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4 January 2021  
(By email)

Ms Wendy Jan  
Clerk to Public Accounts Committee  
Legislative Council Complex  
1 Legislative Council Road  
Central  
Hong Kong

Dear Ms Jan,

**Public Accounts Committee**  
**Consideration of Chapter 6 of the Director of Audit's Report No. 75**  
**Funding schemes for conservation of built heritage managed by**  
**the Development Bureau**

Thank you for your letter dated 23 December 2020 regarding the Public Accounts Committee's consideration of Chapter 6 of the Director of Audit's Report No. 75. Our response is at Appendix.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'Karen Kam', written over a horizontal line.

(Ms Karen Kam)

for Secretary for Development

c.c. Secretary for Financial Services and the Treasury (email: [sfst@fstb.gov.hk](mailto:sfst@fstb.gov.hk))  
Director of Audit (email: [john\\_nc\\_chu@aud.gov.hk](mailto:john_nc_chu@aud.gov.hk))

## Appendix

**Public Accounts Committee**  
**Consideration of Chapter 6 of the Director of Audit's Report No. 75**  
**"Funding schemes for conservation of built heritage**  
**managed by the Development Bureau"**

**Part 2: Management of the Revitalising Historic Buildings Through Partnership Scheme ('Revitalisation Scheme')**

**Scope for improvement in inviting applications**

- 1) **According to paragraph 2.4 and Table 2, the number of applications received for each historic building varied considerably. For example, the number of applications received for each historic building launched under Batch V ranged from 2 applications to 12 applications. According to paragraph 2.6(a)(iii), only two applications were received for a historic building launched under Batch V because it was a historic building located in remote area and the gross floor area of the building was relatively small. Please inform this Committee how the Administration will enhance the attractiveness of historic buildings which are located in remote areas and the gross floor areas of which are relatively small to potential applicants in the future.**

The number of applications received under the Revitalising Historic Buildings Through Partnership Scheme (Revitalisation Scheme) depends on various factors, such as the nature of the building, geographical environment and building size. All buildings included in the Revitalisation Scheme must be government-owned historic buildings with no designated use and limited commercial viability. Some of these buildings are located in remote area and the gross floor area of the buildings is relatively small. Such physical and geographical constraints might reduce their attraction to potential applicants. Although one historic building located in remote area with a relatively smaller gross floor area under Batch V of the Revitalisation Scheme received just two applications, it is only an isolated example. In fact, when that historic building was re-launched under the latest Batch VI of the Revitalisation Scheme, five applications were received.

The Development Bureau (DEVB) has all along striven to raise public awareness of the importance of conserving and revitalising historic buildings through organising various publicity and public education activities targeting different sectors of the community. Besides, projects under the Revitalisation Scheme are generally well-received and recognised by the public. In recent years, more organisations are interested in participating in the conservation of historic buildings. As in the example shown above, even if the number of applications a project received previously under the Revitalisation Scheme was relatively small, it can still attract more applications when re-launched. We believe that even though some historic buildings are relatively small in size and located in remote area, they can still be attractive. Non-profit-making organisations (NPOs) can usually unleash their creativity and put forward different viable revitalisation proposals. With collective public wisdom, we can definitely find new uses for the buildings for the enjoyment of the public.

In addition, DEVB considers that the quality of applications outweighs the number. Despite the small number of applications received for individual historic buildings under the previous five batches of the Revitalisation Scheme, the quality of the application proposals we received was quite high with concrete and practical operation modes and strategies. They are also very creative and can bring out the value of the historic buildings.

To further enhance the attraction of historic buildings to potential applicants when launching a new batch of the Revitalisation Scheme in future, DEVB will also step up promotion through social media in addition to our websites, newsletters, press releases and publicity activities, so that organisations of varying scales can submit applications for the most suitable historic buildings according to their needs and abilities. DEVB will also 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. Furthermore, if necessary, we will consider extending the application period so that interested organisations will have more time to prepare application proposals.

- 2) **According to paragraph 2.6(b)(i), regarding the invalid applications received by the Development Bureau ("DEVB"), DEVB had already used various means to facilitate potential applicants to understand the application requirements, including organizing workshops. Will the Administration revise the contents of the workshops so that it will be easier for applicants to understand the application requirements? If yes, what are the details? If no, what are the reasons?**

DEVB has already used various means to facilitate potential applicants to have a better understanding, including organising workshops, publishing the Guide to Application and resource kits, and publicising such requirements on our websites, newsletters and roving exhibitions. Whenever a new batch of the Revitalisation Scheme is launched, DEVB will review and revise the contents of workshops, the Guide to Application and resource kits, so that the applicants will have a better understanding of the scheme and know how to complete the application form. We will consider explaining the reasons and cases regarding previous invalid applications in future workshops, so as to explain the application requirements to applicants through concrete examples to reduce invalid applications. We will also invite more selected organisations to share their experience in completing the application form and preparing related documents.

