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(Translation)

6 January 2016

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

Dear Mr CHU,

Public Accounts Committee

**Chapter 4 of the Director of Audit's Report No. 65
Burial and cremation services**

**Cancellation of public hearing on 12 January 2016
Written questions for reply**

Thank you for your letter dated 23 December 2015.

In response to the list of questions attached in your above-quoted letter, we would like to provide information at **Annex** to facilitate the Public Accounts Committee's consideration of the captioned report.

Yours sincerely,



(LAI Chun-kwong)

for Director of Food and Environmental Hygiene

c.c. Secretary for Food and Health (Fax No.: 2869 4376)
Secretary for Financial Services and the Treasury (Fax No.: 2147 5239)
Director of Audit (Fax No.: 2583 9063)

**Chapter 4 of the Director of Audit's Report No. 65
Burial and Cremation Services
Questions Asked and Information Requested**

1. Paragraphs 2.10 to 2.12 of the Report

What are the difficulties encountered in the implementation of the District-based Columbarium Development Scheme? What measures will be taken by the Government to step up and expedite the implementation of the scheme?

Generally speaking, to pursue a columbarium project, the Government has to conduct various preliminary studies and assessments on the proposed site (such as Technical Feasibility Study, Traffic Impact Assessment or even Engineering Feasibility Study) having regard to the scale of development (i.e. the number of niches to be provided) as well as the complexity and possible constraints of the project. These studies take time to complete. Depending on the results of the studies, the Government will consult the relevant District Council (DC) and take follow up actions to address members' comments and concerns. Where members of the DC require more detailed information or have alternative proposals on the columbarium project, the Government has to prepare additional information on the project for further deliberation by members of the DC. In some cases, the Government may need to conduct further technical studies or even make amendments to the proposal to address their comments/concerns. In some complex cases, several rounds of local consultation may be needed to secure the DC's support for the project. With the support of the DC, we will proceed with the established procedures, including consulting the relevant LegCo Panel and seeking funding approval by LegCo Public Works Subcommittee and Finance Committee for the construction of the columbarium.

Indeed, we have met many challenges in taking forward columbarium projects in individual districts, including those relating to topography, compatibility with adjacent land uses, supporting infrastructure as well as traffic and environmental impacts. Moreover, some members of the public still regard columbarium as one of the "not-in-my-backyard facilities", and have reservations about the construction of a columbarium in the vicinity of the area in which they reside.

In planning for the construction of a columbarium, we have to determine the priority of the development taking into account various factors such as the limitations in resources and manpower, the views of district personalities, the number of niches to be provided, the constraints on the development of the site, etc. Besides, we have to ensure value-for-money in order to optimise the use of the resources. We will continue to adopt a pragmatic approach in securing the DCs' support for the columbarium projects. Relevant policy bureaux and departments will strive to increase the supply of public niches. They will work closely together to solve various technical difficulties. They will also do their best to address the comments of local residents and members of DCs and mitigate their concerns (such as those over the possible impact of the projects on the local traffic conditions, etc.). We have to appeal to the understanding of the public and DCs about the genuine need for all the districts to share the responsibility for supporting the implementation of these projects to meet the needs for niches of the Hong Kong community.

2. Paragraph 3.10 of the Report

Please advise whether the Government has considered more efficient and time-saving investigation/handling methods for integrating the 30 000 (27%) vacant urn burial spaces scattered among 59 burial sections in order to release land for construction of more niches. If yes, please give details. If not, what are the reasons?

Integration of the vacant urn burial spaces scattered among various burial sections will inevitably involve the removal of a large number of urns in use, which is very likely to encounter opposition from the descendants of the deceased. Also, the Government needs to consider the issues of proper allocation of the vacant urn burial spaces and the removal arrangements while upholding the principle of fairness. Whether the released land is suitable for construction of columbarium still depends on the results of geotechnical investigation and traffic impact assessment.

Food and Environmental Hygiene Department (FEHD) will continue to monitor the utilisation of urn burial spaces and undertake studies on using vacant urn burial grounds for construction of niches where technically feasible.

3. Paragraph 3.13 of the Report

The Food and Environmental Hygiene Department (FEHD) commissioned contractors to conduct a series of on-site surveys of all urn graves in public cemeteries from 2005 to 2014 by phases. Why did the on-site surveys take as long as ten years to complete? Will FEHD report to the relevant LegCo Panel on the findings of the surveys and the latest progress of its efforts to deal with the mismatch cases?

