

Laying of the Report The Report of the Director of Audit on the Accounts of the Government of the Hong Kong Special Administrative Region for the year ended 31 March 2022 and his Report No. 79 on the results of value for money audits were laid in the Legislative Council (“LegCo”) on 23 November 2022. The Public Accounts Committee (“the Committee”)’s Report (Report No. 79) was subsequently tabled on 15 February 2023 which met the requirement of Rule 72 of the Rules of Procedure of LegCo that the Report be made within three months of the Director of Audit’s Report being laid.

2. **The Government Minute** The Government Minute in response to the Committee’s Report No. 79 was laid in LegCo on 24 May 2023. A progress report on matters outstanding in the Government Minute was issued on 26 October 2023. The latest position and the Committee’s further comments on these matters are set out in paragraphs 3 to 44 below.

Sports Federation & Olympic Committee of Hong Kong, China (Paragraphs 5 and 6 of Part 3 of P.A.C. Report No. 79)

3. The Committee was informed that:

- the Sports Federation & Olympic Committee of Hong Kong, China (“SF&OC”) established a dedicated team (i.e. Corporate Governance Team (“the Team”)) in October 2020 to examine the corporate governance and operation of all National Sports Associations (“NSAs”) and formulate a code of governance (“the Code”) for their compliance. Among others, the Team was tasked to assess NSAs’ compliance with the requirements of the Olympic Charter, the International Olympic Committee’s Code of Ethics as well as SF&OC’s Articles of Association. Besides, SF&OC set up an Independent Steering Committee to supervise the working direction of the Team from a strategic perspective and monitor the progress of the review exercise. The performance indicators/targets and expected deliverables of the review exercise had been included in the subvention agreement signed between the Administration and SF&OC annually since 2020-2021;
- as at the end of September 2023, the Team had completed the assessment of all NSAs which were subject to its review. The Team was collating and analyzing the collected data and aimed to compile a review report by the end of 2023;

- as regards the formulation of the Code, SF&OC had engaged a consultant to provide professional service for drafting the Code and related documents. The Team would consult relevant stakeholders on the draft Code and seek endorsement of the Independent Steering Committee and the SF&OC's Board of Officers before promulgation. The Team aimed to implement the Code by the end of 2023. The Culture, Sports and Tourism Bureau ("CSTB") and SF&OC would continue to closely monitor the progress of the review exercise;
- SF&OC reported the progress of the review to CSTB on a regular basis including the submission of quarterly reports and annual progress reports. CSTB and SF&OC would continue to closely monitor the progress of the review exercise; and
- CSTB had been working closely with the Architectural Services Department and SF&OC on the design scheme of the Olympic House¹ having regard to the different development considerations. CSTB would continue to take forward the project, in consultation with relevant stakeholders including SF&OC, in accordance with the established procedures.

4. The Committee wishes to be kept informed of further development on the subject, and provided with time frames, where possible, for actions to be taken on the outstanding matters.

Management of short term tenancies by the Lands Department

(Paragraphs 7 and 8 of Part 3 of P.A.C. Report No. 79)

5. Hon SHIU Ka-fai declared that he served as an unremunerated honorary adviser/an unremunerated member of some non-governmental organizations ("NGOs") or trade associations upon their invitations.

6. The Committee was informed that the Tenancy Information System had been modified and relevant reminders had been issued to District Lands Offices for enhancing accuracy and completeness of records using the updated system. The

¹ The redevelopment of the Olympic House aimed to provide office and activity space for SF&OC, its affiliated companies, NSAs and sports related organizations.

Lands Department had also engaged a consultant to revamp the system for providing more comprehensive information on the management of short term tenancies and recording information of vacant government sites available for short term tenancy use. The revamp was in progress and expected to be completed in the first quarter of 2024.

7. The Committee wishes to be kept informed of further development on the subject, and provided with time frames, where possible, for actions to be taken on the outstanding matters.