- 3) **It is pointed out in the Director of Audit's Report that there were often delays in the submission of various kinds of applications, information and reports as well as in the implementation of works by non-profit-making organizations ("NPOs") under various funding schemes for conservation of built heritage. In this connection, what specific improvement measures has DEVB put in place to ensure that the historic buildings concerned can be conserved and revitalized in a timely manner? Will DEVB consider providing more proactive and professional support to those NPOs which lack project management experience? If yes, what are the details? If no, what are the reasons?**

DEVB has been providing professional support for successful non-profit-making applicants to take forward their proposals in the areas

of heritage conservation, land use and planning, building architecture and compliance with the Buildings Ordinance (Cap. 123). During the design of advance works, DEVB will provide templates for tender documents to assist the NPOs in engaging engineering design consultants to take forward detailed design. During the implementation of works, DEVB will hold progress and site meetings with the NPOs on a regular basis to keep informed of the works progress and help supervise the consultants and contractors. During operation, DEVB will assist the NPOs in formulating building maintenance manuals and offer technical advice on maintenance in a timely manner.

**Improvement in setting the criteria for shortlisting applicants for second-round assessment**

**4) According to paragraph 2.9(a), in assessing the applications received under Batch I of the Revitalisation Scheme, the Advisory Committee on Built Heritage Conservation ("the advisory committee") did not set a pre-determined passing score for five historic buildings. According to paragraph 2.9(b), there was no documentary evidence showing that pre-determined shortlisting criteria had been set by the advisory committee in considering the applications received for all historic buildings under Batches II to IV. According to paragraph 2.9(c), for a historic building with two applications received, an applicant with a score below the passing score was shortlisted to attend the interview with the advisory committee. In this connection, please provide the following information:**

**(a) why did the advisory committee not set a pre-determined passing score for five historic buildings in assessing the applications received under Batch I of the Revitalisation Scheme?**

When Batch I of the Revitalisation Scheme was launched in 2008, the Advisory Committee on Revitalisation of Historic Buildings, responsible for assessment of the Scheme already established a set of assessment criteria and a passing score in assessing the first two historic buildings. These were recorded by the Secretariat in the relevant minutes of the assessment meeting. The passing criteria

also applied to the remaining five historic buildings but were simply not laid down in the minutes again.

- (b) is the advisory committee obliged to comply with the guidelines on setting pre-determined shortlisting criteria? In case of members' failure to comply with the guidelines on setting pre-determined shortlisting criteria and documenting the justifications for any deviations from the pre-determined criteria, what measures will DEVB take to ensure compliance by members; and**

At the beginning of assessment of each batch of the Revitalisation Scheme, the committee responsible for assessment will discuss and endorse the assessment criteria for that particular batch of the scheme. During the assessment process, if the committee finds it necessary to deviate from the relevant criteria, it will set out detailed justifications and the Secretariat will record them in the minutes of meeting. The assessment committee of Batches I to IV was chaired by the same person, whereas the membership of the committee for Batches I to III was more or less the same except for a few changes in Batch IV. Therefore, the same set of assessment criteria and passing score were used when assessing the applications under Batches I to IV. There was no deviation from the relevant criteria in the assessment process.

- (c) please explain why an applicant with a score below the passing score was shortlisted to attend the interview with the advisory committee.**

Under Batch V of the Revitalisation Scheme, assessment was carried out by the then newly established Advisory Committee on Built Heritage Conservation (ACBHC), which adopted the assessment criteria for Batches I to IV and the same passing score. However, as one of the historic buildings under the scheme was located in a relatively remote area and its usable area was quite small, certain constraints and difficulties would be encountered during the revitalisation process. We received two applications for that building, but both of them did not attain the passing score. After

detailed discussion, the ACBHC agreed to invite the applicant with a score nearer to the passing score for an interview, so as to better understand the details of the application before deciding whether the application would be considered. After the interview with the applicant, the ACBHC considered that the application did not meet the threshold for shortlisting and therefore could not enter the second round of assessment. The decision and detailed justifications given by the ACBHC have been clearly recorded in the relevant minutes of meeting.