Given the large number of urn burial spaces involved (as many as 190 000 spaces), it was a complicated and time-consuming task for the contractors and the Department to conduct the on-site surveys and internal verifications respectively. Therefore, the whole process had to be completed in phases. It is expected that the work concerned will be completed in the first quarter of this year. Then, we will consider whether it is necessary to report to the relevant LegCo Panel on the findings of the surveys. We have to take into account the traditional Chinese concept of enjoying lasting peace after burial and avoid causing unnecessary distress to the descendants of the deceased. Given that the majority of the mismatch cases were a historical problem which dated back to decades ago, we will only follow up on these cases with the descendants of the deceased to rectify the inconsistencies in the names of the deceased as appeared on the graves and in official records as and when the descendants of the deceased come forward to apply for exhumation of the remains of the deceased or for grave repairs. Since the majority of these mismatch cases merely involved discrepancies between the full names of the deceased on the headstones and in the file records and it is not uncommon for the older generations of Chinese to have more than one name, we consider these follow-up arrangements to be pragmatic and sensible. Until now, the amendment of records has not been a common concern to the bereaved families. As such, the Department does not have plan in the near future to report to the relevant LegCo Panel on the latest progress of the handling of the mismatch cases.

4. Paragraph 3.14 of the Report - Table 3: Mismatch cases of urn graves

According to the results of the full-scale survey of urn graves, among the 5 cemeteries surveyed, the percentage of mismatch cases found in Diamond Hill Cemetery was substantially higher than the other 4 cemeteries, with nearly 40% of its urn graves not matching records. What are the reasons for the high mismatch rate?

The results of the survey conducted at Diamond Hill Urn Cemetery remain to be verified. Of the 5 cemeteries surveyed, Diamond Hill Urn Cemetery is the oldest and its urn graves have existed since the 1940s. The urn graves were not arranged in order during those days. This is believed to be the reason for the relatively high percentage of mismatch cases found in the cemetery. Preliminary survey results showed that for the majority of mismatch cases, the headstones were either dilapidated or damaged, which led to the surnames/names of the deceased being missing or illegible.

5. Paragraph 3.16 of the Report - Need to review the overall progress

Of the 20 162 verified mismatch cases, follow-up actions were completed for only 1 455 cases (7%). If the Department continues to adopt the “responsive” approach (follow-up investigations will only be conducted if and when exhumation applications were received), how many years will it take for the Department to rectify/handle all cases where information on the headstones does not match the official records?

In addition, of the 1 455 completed cases, what are the respective numbers of cases attributed to illegal burials, inaccurate data input and failure in the past to update official records? What are the follow-up actions on cases relating to suspected illegal burials?

Will FEHD consider changing its “responsive” approach in order to accelerate the verification process?

The majority of the urn graves involved in the mismatch cases dated back to the 1940s or 1950s. As mentioned above, to avoid causing unnecessary distress to the descendants of the deceased, with due regard to the traditional Chinese concept of enjoying lasting peace after burial, the current approach adopted by FEHD is to rectify these mismatch cases as and when the descendants of the deceased come forward to submit applications to FEHD for exhumation of the remains of the deceased or for grave repairs. We consider that the effectiveness of our work should not be assessed only by the number of cases with follow-up actions completed. The Department’s current approach is pragmatic and sensible.

All 1 455 cases where follow-up actions were completed concerned with inconsistencies in information shown on headstones and contained in official records.

Correction of data had to be made. There is no sign or evidence showing that any of the cases was related to illegal burial.

6. Paragraphs 3.21 to 3.23 of the Report - Cremation services

Regarding the performance pledge on 15-day booking of cremation services, has projection been made on how much booking time can be reduced after the completion of a series of works projects for reprovisioning of crematoria at a total capital cost of \$1,860 million. If yes, what are the details?

The FEHD's current performance pledge on the booking of cremation services is that "an applicant may book a cremation session **within the next 15 days** from the day of application". In other words, the general public may choose to book any available cremation sessions within the next 15 days from the day of application. In 2014, the daily average number of cremations was 113. The number of cremation sessions available for daily booking has been 130 to 140 sessions since December 2015 when the reprovisioning works at Cape Collinson Crematorium (Phase II) was completed. It represents an increase of about 20% in the provision of cremation sessions. If the 15-day booking period is shortened, the days that can be chosen by bereaved families will be reduced and their funeral arrangement planning will also be affected.

7. Paragraphs 3.24 to 3.27 - Promoting the use of eco-coffins

- (a) What policies and measures will FEHD adopt to encourage the general public to use eco-coffins?**
- (b) Among the 41 244 cremations of dead bodies in 2014, excluding the cases of cremation of unclaimed bodies, there were only 387 (or 1%) cases of using eco-coffins by the general public. Was it due to the ineffectiveness of the promotion efforts by FEHD and the absence of incentives?**
- (c) Has consideration been given to the incentives recommended by the Audit Commission (Audit) in promoting the use of eco-coffins by the general public, such as priorities in booking cremation sessions and concessions in cremation charges? If yes, what are the details?**

FEHD has all along encouraged the public to use eco-coffins. To ensure that the licensed undertakers of burial provide eco-coffins as an option for consideration by

bereaved families, when issuing an undertaker's licence, FEHD imposes the licensing condition that the licensed undertaker is required to offer eco-coffins as an option for sale to customers. Regarding the promotion efforts, aside from the website of FEHD, the Department has also produced publicity leaflets and pamphlets for distribution at our offices and relevant public sector organisations. FEHD will continue its efforts to promote the use of eco-coffins, but whether to use these coffins will be up to the families of the deceased.

