i.e. to complete the assessment for service users within three working days for urgent referrals and seven working days for non-urgent referrals) will be clearly stated to facilitate SWD's monitoring.</p> <p>As the recommendation has been implemented, we propose to delete this part from the next progress report.</p>

Para. No.	Audit's Recommendations	Progress to Date
2.26	<p>Audit has recommended that DSW should –</p> <p>(a) request the service contractor to provide in the monthly statistics reports figures showing separately the number of successful and unsuccessful attempts in conducting spot checks on service users receiving rent assistance;</p>	<p>SWD has revised the Monthly Service Statistical Report requesting the service contractor to provide separately the number of successful and unsuccessful attempts in conducting spot checks on service users receiving rental assistance starting from February 2021.</p> <p>As the recommendation has been implemented, we propose to delete this part from the next progress report.</p>
	<p>(b) review the requirements on the service contractor to conduct spot checks, including the required follow-up procedures on unsuccessful attempts and whether only successful attempts should be counted towards meeting the 5% requirement;</p>	<p>SWD has reviewed the procedures for the service contractor to conduct spot checks on service users receiving rental assistance. The service contractor, starting from February 2021, has implemented improvement measures including (i) issuance of a notice to a service user when the first attempt of a spot check is not successful; (ii) arranging a second spot check within one month from the first spot check; and (iii) considering suspension or termination of rental assistance for a service user if two consecutive spot checks are unsuccessful.</p> <p>For the remaining period of the existing service contract, SWD and the service contractor have agreed that with effect from February 2021, there should be at least 50% successful attempts within the required 5% spot checks, and that the service contractor should report regularly the successful rate to SWD for enhanced monitoring. The successful rate in February 2021 was improved to over 86%.</p>

Para. No.	Audit's Recommendations	Progress to Date
		<p>For the next service contract commencing in February 2023, SWD will revise the requirement of the 5% spot check to cover only successful attempts.</p> <p>As SWD has already committed to implementing the recommendation in full starting from the next service contract, we propose to delete this part from the next progress report.</p>
	(c) select samples from more categories of cases (i.e. not limited to the current ten categories) in conducting document reviews of the service contractor in order that the contractor's performance can be adequately assessed;	<p>SWD has revised the "Guidelines for Performance Monitoring for the Administering and Delivery of Assistance for Non-refoulement Claimants" (the Guidelines) (English version only) to increase the categories of sample cases set out in the checklist from ten to 18 (including cases involving misuse of various types of assistance, forfeiture of the rental deposit, different complaints, etc.) so that all 18 areas of case being handled by the service contractor will be covered. The revised Guidelines will take effect by May 2021.</p>
	(d) stipulate in the guidelines the need to select cases covering all the ten areas to be examined in accordance with the checklist for document review;	<p>As SWD has already committed to implementing the recommendation in full by May 2021, we propose to delete this part from the next progress report.</p>
	(e) remind SWD staff to properly classify complaints and enquiries in accordance with the requirements of General Circular No. 24/2016 and take the required follow-up action in handling complaints; and	<p>SWD circulates regularly General Circular No. 24/2016 on handling of complaint cases to remind staff to properly classify and handle complaints as well as enquiries and maintain proper records.</p>
	(f) properly record all complaints in the complaints register.	<p>SWD has revised the standard intake form for handling complaints since December 2020 to facilitate staff in classifying complaint/enquiry cases. The completed intake forms involving</p>

Para. No.	Audit's Recommendations	Progress to Date
		<p>complaints/enquiries related to non-refoulement claimants (NRCs) are reviewed by a designated officer at Senior Social Work Officer level to ensure that all complaint cases are properly recorded in the complaints register and handled in accordance with the established guidelines.</p> <p>As the recommendations have been implemented, we propose to delete this part from the next progress report.</p>
2.39	<p>Audit has recommended that DSW should –</p> <p>(a) request the service contractor to report the reasons for delays in providing services to service users and take improvement measures to ensure that new cases are always taken up within the time frame as required in the service contract;</p> <p>(b) issue more guidelines to the service contractor for handling cases with financial support provided to the service users from other sources in performing the vulnerability and needs assessment;</p>	<p>Starting from December 2020, the service contractor records the reasons for delays in providing humanitarian assistance to eligible service users and reports such cases to SWD every month for monitoring.</p> <p>In addition, the service contractor has stepped up internal monitoring, strengthened manpower deployment and enhanced the means to reach the applicants.</p> <p>As the recommendation has been implemented, we propose to delete this part from the next progress report.</p> <p>SWD has provided additional advice to the service contractor to improve the financial assessment procedure by (i) imposing a mandatory requirement for the service users to provide information on any other sources of financial support being received; and (ii) reminding the service users that failure to provide accurate and comprehensive information may lead to suspension/termination of assistance.</p>