Planning, provision and management of public parking spaces

(Paragraphs 9 to 11 of Part 3 of P.A.C. Report No. 79)

8. The Committee was informed that:

- the proposed reprovisioning plan for the short term tenancy car park at Tseung Kwan O Area 66 obtained planning permission from the Town Planning Board in December 2021. The Architectural Services Department invited tender for the proposed project on 17 February 2023. The tender was closed on 12 May 2023 and the Architectural Services Department was carrying out tender assessment. Upon the completion of tender assessment, the Administration would seek funding approval from LegCo for commencement of the project as soon as possible;
- the Transport and Logistics Bureau/the Transport Department (“TD”) had drawn up the circular which set out the requirement of incorporating public parking spaces in suitable government projects and were consulting relevant bureaux/departments with a view to finalizing the details; and
- The Bay Guidance System at all ten government multi-storey car parks under TD’s purview was fully commissioned in March 2023 to monitor the availability and occupancy rates of parking spaces.

9. The Committee wishes to be kept informed of further development on the subject, and provided with time frames, where possible, for actions to be taken on the outstanding matters.

Monitoring of charitable fund-raising activities

(Paragraphs 12 to 15 of Part 3 of P.A.C. Report No. 79)

10. Hon SHIU Ka-fai declared that he was a member of the Assessment Committee of the Liberal Party Caring Foundation, which might have conducted fund-raising activities, and he also served as an unremunerated honorary adviser/an unremunerated member of some NGOs or trade associations upon their invitations. Hon Paul TSE Wai-chun declared that he had participated in fund-raising activities of charities, and he was also the founder of a charity. Hon Louis LOONG Hon-biu declared that he was a member of the Executive Committee of the Hong Kong Family Welfare Society and a member of the Social Services Advisory Committee of The Salvation Army, both of which might have conducted fund-raising activities. Hon Carmen KAN Wai-mun declared that she had taken up unremunerated roles in charities and participated in fund-raising activities.

11. The Committee was informed that the Home and Youth Affairs Bureau had been tasked to coordinate inputs from relevant bureaux/departments in formulating a response to the Law Reform Commission's recommendations. The Administration implemented a series of administrative measures by phases since 2018 to optimize the monitoring work relating to charitable fund-raising activities. The Administration would continue to keep in view the need for legislative amendments as appropriate.

12. The Committee wishes to be kept informed of further development on the subject, and provided with time frames, where possible, for actions to be taken on the outstanding matters.

Management of squatter and licensed structure

(Paragraphs 16 to 18 of Part 3 of P.A.C. Report No. 79)

13. Hon SHIU Ka-fai and Hon Carmen KAN Wai-mun declared that they were members of the Hong Kong Housing Authority.

14. The Committee was informed that:

- the Lands Department was in discussion with the Development Bureau (“DEVB”) on the proposed framework of the pilot scheme for regularizing surveyed squatter structures by way of short term tenancies

and/or short term waivers. Details and timing of implementing the scheme were being examined with due regard to the prevailing economic situation; and

- the Lands Department was in discussion with DEVB on how the fee levels of various categories of the Government Land Licence could be reviewed holistically. Due regard would be given to the implications of the proposed fee changes on the Government Land Licence holders and the prevailing economic situation.

15. The Committee wishes to be kept informed of further development on the subject, and provided with time frames, where possible, for actions to be taken on the outstanding matters.

Government's support and monitoring of charities

(Paragraphs 19 to 22 of Part 3 of P.A.C. Report No. 79)

16. Hon SHIU Ka-fai declared that he was a member of the Assessment Committee of the Liberal Party Caring Foundation, and he also served as an unremunerated honorary adviser/an unremunerated member of some NGOs or trade associations upon their invitations. Hon Paul TSE Wai-chun declared that he had participated in fund-raising activities of charities, and he was also the founder of a charity. Hon Louis LOONG Hon-biu declared that he was a member of the Executive Committee of the Hong Kong Family Welfare Society and a member of the Social Services Advisory Committee of The Salvation Army. Hon Carmen KAN Wai-mun declared that she had taken up unremunerated roles in charities and participated in fund-raising activities.

17. The Committee was informed that the Home and Youth Affairs Bureau had been tasked to coordinate inputs from relevant bureaux/departments for formulating a response to the Law Reform Commission Report. The Administration implemented a series of administrative measures in phases in 2018 and 2019, in order to optimize the monitoring and supportive work relating to charitable fund-raising activities. The Administration would keep in view the need for legislative amendments as appropriate.