### **Need to strengthen monitoring of works variations**

- 5) As stated in paragraph 2.21(a), an NPO awarded the contract for the main works of a project to a contractor at a contract sum of \$195.5 million. According to the draft final project account of the project in August 2019, the estimated final contract sum had increased by \$26.6 million (i.e. from \$195.5 million to \$222.1 million), with variation works of about \$13.3 million. In this connection, please provide the following information:**
- (a) has DEVB investigated the reasons why the NPO issued many instructions of works variations without prior approval? If yes, please provide the records of the follow-up actions taken. If no, what are the reasons and how did DEVB monitor the situation and enhance accountability? Moreover, why did the NPO not seek prior approval?**

As the draft final project account submitted by the NPO recently was incomplete and missed quite a lot of information (including documents regarding the approvals for works variations), DEVB already requested the NPO on 25 November 2020 to include all documents regarding the approvals for works variations (both written and verbal approval-in-principle) when submitting a revised draft final project account. All works variations without approval have to be removed from the revised draft final project account. The NPO is responsible for the financial cost of the works variations carried out without approval.

- (b) according to paragraph 2.22(a), as informed by DEVB, it would first give verbal approval-in-principle to some variation requests involving minor changes. Under what circumstances will verbal approval-in-principle be normally given? How will DEVB assess NPOs' justifications for variation requests?**

In general, verbal approval-in-principle is given to solve problems encountered during the actual works process. The relevant proposals will be discussed and decisions will be made immediately on site by the project team in order to avoid delay of works. DEVB will carefully examine and review the variation requests according to the contract provisions, and consider the cost and time implications before confirming whether the variations are justified. If necessary, we will seek technical advice from the Architectural Services Department (ArchSD).

- (c) what measures will DEVB take to ensure that NPOs get prior written approval for variation works as far as possible; and**

As regards Batch IV revitalisation projects underway, we will hold progress and site meetings with the NPOs on a regular basis to discuss and monitor the works progress of the projects and remind the NPOs to submit their applications for works variations in advance for approval.

- (d) when is the review referred to in paragraph 2.22(c) expected to be completed?**

DEVB expects that the review of the approval for works variations for the relevant projects will be completed in the second quarter of 2021.

**Need to continue to keep under review financial viability and sustainability of projects**

- 6) According to paragraph 2.32(b), three projects accumulated deficits of \$1 million, \$1.8 million and \$6.6 million respectively as of their reporting dates in 2019. Please provide the following information:**



- (a) have the NPOs which are operating at a deficit implemented measures to improve their financial performance? If yes, what are the details? If no, what are the reasons; and**

All three NPOs with deficits have implemented measures to improve their financial performance, including the new services already provided or will be provided (such as special catering services and new interest classes and workshops) to attract more visitors and customers. In addition, these NPOs have successfully sought sponsorship and donations through different channels, including funding from the Hong Kong Jockey Club Charities Trust, the HSBC Hong Kong Community Partnership Programme and the Kadoorie Farm, to improve their financial situation.

- (b) regarding those NPOs which continue to have deficits, has DEVB taken actions to assist them to operate the relevant projects? If yes, please provide records on the follow-up actions taken. If no, what are the reasons?**

Under the Revitalisation Scheme, the Government will provide a maximum of \$5 million grant to an NPO with deficits in the first two years of operation. Of the above three NPOs with deficits, one has already been granted \$2.2 million earlier on and another NPO will receive a maximum of \$3.3 million grant. DEVB has also decided to provide maintenance subsidies for operators that will renew their third tenancy, so as to facilitate these organisations to carry out works to maintain and conserve the relevant historic buildings. In order to alleviate the impact of the COVID-19 epidemic, all operators can apply for a subsidy of \$3 million from the Anti-epidemic Fund to solve their cash flow problems and continue operation. DEVB also helps the operators to promote local built heritage tourism and provide them with financial assistance to attract visitors and improve their operation.

## **Need to ensure NPOs' compliance with submission requirements**

**7) According to paragraph 2.36(a) to (c), there were delays in the submission of business plans and financial plans, building management plans, mid-year progress reports and annual reports by NPOs. Please provide the following information:**

**(a) has DEVB gained an understanding of the reasons for the late submission of reports by NPOs, and explored if there are other ways to resolve this problem?**

As far as we know, the main reasons for the delay in the submission of their first business, financial and building management plans by the NPOs include: (i) the building management plans involved information submitted by third parties, and the NPOs could only finish drawing up the documents after the submission of as-built drawings by the consultants and contractors engaged by them; and (ii) since the submission deadlines for the above plans coincided with the renovation period during which the NPOs were preoccupied with the works progress and business preparation, the submission of the project plans was delayed.