The recommendation of giving priorities in booking cremation sessions and concessions in cremation charges to those who choose to use eco-coffins will inevitably affect the right of others to apply for cremation service. Its implementation is complex and sensitive and wide public support is needed. At present, we have no plan to implement such measures.

8. Utilisation of public niches

Potential supply of urn spaces in allocated niches

Paragraph 3.31(a): Regarding the inclusion of “any deceased persons with close relationship with the deceased whose ashes were first placed in the niche”, what does “close relationship” refer to? Is there an explanatory note given on the application forms for placing additional urns, cremation, new niche allocation, used niche allocation, and temporary storage of ashes etc. so that the general public will understand the Department's policy of promoting the placing of additional urns in existing niches?

The deceased for whom the application for placing an additional urn is made must be a close relative (e.g. a spouse, child etc.) of the deceased whose ashes were first deposited in the niche or there must be a close relation between them during their lifetime. There is no single definition for “close relationship” that applies to all cases. It depends on the circumstances and the proof provided by the applicants for consideration. Examples in this regard include wives and concubines under the marriage system in the past, adoptive father and adopted son, cohabiting couples and so on. Information regarding the eligibility criteria for placing additional urns has been provided on the application forms for new niche allocation and used niche allocation for the consideration of applicants.

9. **Utilisation of public niches**

Paragraph 3.37: Audit recommended that FEHD should waive the service fee of \$140 so as to promote the placing of additional urns in existing niches. Has the Department studied this recommendation? If yes, what are the details?

The service fee of \$140 for placing an additional urn only accounts for a small portion of the expenses for funeral arrangements. We consider that the waiving of such a fee will not do much to promote the placing of additional urns in niches and there is no plan to waive the fee for the time being.

10. **Co-burial of ashes in urn graves**

Paragraph 3.38: FEHD charges a fee of \$6,305 for the service of co-burial of ashes in urn graves, which is equivalent to the fee for a new urn grave. A question is raised on its basis and reasonableness. How is the level of this fee determined? Audit has pointed out that there is a need to review if the high fee defeats the object of the policy of promoting co-burial of ashes in urn graves. Is there any room for downward adjustment of the fee or can it be waived?

11. **Co-burial of ashes in urn graves**

Paragraph 3.38: As at June 2015, co-burials were only found in 2 427 (2%) of the total of 117 627 occupied urn graves in public cemeteries which allow co-burial of ashes. Has the Department conducted a review to see if such low co-burial percentage results from a lack of promotion or the high fee for co-burial? Will the Department consider revising its policy?

FEHD charges a fee of \$6,305 for co-burial of skeletal remains or cremated ashes in urn graves, which is equivalent to the fee for a new urn grave. There is no time limit set for the use of urn grave space and occupation of the land space is permanent. In the long run, co-burial of cremated ashes in urn graves is not a sustainable means of ash disposal as it is not in line with the principle of efficient use of land resources. Given that some members of the public still wish to have cremated ashes co-buried in allocated urn graves, FEHD currently allows the public to apply for co-burial but does not encourage them to do so.

12. Temporary storage of cremated ashes

Paragraphs 3.39-3.41: Since commencement of the service of temporary storage of cremated ashes in October 2011, the utilisation of the service has been low and up to March 2015, there were only 222 cases of using the service. However, as at May 2014, there were as many as 17 600 sets of ashes stored at the premises of undertakers of burials.

Audit pointed out that FEHD might not have adequately promoted its temporary storage service and the public were not aware of the service provided by the Department. It recommended that FEHD should more actively promote its temporary storage service. Has the Department studied why the public prefer paying several thousand dollars a month to have the ashes stored at the premises of private undertakers of burials to paying \$80 a month for the temporary storage service provided by the Department? Is it because the Department has not done its best to promote the service?

Has the Department stepped up its promotion efforts having regard to Audit's recommendation and set any performance indicators to assess the effectiveness of its promotion policy? If yes, what are the details?

FEHD will step up publicity on the service of temporary storage of cremated ashes so that members of the public in need can make informed choices. For example, it will promote the service on its website, publish pamphlets and give information on the service on relevant application forms. Whether to use such a service is up to the families of the deceased. Many members of the public choose to entrust undertakers of burials to arrange one-stop after-death services such as booking of cremation session, holding of funeral ceremony and temporary storage of ashes, etc. The Government has taken measures to allow undertakers of burials in Hung Hom to arrange for their customers to burn paper offerings in the burner at a nearby funeral parlour on certain days (such as during the Ching Ming and Chung Yeung Festivals) so as to minimise the nuisance caused to the neighbourhood. The public can choose the temporary storage services offered by the public or private sectors to meet their demand for temporary storage of ashes. That is a matter of personal choice and preference.