18. The Committee wishes to be kept informed of further development on the subject, and provided with time frames, where possible, for actions to be taken on the outstanding matters.

Regulation of non-franchised bus and school private light bus services
(Paragraphs 26 and 27 of Part 3 of P.A.C. Report No. 79)

19. The Committee was informed that:

Administration of licensing requirements

- TD completed the review for streamlining the licensing requirements of Passenger Service Licence Certificates and considered it feasible to align their validity periods with related Passenger Service Licences. TD planned to consult the relevant stakeholders on the recommendation in December 2023 and then proceed to work on the legislative amendment after taking into account the consultation outcome; and

Regulatory controls over unauthorized operations

- TD completed the review and considered it feasible to plug the loophole in the existing inquiry mechanism whereby an offending Passenger Service Licence holder could avoid sanctions by transfer of ownership of vehicles. TD planned to consult the relevant stakeholders in December 2023 and then proceed to work on the legislative amendment after taking into account the consultation outcome.

20. The Committee wishes to be kept informed of further development on the subject, and provided with time frames, where possible, for actions to be taken on the outstanding matters.

Operation of the Land Registry

(Paragraphs 28 to 31 of Part 3 of P.A.C. Report No. 79)

21. Hon Edmund WONG Chun-sek declared that he was a member of the Land Registry Customer Liaison Group (Private Sector). Hon Louis LOONG Hon-biu declared that he was a member of the Land Titles Ordinance Steering Committee.

22. The Committee was informed that:

- the Administration continued to actively pursue the implementation of the Land Title Registration System on newly granted land first

(i.e. “new land first” proposal) in order to enable early implementation of the Land Title Registration System in Hong Kong;

- the Land Registry also held a meeting of the Land Titles Ordinance Steering Committee on 10 January 2023 to update key stakeholders on the latest developments and the implementation plan of the Land Title Registration System, of which its members were supportive;
- the Administration was preparing the Land Titles (Amendment) Bill (“LT(A)B”) to implement the “new land first” proposal and continued to engage key stakeholders to work out the implementation details and to undertake other preparatory work, including preparing draft subsidiary legislation and development of a new information technology system. The target was to introduce LT(A)B into LegCo in the first half of 2024; and
- in tandem with the drafting of LT(A)B, the Administration would explore and examine options for converting existing land to the Land Title Registration System, with a view to readying them for early discussion with key stakeholders after LT(A)B is passed by LegCo.

23. The Committee wishes to be kept informed of further development on the subject, and provided with time frames, where possible, for actions to be taken on the outstanding matters.

Acquisition and management of collection items in public museums
(Paragraphs 34 and 35 of Part 3 of P.A.C. Report No. 79)

24. The Committee was informed that:

Accession of museum collection items

- the Hong Kong Museum of History had continued to closely monitor and expedite the accessioning of collection. It had completed the accession of over 12 800 items in September 2023 out of the 13 346 items mentioned in the Director of Audit’s Report, and the accession of the remaining items could be completed in 2023 as planned;

- the Hong Kong Heritage Museum and the Hong Kong Film Archive had continued to closely monitor and expedite the accessioning of collection items. The Hong Kong Heritage Museum had completed the accession of over 24 100 items in September 2023 out of the 24 314 items mentioned in the Director of Audit's Report, and the accession of the remaining items could be completed in 2023 as planned. The Hong Kong Film Archive had completed the accession of over 209 000 items in September 2023 out of the 693 819 items mentioned in the Director of Audit's Report, and the accession of the remaining items could be completed in or before 2029 as planned;

Stocktaking and storage of museum collection items

- the Hong Kong Film Archive had completed the stocktaking of about 95% of the accessioned film-related items in September 2023. The stocktaking exercise of the remaining items was expected to complete in or before 2024;
- relocation of the Hong Kong Museum of History's collection items stored in the aged building to the new museum store in Tuen Mun was completed in late 2022;
- the Leisure and Cultural Services Department ("LCSD") completed the collection, analysis and processing of the environmental data of all storerooms inside museums and the off-site stores of LCSD museums in December 2022. Improvement measures would be undertaken in 2023 to 2024; and
- funding approval of the main construction works of the Heritage Conservation and Resource Centre was given by the Finance Committee of LegCo in December 2022. The main construction works commenced in January 2023.