As to the main reasons for late submission of regular progress reports, they include: (i) since the NPOs were not familiar with how to fill out the report proforma (in particular the financial part) during initial operation, they spent a longer time to complete the whole report; (ii) the auditors engaged by the NPOs failed to complete their audit work on schedule; (iii) the financial reports had to be approved by the boards of directors but the dates for board meetings might not match the submission deadlines; and (iv) the operators under Batches I and II of the Revitalisation Scheme were not required to set up independent companies, so their financial reports would only be ready after the completion of the financial reports by their parent companies and the approval by the boards of directors, but the financial years of the parent companies and the operators might not be the same, which resulted in delays.

DEVB has all along followed up on cases of non-submission or late submission of reports and documents, including giving verbal and

written reminders on a regular basis. Cases with serious delay would be escalated to senior management of both DEVB and the NPOs with written advices given. As mentioned above, the reasons for late submission of reports and documents by the NPOs were often not anticipated by them. They include: reports involved information submitted by third parties, the NPOs were not familiar with how to fill out the report proforma during initial operation, the external auditors failed to complete their audit work on schedule, the financial reports had to be approved by the boards of directors of the operators. We understand the difficulties encountered by the NPOs in submitting their reports, and we will communicate with them more closely to assist them in submitting their reports on time.

- (b) according to paragraph 2.37, even though DEVB had given verbal and written reminders and written advices, the problem of late submission of reports by NPOs was still serious. Will DEVB strengthen the existing measures or establish afresh a more effective regulatory mechanism to ensure the timely submission of reports by NPOs; and**

To further enhance the monitoring of the submission of reports by the NPOs, since September 2020, at the internal meetings held every two months for the Revitalisation Scheme projects chaired by a directorate officer, the progress of the submission of reports by the NPOs would be discussed and examined so that timely and appropriate follow-up action would be taken. Regarding reports that have been long overdue, directorate officers will meet with the NPOs to understand their difficulties and look for a solution together. We will also examine the use of information system to enhance our efficiency in recording, analysing and monitoring the project performance of the NPOs.

- (c) as regards the late submission of reports by NPOs, is there a mechanism for imposing penalties?**

DEVB will evaluate the operation of the social enterprises on a regular basis through the reports submitted by the NPOs, and will report the situation to the ACBHC so as to discuss and monitor the

progress of each project and give appropriate advice. As regards late submission of reports by the NPOs, after we have issued reminders and advice to them, the NPOs concerned have made improvements. If such unsatisfactory situation persists or if the NPOs fail to submit the reports, we may consider terminating their tenancy agreements and take back possession of the historic buildings.

### **Part 3: Management of the Financial Assistance for Maintenance Scheme on Built Heritage (“FAS”) and two funding schemes**

#### **Scope for assisting applicants to submit required information and expediting the processing of FAS applications**

8) According to paragraph 3.3(a)(i) and (ii), for the 145 valid applications received during August 2008 to July 2020, the processing time (i.e. the duration between the date of receipt of application and date of formal approval) of 22 (28% of 79) applications was more than two years, and the case with the longest processing time lasted for more than four years. According to paragraph 3.3(b), 66 FAS applications pending formal approval were still being processed by DEVB as of July 2020. Please provide the following information:

(a) regarding the two-stage approval mechanism introduced in April 2015 by DEVB to deal with relevant matters as mentioned in paragraph 3.4(a), please provide the staffing establishment and expenditure involved, and how effective is the mechanism; and

Before April 2015, an applicant was required to submit an application form together with the proposed scope of maintenance works and cost estimates. Upon receipt of the application, DEVB would check the eligibility of the application (e.g. completeness of the submitted information) and site visits would be conducted by DEVB and ArchSD to inspect the historic building and carry out assessments to form a view on the proposed maintenance works. Previously, applications for the Financial Assistance for Maintenance Scheme on Built Heritage (FAS) would be approved by us in one stage. Without the assistance of the consultants in

conducting technical assessment, an applicant usually needed longer time to obtain formal approval.