Para. No.	Audit's Recommendations	Progress to Date
		As the recommendation has been implemented, we propose to delete this part from the next progress report.
	(c) explore measures to strengthen controls on assistance provided in the form of paying rental deposits for service users; and	<p>The major reason for forfeiture of rental deposits was related to service users' failure to give one-month prior notice to the landlord before moving out during the tenancy period. To enhance service users understanding of their obligations as tenants, the service contractor has designed an educational flyer and provided a template on termination of tenancy to facilitate the service users in informing their landlords. Also, in February 2021, the service contractor put in place the sanction measure of not granting further rental deposit to service users who have terminated their tenancy prematurely without properly notifying the landlords. In addition, the service contractor has tightened the assessment of rental assistance for such service users.</p> <p>As the recommendation has been implemented, we propose to delete this part from the next progress report.</p>
	(d) review the effectiveness of the work of the Internal Audit and Investigation Unit formed by the service contractor in minimising forfeiture of rental deposits.	<p>To closely monitor the effectiveness of the work of the Internal Audit and Investigation Unit of the service contractor, SWD has obtained from the service contractor monthly reports on the retrieval rate of rental deposit since February 2021.</p> <p>As the recommendation has been implemented, we propose to delete this part from the next progress report.</p>

Para. No.	Audit's Recommendations	Progress to Date
<b>Part 3: Provision of Humanitarian Assistance under the Food Contract</b>		
3.16	<p>Audit has recommended that DSW should –</p> <p>(a) remind the food contractor to submit monthly reports in a timely manner in accordance with the food contract and improve accuracy of the monthly statistical reports;</p>	<p>Since December 2020, SWD has issued to the food contractor alert notices before the due date of submission of reports. SWD has also reviewed with the food contractor the latter's workflow of preparing statistical reports, in order to expedite the completion of verification by the service contractor. Since December 2020, the food contractor has been submitting statistical reports on time with improved accuracy.</p> <p>As the recommendation has been implemented, we propose to delete this part from the next progress report.</p>
	<p>(b) review the reporting requirements regarding the list of halal foods by items and bi-monthly statements on the total monthly invoice value, cumulative total contract price and contract balance and, based on the review results, communicate the requirements to the food contractor and SWD staff; and</p>	<p>SWD has reviewed the reporting requirements. The list of halal foods by items should be submitted on a bi-monthly basis. As for the total monthly invoice value, cumulative total contract price and contract balance, bi-monthly statements will no longer be necessary. SWD has accordingly notified the food contractor and its own staff.</p> <p>As the recommendation has been implemented, we propose to delete this part from the next progress report.</p>
	<p>(c) remind the service contractor to conduct the verification of the monthly statistical reports submitted by the food contractor and issue the monthly certification reports in a timely manner.</p>	<p>The food contractor has taken measures since October 2020 to improve the accuracy of the Monthly Statistical Reports. Since then, the service contractor has been able to complete the verification and furnish SWD with the Monthly Certification Reports in a timely manner. In addition, SWD has</p>

Para. No.	Audit's Recommendations	Progress to Date
		<p>started issuing alert notices to the service contractor before the due date of submission of reports.</p> <p>As the recommendation has been implemented, we propose deleting this part from the next progress report.</p>
3.27	<p>Audit has recommended that DSW should –</p> <p>(a) take measures to ensure that SWD staff conduct on-site visits to food outlets of the food contractor in accordance with the Protocol, and any departure should be justified and properly documented;</p>	<p>SWD will strictly adhere to the guidelines and schedule of on-site visits to food outlets. The responsible staff member has to seek prior approval from the Senior Social Work Officer concerned if a change of the schedule of visit or monitoring activity is necessary, and the approved change will be recorded with justifications.</p> <p>As the recommendation has been implemented, we propose to delete this part from the next progress report.</p>
	<p>(b) consider refining the criteria for selecting food outlets of the food contractor for conducting on-site visits to increase coverage of districts with high proportion of service users residing therein; and</p>	<p>SWD has refined the criteria for selecting food outlets of the food contractor for conducting on-site visits, and included the selection of food outlets in six districts with the highest proportion of e-token consumption. Moreover, SWD will increase the number of food outlet visits from six to 18 per contract term. The new guidelines for monitoring the food contract has been adopted in the new contract with effect from May 2021.</p> <p>As the recommendation has been implemented with effect from May 2021, we propose to delete this part from the next progress report.</p>

Para. No.	Audit's Recommendations	Progress to Date
	(c) explore ways to improve the response rate and completeness of responses in user satisfaction surveys	<p>The incumbent service contractor has put in place, since December 2020, measures to increase the response rate and completeness of the annual user satisfaction surveys. The measures include using straightforward questions, giving more guidance to service users on how to complete the surveys by way of a video, and encouraging the service users to return the completed questionnaires during monthly contract renewal interviews. In December 2020, the response rate of the survey was improved to 92.2%.</p> <p>As the recommendation has been implemented, we propose to delete this part from the next progress report.</p>
3.41	<p>Audit has recommended that DSW should –</p> <p>(a) keep in view the effectiveness of the sanctions imposed on service users who have misused e-tokens (in particular those who have repeatedly done so);</p>	<p>SWD has established a mechanism for the service contractor to impose increasingly heavier sanctions on service users who repeatedly misuse e-tokens, from issuing warning letters, shortening the valid purchase period of e-token, to providing only in-kind food in lieu of e-tokens. SWD will monitor the effectiveness of the sanctions through a monthly report to be submitted by the service contractor.</p> <p>As the recommendation has been implemented, we propose to delete this part from the next progress report.</p>
	(b) remind the service contractor to make greater efforts to impose sanctions on service users in a timely manner;	<p>Having considered the time required for conducting investigation, SWD has set specific time frames and reminded the service contractor to impose sanctions on service users according to the time frames for different types of misuse of the e-tokens – (i) immediate sanction</p>