25. The Committee wishes to be kept informed of further development on the subject, and provided with time frames, where possible, for actions to be taken on the outstanding matters.

Funding schemes for conservation of built heritage managed by the Development Bureau

(Paragraphs 36 and 37 of Part 3 of P.A.C. Report No. 79)

26. The Committee was informed that:

- all activities of the three public engagement projects under the Funding Scheme for Public Engagement Projects on Built Heritage Conservation were completed by December 2021. DEVB conducted a review on the funding scheme and reported the review results to and consulted the Advisory Committee on Built Heritage Conservation on the recommended enhancement measures on aspects including project themes, mode of operation, eligibility of applicants, assessment criteria, project management, disbursement of funds and submission of reports. Taking into account the views of the Advisory Committee on Built Heritage Conservation, details of the funding scheme had been revised and Batch II of the scheme was open for applications from 3 July to 3 October 2023; and
- as for the Funding Scheme for Thematic Research on Built Heritage Conservation, the research reports of all six approved thematic researches were completed by October 2022 and their research findings were presented to the Advisory Committee on Built Heritage Conservation. DEVB was conducting a review on the funding scheme with a view to providing recommendations on aspects such as the research themes, eligible institutions and application process. DEVB planned to present the review results to the Advisory Committee on Built Heritage Conservation and consult it within 2023 on the recommendations for enhancing the funding scheme.

27. The Committee wishes to be kept informed of further development on the subject, and provided with time frames, where possible, for actions to be taken on the outstanding matters.

Collection and removal of marine refuse by the Marine Department

(Paragraphs 38 and 39 of Part 3 of P.A.C. Report No. 79)

28. The Committee was informed in the Government Minute which was laid before LegCo in May 2023 that:

- the Marine Department (“MD”) conducted a comprehensive review on the tender of the marine refuse cleansing and disposal services contract for the whole of Hong Kong waters. In the review, MD considered different ways to achieve the most cost-effective tender award, such as splitting contract service areas and removing unnecessary contract service requirements to reduce the contract price. A contract for marine refuse cleansing and disposal services was awarded to the existing contractor for a term of three years from 1 October 2022 to 30 September 2025, involving a contract expenditure of about \$299.75 million;
- as per the contract requirements, the contractor provided a fleet of at least 42 vessels of various types for marine refuse cleansing and support to clean up marine refuse in Hong Kong waters on a daily basis (including Sundays and public holidays), which included offering domestic refuse collection service to vessels berthing in typhoon shelters, anchorages and small boat anchorage areas. The contractor was also required to deploy more vessels based on actual demand;
- MD would continue to closely monitor the cleanliness of Hong Kong waters and ensure the effectiveness of marine cleansing services. The current contract adopted an objective-based approach, requiring the contractor to maintain the cleanliness of Hong Kong waters at “Good” level during the service hours (i.e. between 8:00 am and 6:00 pm daily). A penalty mechanism was also introduced in the current contract so that in case of any contract violation, the contractor’s monthly payment would be deducted accordingly. The contractor was also committed to applying innovative technology in marine refuse cleansing services during the contract period, for example, using remote-controlled equipment to improve the service efficiency; and
- MD would continue to conduct inspection of marine cleanliness across the territory and monitor the service performance of the contractor. MD would also request the contractor to redeploy adequate resources based on actual demand to tackle the problem of floating refuse in various districts, and continue to monitor and conduct regular reviews of the effectiveness of its work in marine refuse cleansing and disposal, so as to ensure the cost-effectiveness and service quality.

29. The Committee wrote to the Director of Marine on 8 January 2024 regarding the efforts made by MD in monitoring the work of the contractor, including the recent performance of the current contractor. The replies from the **Director of Marine** are in *Appendix 5*.

30. The Committee wishes to be kept informed of further development on the subject, and provided with time frames, where possible, for actions to be taken on the outstanding matters.

Efforts of the Home Affairs Department in facilitating building management
(Paragraphs 40 to 42 of Part 3 of P.A.C. Report No. 79)

31. Hon SHIU Ka-fai declared that he served as an unremunerated honorary adviser/an unremunerated member of some NGOs or trade associations upon their invitations. Hon Paul TSE Wai-chun declared that he served as the legal adviser for a number of owners' corporations ("OCs").