Since April 2015, FAS applications received have been processed in two stages (i.e. two-stage processing mechanism). Under stage one, vetted applicants will be granted with approval-in-principle and are allowed to engage consultants. Under stage two, with the assistance of consultants in conducting technical assessment, applicants will be able to obtain a formal approval more efficiently. The number of formally approved applications also increased from two in 2015/16 to 13 in 2019/20. Since 2008, there are three posts responsible for the administrative work of the FAS, namely one senior professional grade member, one professional grade member and one senior technical grade member. According to the expenditure for 2019-20, the annual expenditure in this regard was about \$2.98 million.

**(b) what other measures will DEVB take to address the problem?**

When processing applications, we are aware that some applicants fail to submit the required information within a reasonable time to obtain a formal approval. We will enhance communication with the applicants, for example, by holding meetings with them, and do our best to help them submit the required information so that they will obtain a formal approval as soon as possible.

**Scope for providing further guidelines on handling concurrent FAS applications in relation to a single historic building**

- 9) **According to paragraph 3.7, a single historic building could at most have three concurrent applications at any instant covering different aspects of the building, and such practice for handling concurrent applications has neither been specified in the Guide to Application nor in DEVB's internal guidelines. In this connection, will the Administration specify such practice in the Guide to Application or in its internal guidelines, so as to handle concurrent FAS applications? If yes, what are the current implementation situation, progress and details? If no, what are the reasons?**

DEVB will specifically include the current practice, i.e. a single historic building can at most have three concurrent applications at any instant covering different aspects of the building, into the Guide to Application and our internal guidelines as soon as possible.

- 10) According to paragraph 3.8, owing to the low grant ceiling of \$2 million for each successful application under FAS, some owners of privately-owned graded historic buildings might intentionally carry out the repair and maintenance works of the buildings in phases in order to obtain more subsidies under separate applications. In this connection, will the Administration consider raising the grant ceiling? If yes, what are the details? If no, what are the reasons?**

DEVB raised the grant ceiling from \$1 million to \$2 million in 2016. However, we have not found any cases in which the owners intentionally carried out the repair and maintenance works of the buildings in phases solely because the grant ceiling for each successful application was \$2 million. In addition, a single historic building can at most have three concurrent applications covering different aspects of the building and a total of \$6 million will be granted. We, therefore, currently have no plans to further raise the grant ceiling for each successful application.

**Need to ensure that grantees comply with submission requirements**

- 11) According to paragraphs 3.18, 3.19 and Table 7, of the 59 projects with maintenance works completed, the Audit Commission selected five projects for examination. For two projects, only three and two brief reports were submitted by the grantees during the respective nine-year and five-year periods after the completion of maintenance works, and for the other three projects, no reports were submitted by the grantees. DEVB did not issue reminders in a timely manner to those grantees which had not submitted or had delay in submitting the brief reports. Please provide the following information:**
- (a) for those grantees who were late in submitting or had not submitted brief reports, has DEVB understood from them the difficulties involved and assisted them in resolving these difficulties?**

When processing these cases, we found out that the correspondence addresses or telephone numbers of some grantees had already been changed. We had to locate the grantees when conducting regular site visits. The grantees of the above five cases have already submitted all the brief reports.

- (b) will DEVB strengthen the existing measures or establish afresh a more effective regulatory mechanism to ensure timely submission of brief reports by grantees; and**

DEVB has followed up on all cases of non-submission or late submission of brief reports on a regular basis, including giving written reminders or contacting them by telephone. We will enhance communication with the grantees (such as requesting the grantees to provide two telephone numbers for contact), so as to remind them to submit brief reports on time in a more effective manner.

- (c) as regards the non-compliance with the requirements in FAS agreements by the grantees, is there a mechanism for imposing penalties?**

Regarding the grantees who have breached the conditions in the FAS agreement, DEVB has put in place a disciplinary mechanism to monitor the situation, which is also specified in the agreement signed and returned by the grantees. Should the grantees breach any conditions in the agreement, we will examine the situation and the grantees may be required to repay the Government the whole or part of the grant together with the administrative cost incurred at the Government's discretion.