13. Shortage in short-term supply of private niches

Paragraph 4.15: There will be no supply of public niches from 2016 to 2018 while the supply of private niches will be temporarily suspended after the commencement of the licensing scheme for regulating private columbaria. Thus, the community's ongoing demand for niches cannot be met.

What policy will the Department implement to avoid shortage of niches during the said period? What measures will it take to facilitate private columbaria to apply for licences under the licensing scheme? Also, the Department has indicated that it will promulgate guidelines and information relating to licence application in its website and other media. What are the details?

During the period from mid-2016 to 2018, there are still public niches available for allocation, including 855 niches in Wan Chai project by FEHD, and 24 924 niches from the Board of Management of the Chinese Permanent Cemeteries in Eastern and Southern Districts that have yet to be allocated. In addition, the Tsang Tsui Columbarium in Tuen Mun, which is expected to provide about 160 000 niches, will be completed in 2019. The Department will launch publicity, receive applications and allocate the niches in due course so that successful applicants can deposit their ancestors' cremated ashes into the allocated niches as soon as the new columbarium is completed.

To address the shortage in short-term supply of niches from public projects, we will step up efforts to promote the placing of additional cremated ashes in existing public niches, the scattering of ashes at Gardens of Remembrance and at sea, and the Internet Memorial Service. Furthermore, a temporary storage service for cremains in bags is provided in the concerned crematorium for 2 months free of charge upon completion of the cremation service. If the temporary storage service is still needed upon expiry, the applicant may apply for cremains transfer service to keep cremains in temporary storage facility at Kwai Chung Crematorium. The storage period, which is extendable, is either 3, 6 or 12 months at a monthly charge of \$80. As the service is on a temporary basis, no paying of tribute will be arranged on-site during the storage period.

We aim to work closely with the Bills Committee in the hope that the Private Columbaria Bill can be enacted by July 2016. By that time, FEHD will put in place

a mechanism to facilitate coordination with other concerned departments to ensure that individual applications for various specified instruments (i.e. Private Columbarium Licence, Exemption and Temporary Suspension of Liability) under the new legislation are handled in a timely manner. FEHD will promulgate relevant application guide and information in its website and other media and arrange briefing sessions to facilitate applications for various specified instruments under the Private Columbaria Ordinance.

14. Regulation of undertakers of burials

Paragraph 4.21: To prevent the service of temporary storage of ashes provided by an undertaker from becoming a columbarium operation, it is Audit's view that FEHD needs to consider imposing an additional licensing requirement on the time limit for temporary storage. However, according to the response from the Government, "when to do so and the precise requirements should take into account the practical corollary of the need to handle displaced ashes." (paragraph 4.28) Will the Department set a specific date for imposing an additional licensing requirement on the time limit for temporary storage and provide the relevant details in order to eliminate any irregularities?

For undertaker's licences issued by FEHD after December 2008, there are express provisions prohibiting the storage of human ashes in the premises of the undertakers. The 81 undertakers who hold licences issued before that date are exempted from such provisions. To enhance regulation of their operation, FEHD will impose additional licensing requirements and conditions on them in due course, which include stipulations that the number of sets of ashes temporarily stored cannot exceed the ceiling imposed by FEHD and no salvation rituals/funeral rituals or burning of joss paper and incense causing nuisance to the neighbourhood are allowed inside the premises at all times, etc.

FEHD agrees in principle that there is a need to impose an additional licensing condition limiting the duration of time for which cremated ashes may be temporarily stored. However, when deciding when best such requirements may be brought in and the precise requirements, we must take into account the current supply of niches and the community's demand for temporary storage of ashes. We will closely monitor the situation and impose such requirements at an appropriate time.

- 15. It was earlier reported that weaknesses had been found in FEHD's Online Cremation Booking Service system. Cremation sessions could be easily taken up. Since the current Audit Report has not mentioned or reviewed the service, will the Department promptly conduct a review and fix the problem? If yes, what is the progress? If not, what are the reasons?**

Since the introduction of the Online Cremation Booking Service in June 2013, FEHD has maintained liaison with the Funeral Business Association and exchanged views on how to enhance the service. The Department met with the Funeral Business Association in November and December last year to discuss how to optimise the booking system. Consensus was reached on the increase of cremation sessions. FEHD monitors the system on a daily basis and promptly handles any irregularities detected. It also constantly improves the operation procedures and further optimises the booking system to ensure its smooth operation. At present, the Online Cremation Booking Service system functions well.