32. The Committee was informed that:

- a pilot scheme under the regularized Building Management Professional Advisory Service Scheme ("BMPASS") ("the Pilot Scheme") was first launched in Tsuen Wan and Sham Shui Po districts in June 2022 and had been extended progressively to other districts with a relatively large number of "three-nil" buildings since December 2022, covering about 360 "three-nil" buildings in total;
- as at June 2023, the Pilot Scheme assisted in the formation of 26 OCs, recruitment of 419 Resident Liaison Ambassadors, and procurement of Third Party Risks Insurance for 10 newly formed OCs in total. The district networks of the community organizations/NGOs engaged had helped improve the success rate in OC formation under BMPASS. In some cases, the community organizations/NGOs engaged under the Pilot Scheme successfully encouraged aged owners who were not interested in forming OCs (which was one of the difficulties encountered by BMPASS contractors) to support the formation of OC through their family members;

- the progress of the Pilot Scheme in Sham Shui Po and Tsuen Wan was reported to the relevant Area Committees for monitoring. With a view to encouraging more service users to provide feedback on BMPASS, instead of engaging professional polling firms to conduct opinion surveys or telephone interviews as initially explored, the community organizations/NGOs engaged had been conducting users' satisfaction survey during household visits at the target buildings. Besides, the organizations conducted the first users' advisory meetings for service users in April 2023. Management committee members of the newly formed OCs and the newly recruited Resident Liaison Ambassadors, amongst other owners of the target buildings, were invited to join the meetings. Most of the meeting participants expressed strong support for BMPASS and the engagement of the community organizations which possessed district networks and good understanding of the community. The organizations would continue to hold the meetings half-yearly to gauge users' views;
- the organizations engaged in other districts would also conduct users' satisfaction survey during household visits at the target buildings and hold users' advisory meetings regularly to seek users' views and the Home Affairs Department ("HAD") would consolidate the views/feedback collected for service evaluation;
- upon completion of a comprehensive review and having considered the effectiveness of the Pilot Scheme and the overwhelming support from the users and community, HAD was going to continue to implement BMPASS with similar mode of operation;
- the list of "three-nil" buildings which formed the basis of planning the geographical allocation of target buildings had been reviewed and updated regularly by, among others, excluding buildings under single ownership that did not need to form OCs. Furthermore, commercial and industrial buildings which were not the target of BMPASS were excluded from the list of eligible "three-nil" buildings for BMPASS. The planned number of target buildings for each geographical area would be close to the actual situation as far as practicable; and
- under the latest arrangement of BMPASS, the community organizations/NGOs engaged were required to, among others, assist 18% of the target buildings to form OCs, which was higher than the average successful rate of 14% in the past three phases of BMPASS.

33. The Committee wrote to the Director of Home Affairs on 8 January 2024 regarding the efforts made further by HAD in strengthening the regulation of “three-nil” buildings, including the policy directions or the way forward. The replies from the **Director of Home Affairs** are in *Appendix 6*.

34. The Committee wishes to be kept informed of further development on the subject, and provided with time frames, where possible, for actions to be taken on the outstanding matters.

Licensing and examination services for vehicles

(Paragraphs 48 and 49 of Part 3 of P.A.C. Report No. 79)

35. The Committee was informed that:

- starting from 31 May 2022, TD had implemented a trial queue ticketing system for driving licence-related services at Kowloon Licensing Office to replace the walk-in queuing system. After reviewing the result of the trial, TD planned to extend the queue ticketing system to cover the driving licence related services at the other three Licensing Offices in the first quarter of 2024;
- concerning the use of computer software to capture the processing time of non-counter transactions, TD completed the necessary system enhancement to capture the dates of receipt of applications and the dates of completion of processing non-counter transactions in January 2023;
- TD had included the applicants with appointment booking in the waiting time survey since June 2022. Three rounds of surveys were conducted in 2022. Analysis of the results showed that applicants with appointment booking could have their applications completed within about 25 minutes on average, which was much shorter than the performance pledge of 70 minutes; and
- TD conducted public opinion survey during January and February 2023 to collect views from applicants applying for licensing services through non-counter means, and had extended the scope of the survey to cover more licensing services. Data analysis was also completed in March 2023.