Para. No.	Audit's Recommendations	Progress to Date
		<p>will be taken when service users report loss of their e-tokens; and (ii) for service users producing sales receipts with unmatched signatures, the service contractor will impose sanction within one month after discovery so as to allow sufficient time for investigation. SWD will continue to remind the service contractor and monitor its compliance with the time frames.</p> <p>As the recommendation has been implemented, we propose to delete this part from the next progress report.</p>
	<p>(c) consider establishing a mechanism for SWD to refer cases of suspected misuse of e-tokens for bulk purchase of non-staple food to the service contractor for further investigation and imposition of sanctions if necessary;</p>	<p>SWD has sent the list of suspected bulk purchase of non-staple food (exceeding \$500 per month) to the service contractor since October 2020 for investigation and imposition of sanctions if necessary.</p> <p>As the recommendation has been implemented, we propose to delete this part from the next progress report.</p>
	<p>(d) consider the need to increase the number of samples selected by the service contractor for investigating into cases of suspected abuse of e-tokens;</p>	<p>Starting from March 2021, the service contractor has increased the number of samples selected for investigation. SWD will randomly select additional cases from the pool of cases for document review during the unannounced case file inspection.</p> <p>As the recommendation has been implemented, we propose to delete this part from the next progress report.</p>
	<p>(e) in view of increasing number of suspected cases of bulk purchases of non-staple food identified by SWD, explore the feasibility of implementing controls to prevent such purchases; and</p>	<p>Upon review of the list of suspected bulk purchases (e-token purchases exceeding \$500 on non-staple food), SWD noted that 85% of the suspected bulk purchases were spent on adult milk powder. Since such purchases may involve possible re-sale activities, SWD has requested the food contractor</p>

Para. No.	Audit's Recommendations	Progress to Date
		<p>to treat adult milk powder as unrecognised item for purchase by e-token from April 2021 onwards. If any service users have special needs for adult milk powder, the service contractor may provide adult milk powder in-kind upon receipt of documentary proof from the service users.</p> <p>As the recommendation has been implemented, we propose to delete this part from the next progress report.</p>
	(f) keep in view the severity of the issue arising from negative balances in e-tokens, and request the food contractor to devise an effective solution to address the issue.	<p>Upon SWD's request, the food contractor has enhanced its computer and charging system for e-tokens. There has been no new negative balance case since September 2020.</p> <p>As the recommendation has been implemented, we propose to delete this part from the next progress report.</p>
<b>Part 4: Other Administrative Issues</b>		
4.11	<p>Audit has recommended that DSW should –</p> <p>(a) provide clarification on the definition of service users for the purpose of calculating the administrative cost payable to the service contractor and provide more guidelines to the service contractor in this regard; and</p>	<p>SWD has provided the service contractor with clarification and guidelines on the definition of service users for the purpose of calculating administrative cost payable to the service contractor. For service users who are minors and not in receipt of any direct assistance (i.e. food, transportation, daily necessity, accommodation, etc.) but require social work support from the service contractor (e.g. hospitalised minors in need of formulation of a caring plan), SWD has requested the service contractor to deliver the required intangible service including</p>

Para. No.	Audit's Recommendations	Progress to Date
		<p>face-to-face interviews, case reviews, crisis intervention, etc. The service contractor is required to include and record the intangible service provided in the Half-monthly Expenditure Report.</p> <p>As the recommendation has been implemented, we propose to delete this part from the next progress report.</p>
	<p>(b) consider not specifying tenderers' experience as an essential requirement with a view to encouraging tender competition in future tender exercises for the service contract.</p>	<p>SWD will remove the "tenderer's experience" as an essential requirement when conducting the next tendering exercise for the service contract in early 2022 to encourage competition.</p> <p>In line with the above, SWD has already removed the "tenderer's experience" as an essential requirement when conducting the recent tendering exercise for the food contract in December 2020.</p> <p>As SWD has committed to implementing the recommendation, we propose to delete this part from the next progress report.</p>
4.16	<p>Audit has recommended that DSW should –</p> <p>in consultation with Security Bureau (SB), continue to review the level of assistance to NRCs as and when appropriate to ensure that the Government meets the aim of providing the assistance.</p>	<p>SWD, in consultation with SB, will continue to conduct timely review of the level of assistance to NRCs.</p> <p>As the recommendation has been implemented, we propose to delete this part from the next progress report.</p>

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