

**Public Accounts Committee**  
**Public Hearing on**  
**Director of Audit's Report No. 67, Chapter 1**  
**Hong Kong Housing Authority:**  
**Maintenance and Safety-related Improvements of**  
**Public Rental Housing Flats**

**Speech by the Director of Housing**  
**(10 December 2016)**

Chairman,

Upon the issue of the Director of Audit's Report No. 67 (the Report), the media reported on parts of the Report. However, there is other information in the Report which is useful for comprehensive analysis of the subjects concerned. I would like to elaborate on the following two subjects.

2. First, the Total Maintenance Scheme (TMS). Most media reports focused on paragraph 2.37 of the Report regarding the unsatisfactory repair works found by our Surprise Check Teams in 89% of the flats selected for inspection. This is a fact, but some media have used this as an assessment of the effectiveness of the TMS. In fact, there are other data in the Report which are more directly relevant.

3. As mentioned in paragraph 2.2 of the Report, the objectives of the TMS are to upkeep the building conditions together with other maintenance programmes, and to provide pro-active maintenance service for tenants. Corresponding to these two objectives, we have been collecting directly relevant data to evaluate the effectiveness of the TMS. These data are summarized in paragraphs 2.5 and 2.6 of the Report. First, we found that the TMS has greatly improved the physical quality of the buildings. Secondly, on the tenants' front, the overall satisfaction rate of respondents in our regular customer satisfaction surveys has been around 80%. Another independent survey has also been showing customer satisfaction rate of over 80% for years. We consider that the above findings are more direct in assessing the effectiveness of the TMS.

4. With respect to the performance verification of surprise check, the purpose is not to assess the effectiveness, but to monitor and alert staff and contractors with a view to achieving continued improvement of their quality of works through a more stringent assessment standard. In the long term, we hope to continuously improve the works quality, and as a result, we may continue to find unsatisfactory performance of our staff and contractors so as to ensure their continued improvements.

5. Another subject is the records of water samples with excess lead. The Report points out that we have not kept meeting records for the first seven inter-departmental meetings that I chaired. This is a fact, I also think that we should have kept meeting records, which is why from the eighth meeting we started to keep meeting records. However, some

media reports seemed to suggest that because of the lack of meeting records, there were no records at all. In fact, while there are no records of the meetings, the raw data of the water samples discussed at the meetings are maintained by the Water Supplies Department and the Government Laboratory, and in emails among departments. The departments have provided these records to the Audit Commission in response to its enquiries.

6. During the seven meetings held from 20 July to 7 August last year, we processed water samples from six affected PRH developments, including 37 samples with excess lead, and five discarded samples. Departments have kept records of these five discarded samples. Such records include the reasons for discarding these samples, although for one of these five records there is no written record of the reasons for discarding it. The reasons for discarding these samples and the relevant internal records are set out in paragraph 3.13 of the Report.

7. While it is a fact we did not keep minutes for these seven meetings and this is where we need to make improvement, departments do keep the records of the samples discussed at these seven meetings and they are available for examination.

8. Lastly, I would like to point out some problems of the Housing Authority (HA)'s record systems. The HA has a wide range of businesses and a large portfolio. Every year, we sell thousands of flats, build tens of thousands of flats and at the same time, manage hundreds of

thousands of rental flats. These businesses involve large number of workflows and large number of records. With the long history of the HA, many of these records are old, and have hence created a huge “legacy” issue. We from time to time have to study in our department what records we should require our staff to keep, what technology to use and how to migrate the historical records to the new information technology systems, etc. We welcome the Report’s discussion on various record issues, and also look forward to listening to Members’ views.

9. Thank you.

(739 words, 5 minutes)

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