36. The Committee wishes to be kept informed of further development on the subject, and provided with time frames, where possible, for actions to be taken on the outstanding matters.

Continuing Education Fund

(Chapter 1 of Part 6 of P.A.C. Report No. 79)

37. Hon SHIU Ka-fai declared that he served as an unremunerated honorary adviser/an unremunerated member of some NGOs or trade associations upon their invitations. They might have provided Continuing Education Fund (“CEF”) courses. Hon LUK Chung-hung declared that he was a member of the Hong Kong Federation of Trade Unions, which had organized CEF courses. Hon Louis LOONG Hon-biu declared that he was a member of the Executive Committee of the Hong Kong Family Welfare Society, which might have provided CEF courses. Hon YUNG Hoi-yan and Hon Edmund WONG Chun-sek declared that they had received fees reimbursement under CEF.

38. The Committee was informed that:

Monitoring of reimbursable courses and course providers

- the Working Family and Student Financial Assistance Agency (“WFSFAA”) would ensure clear indication of the validity periods of registrations of CEF courses on CEF’s website, and had requested all course providers to notify the CEF authorities immediately of any changes in the status and validity periods of the registrations at the Qualifications Register so as to enable WFSFAA to update the course information on the website in a timely manner;
- the Labour and Welfare Bureau (“LWB”), in collaboration with the Hong Kong Council for Accreditation of Academic and Vocational Qualifications (“HKCAAVQ”), had been proactively providing appropriate assistance to course providers applying for registrations of CEF courses. Since April 2023, there had been more than 1 600 new and renewed CEF courses. The newly registered CEF courses were diversified, covering horticultural therapy, pet grooming, animal health, religious culture, motorcycle and light goods vehicle, etc., and there were also language-related online courses to meet different further study needs of the public;

- LWB would engage a service provider through open quotation to conduct inspections on course providers' post-registration compliance with CEF terms and conditions. The service agreement to be made with the service provider would clearly specify the number of inspections to be conducted during the contract period, the matters/items and records to be inspected, etc., and that a report should be submitted to LWB after each inspection, setting out the follow-ups with the identified non-compliances and the follow-up/arrangement for incomplete inspections, etc;
- LWB had improved the arrangement of surprise inspections conducted by HKCAAVQ in 2022-2023, including monitoring the inspection progress, putting in place proposals to minimize unsuccessful surprise inspections, excluding and following up on unsuccessful inspections, etc. HKCAAVQ refunded the relevant amount of service fees relating to unsuccessful inspections to LWB before the end of 2022-2023. LWB would put in place a mechanism to ensure that only duly completed inspections would be counted towards the target annual number of surprise or scheduled inspections, and that follow-up inspections for incomplete inspections would be conducted as necessary;
- HKCAAVQ submitted relevant reports to LWB on the assessment of the teaching quality of the courses in accordance with the committed class inspection targets for 2022-2023;
- with effect from 1 April 2023, all registered CEF courses were required to obtain prior registration in the Qualifications Register. As HKCAAVQ was the Accreditation Authority and the Qualifications Register Authority under the Qualifications Framework, and was the sole statutory body providing quality assurance-related accreditation and assessment services in the education sector in Hong Kong, LWB considered it most appropriate and desirable to continue to entrust HKCAAVQ to process and vet the new and renewal applications for registration of reimbursable courses under CEF;
- LWB had set out in the one-year service agreement with HKCAAVQ on the latter's role and the scope of consultancy services to be provided;
- LWB would continue to keep in view and explore the feasibility of bringing in other service providers to serve as advisors on the implementation of CEF;

- under LWB's coordination, WFSFAA and HKCAAVQ piloted the joint inspection arrangement in late May 2023. Upon reviewing the effectiveness of the operation, LWB considered that joint inspection could help monitor the quality of the courses offered by the course providers in a more cost-effective and comprehensive manner, while minimizing the impact on the day-to-day operation of the course providers. LWB was considering regularizing the joint inspection mechanism and adjusting the annual target number of inspections in the light of actual needs;
- LWB revised the CEF terms and conditions in September 2023, requiring course providers to ensure that all promotional materials would be in line with the objectives of CEF;
- the CEF Authorities had requested the submission of duly prepared promotional materials by course providers at the time of application for course registration for checking their compatibility with the objectives of CEF. WFSFAA had implemented arrangements to check the promotional materials of course providers during on-site and online inspections. There would be appropriate follow-ups if any presentation methods or contents were found to have deviated from the objectives of CEF or in breach of relevant CEF terms and conditions;