### **Scope for improvement in implementing the projects**

- 12) According to paragraph 3.24, a grantee organized six workshops under three planned activities from November 2018 to April 2019, and one of such workshops fell short of the target number of participants by 62%. Please provide the following information:**

- (a) what is the status of DEVB following up with the grantee to understand the reasons for not achieving the target number of participants?**

The Secretariat to the Built Heritage Conservation Fund (the Secretariat) under DEVB has been liaising closely with the grantee to understand and follow up on the progress of the project. In respect of the activities mentioned in paragraph 3.24 of the Director of Audit's report, according to the progress reports and information provided by the grantee, the organiser has taken the initiative to contact a number of schools with a view to increasing the number of student participants. However, school activities were heavily scheduled then and therefore the response was not enthusiastic. Besides, the workshop which fell short of the target was actually held on the last day of two consecutive workshops, and it was conducted in the form of group presentation. As each group was allowed to send its representatives to the workshop to give presentations, the actual number of participants was lower than the target number. (The target number of participants was 40, and only 15 of the 64 registered participants showed up.)

- (b) how does DEVB monitor whether the grantees under the funding schemes have met the targets at present? What are the Government's scope of authority, as well as the expenditures and staffing establishment involved; and**

According to the Guide to Application – Funding Scheme for Public Engagement Projects on Built Heritage Conservation and the Conditions for the Use of Fund at its Appendix IV, the grantee is required to submit progress reports to the Secretariat periodically to report the latest progress of the project, and submit the project evaluation report and audited statement of accounts within three months after completion of the whole project. The Secretariat will examine these progress, financial and evaluation reports submitted by the grantee to monitor if the project activities have met the objectives and targets as stipulated in the approved project proposal. In addition, the Secretariat will conduct on-site inspection during the



activities from time to time, and give recommendations and advice on the improvement measures to the grantee afterwards.

Under the existing establishment, a total of four posts were established under the Secretariat since 2018 to help monitor the two pilot schemes, including one Curator (Heritage Conservation), one Senior Heritage Officer and two Heritage Officers. The annual expenditure on the four posts was about \$3.7 million in the financial year 2019-20.

- (c) are there any measures to increase the number of participants of the workshops? If the situation continues to be unsatisfactory, how will this problem be resolved?**

The Secretariat will continue to exchange views with the grantees to increase the attendance rate of workshops and make recommendations accordingly. Measures include increasing the application quotas, providing phone call reminders to all registered participants before the day of activities, increasing the means of publicity and making wider use of social media to enhance promotion. For those activities with continuously low attendance rate, the Secretariat will advise the grantees to review and change the concept and mode of the activities to enhance their attractiveness.

#### **Part 4: Other management issues**

##### **Room for improving practices on declaration of interests**

- 13) According to paragraph 4.13, DEVB did not request declaration of general pecuniary interests from members of the advisory committee when they were appointed. Instead, members were requested to declare their interests at the first committee meeting or six days before the first committee meeting, which were one to two months after the date of appointment. In addition, no time limit was set by DEVB for the return of the declaration forms, and some members submitted their declaration forms long after DEVB requested them to do so. Please provide the following information:**

**(a) what are the existing procedures and guidelines for committee members to declare their interests?**

The existing procedures and guidelines for the declaration of interests by those who are appointed as members of the committee are formulated according to the two-tier declaration system proposed by the Independent Commission Against Corruption. Members, upon their appointment, shall declare and register their personal interests, direct or indirect, pecuniary or otherwise. In addition, prior to the assessment of applications for the revitalisation of historic buildings or the discussion of any subject matters, if a member finds any potential or actual conflict of interest in the subject matters to be discussed, he/she has to make a declaration before the meeting. The chairman and other members of the committee will decide whether that member should abstain from the meeting or withdraw from discussion.

**(b) for those members who were late in submitting declaration forms or had not submitted annual declaration forms, has DEVB followed up with them, and how did DEVB address potential conflict of interests?; and**

Regarding members who are late in submitting the forms to register their personal interests, DEVB has all along followed up with the members, including reminding them by telephone and email to return the forms as soon as possible. In the end, all members have returned the relevant forms. If there is any change to members' interests during their term of office, they will also notify the Secretariat. Besides, as mentioned in (a) above, prior to the discussion of any subject matters, members also have to declare any potential or actual conflict of interest. The chairman and other members of the committee will decide whether that member can continue to attend the meeting and participate in the relevant discussion, so as not to affect the discussion of the meeting due to conflict of interest.

- (c) what measures will DEVB take to ensure that members of the advisory committee will declare their interests upon appointment and annually thereafter?**

In future, DEVB will invite members to register their personal interests immediately upon their appointment and will invite them to make declarations annually afterwards. We will set a time limit for the return of the declaration forms, and will step up efforts to remind and follow up with those members who have not returned their forms on time, requesting them to return the forms to register their interests as soon as possible.