

Consideration of the Director of Audit’s Report tabled in the Legislative Council on 23 November 2022 In line with past practice, the Committee did not consider it necessary to investigate in detail every observation contained in the Director of Audit’s Report. The Committee therefore only selected Chapter 2 “Licensing services for drivers” and Chapter 3 “Management of the development at Anderson Road project” of the Director of Audit’s Report No. 78 which, in its view, referred to more serious irregularities or shortcomings for detailed investigation. The Committee also sought and obtained information from the Administration on some of the issues raised in other chapters of the Director of Audit’s Report No. 78. The Administration’s responses have been included in this Report.

2. **Meetings** The Committee held a total of four meetings and one public hearing in respect of the subjects covered in this Report. During the public hearing on “Licensing services for drivers” held on 13 December 2022, the Committee heard evidence from a total of nine witnesses, including one Director of Bureau and three Heads of Department. The names of the witnesses are listed in *Appendix 3* to this Report. The evidence of the witnesses who appeared before the Committee, and the Committee’s specific conclusions and recommendations, based on the evidence and on its deliberations on this subject, are set out in Chapter 2 of Part 4 of this Report.

3. For the subject on “Management of the development at Anderson Road project” which is not covered in this Report, the Committee held a public hearing on 13 January 2023 to take evidence from witnesses. In view of the number of issues raised under this subject, the Committee decided to schedule a further hearing and defer a full report on this subject in order to allow itself more time to consider the relevant issues and evidences.

4. The live broadcasts and archives of the Committee’s public hearings are available on the Legislative Council website.

5. **Acknowledgements** The Committee wishes to record its appreciation of the cooperative approach adopted by all the persons who were invited to give evidence in the public hearing, and to all the bureaux/departments which provided the Committee with detailed information to facilitate the Committee’s consideration of the Director of Audit’s Report No. 78. In addition, the Committee is grateful for the assistance and constructive advice given by the Secretary for Financial Services and the Treasury, the Legal Adviser and the Clerk. The Committee also wishes to thank the Director of Audit for the objective and professional manner in which he completed his Report, and for the many services which he and his staff have rendered to the Committee throughout its deliberations.