Reimbursement claims

- in March 2023, WFSFAA completed the review of the performance targets on processing time and enhanced the processing system to strengthen the checking of the information on applications with computers. WFSFAA had also put in place a two-tier verification mechanism by different staff members to ensure that all reimbursement claims were approved in accordance with the eligibility criteria for seeking claims from CEF;

Other issues

- LWB revised CEF terms and conditions in mid-September 2023 to state expressly the responsibilities of the relevant institutions/organizations in safeguarding national security. Furthermore, LWB had issued letters to all institutions/organizations under CEF to explain to them their responsibilities in safeguarding national security. LWB had required all course providers under CEF to acknowledge in writing, confirming

their understanding of the revised terms and ongoing compliance with relevant requirements;²

- in case of any suspected breach of national security requirements in CEF terms and conditions, the registration of CEF courses of the institutions/organizations concerned would be suspended or even de-registered, and the cases would be referred to law enforcement agencies for follow-up;
- WFSFAA planned to take appropriate measures for future procurement of consultancy services, including:
 - (a) adding more potential service providers to the list for inviting quotations;
 - (b) arranging briefing sessions to explain the details of the service requirements to interested service providers and understand their difficulties in submitting quotations; and
 - (c) specifying performance requirements for the consultancy services having regard to the practical needs, with a view to attracting bidding by suitable service providers.

Moreover, WFSFAA would closely monitor the response of potential service providers;

- WFSFAA had started sending out the electronic CEF opinion survey message through mobile phone short message since October 2023 to allow CEF applicants to fill in and submit the completed questionnaires online direct;
- WFSFAA commenced the development of a Centralized e-service Portal (“the Portal”) in the first quarter of 2023 for target completion within 2025. The Portal was expected to provide users with a more convenient

² All institutions/organizations under CEF had the responsibility to ensure all key personnel involved in the management, operation or delivery of CEF courses acquire a correct understanding of and comply with the Law of the People’s Republic of China on Safeguarding National Security in the Hong Kong Special Administrative Region (“the Law”); do not perform or engage in any act or activity that constitutes an offence under the Law or is contrary to the interest of national security; and are not under police investigation for, charged with or convicted of any offence endangering national security under the Law.

and satisfactory experience. The Portal would facilitate CEF applicants to make online submission of reimbursement claims and supporting documents as well as viewing the status of their applications. In addition, WFSFAA embarked on a project in the third quarter of 2023 to verify the information of CEF applicants with course providers through electronic means, which was expected to be implemented by the end of 2024. WFSFAA would keep reviewing and allocating resources to promote digitalization in CEF's operations so as to enhance its services; and

- WFSFAA, with the assistance of the Office of the Government Chief Information Officer, was working on the setting up of the Portal. LWB would also be able to access updated information on CEF regularly through the Portal. LWB would continue to encourage, coordinate with and support WFSFAA and HKCAAVQ to establish and optimize the e-service platform for more effective processing of applications.

39. The Committee wishes to be kept informed of further development on the subject, and provided with time frames, where possible, for actions to be taken on the outstanding matters.

District Health Centre Scheme

(Chapter 2 of Part 6 of P.A.C. Report No. 79)

40. The Committee was informed that:

Provision of services by the Kwai Tsing District Health Centre (“K&TDHC”)

- the Primary Healthcare Office (“PHO”) under the Health Bureau (“HKB”) would continue to closely monitor the service performance of K&TDHC through monthly reports, the quarterly Executive Committee meetings involving the senior management of the District Health Centre (“DHC”), and regular DHC Governing Committee meetings. The Executive Committee meetings with K&TDHC were held on 5 May and 4 August 2023 respectively. In addition, HKB would consider incorporating a performance-based payment schedule in future DHC contracts;

- all DHC annual service targets had been stipulated in the service contract in agreements with the DHC Operators. With the launching of the Primary Healthcare Blueprint (“Blueprint”) in December 2022 on redefining the roles and functions of DHC in the district-based family-centric community health system as well as the implementation of the Chronic Disease Co-care (“CDCC”) Scheme, PHO of HHB had reviewed and re-organized the category of service targets. The changes had been updated in the DHC Service Manual and Guidelines which were issued to the operator in July 2023;
- the selected service output targets and the attainment of DHCs would be made accessible to the public by 2024;
- with the relaxation of anti-epidemic measures, the collaboration of K&TDHC with other primary healthcare service providers had been increasing. K&TDHC had organized two Stakeholders Engagement Forums on 7 July 2022 and 23 February 2023 respectively for engaging community service providers and primary healthcare providers with a total of around 150 attendees. Reports of these engagement forums would be presented to the DHC Governing Committee with a view to setting directions for promoting and further improving services;
- as the epidemic stabilized, the attendance rates of group-based programmes and the enrolment rate for secondary and tertiary programmes were improving. The enrollment rates of diabetes mellitus and hypertension screening programmes had improved from 69% and 85% (2021-2022) to 76% and 100% respectively (April to December 2022); as stipulated in the Blueprint, HHB would introduce a CDCC Scheme to provide targeted subsidy for the public to conduct diagnosis and management of target chronic diseases in the private healthcare sector through “family doctor for all” and a multi-disciplinary public-private partnership model. HHB would launch the CDCC Pilot Scheme in the second half of 2023. It was envisaged that the enrollment rates of the screening programmes and tertiary prevention programmes would be enhanced by then;
- HHB had set up the Strategic Purchasing Office (“SPO”) to oversee the development and implementation of programmes through strategic purchasing of primary healthcare services under HHB’s policy steer;

- SPO shall be responsible for coordinating the purchasing of private healthcare services for all DHCs, including K&TDHC; and to assess strategically as to how and from whom the services were to be purchased as well as the incentive mechanism and optimum payment level in order to ensure overall cost-effectiveness. Separately, in view of the changes in network services, HHB also renewed the service contract agreement with DHC Operators in August 2023;
- DHC Operators had been requested to take immediate follow up actions on the deficiencies identified in PHO's inspections and submit supporting documents within two months upon receipt of the inspection report for review by PHO of HHB;
- the inspection guidelines and workflow for on-site financial inspection on DHC were developed and issued to all DHCs on 30 December 2022. The DHC service inspection guidelines together with the DHC Service Manual and Guidelines had been updated and issued to operators in July 2023;
- to improve data connectivity and health surveillance, HHB was transforming the eHealth system from a basic health record sharing system into a comprehensive and integrated healthcare information infrastructure for healthcare data sharing, service delivery and process management. Its multi-functional interface would facilitate service record keeping, essential data sharing, health monitoring and surveillance, as well as case and workflow management. It was envisaged that the essential data of DHC shall be more comprehensively captured upon system revamp. Sharing of information related to allergy histories, diagnoses and appointment records had been enabled in eHealth system since October 2021. The functions of the eHealth system were being enhanced, including allowing essential data to be captured by the DHC IT system;

Administrative issues of K&TDHC

- PHO of HHB monitored the human resources situation, including the DHC's compliance with the manpower requirements, through monthly reports and the quarterly Executive Committee meetings involving the senior management of the DHC. PHO would identify issues and suggest possible remedial measures as appropriate;

- both the tender documents and the DHC Manual had stipulated requirements on the procurement procedures. PHO of HHB was aware that the operator of K&TDHC (whom the operation service contract was awarded to in March 2019) had established its own procurement criteria which aim at imposing a more stringent requirement on top of Government's baseline procurement requirements set out in DHC Manual;
- in addition to requiring operators to comply with Government's quotation requirements for procurement, PHO of HHB had been conducting on-site examinations and vetting of related documents on a regular basis. Where non-compliance was detected, inspection summaries with observations and recommendations would be issued to the DHCs concerned who were required to give a reply and devise improvement measures;
- following the progressive set up of DHCs/District Health Centre Expresses ("DHCEs") in all 18 districts, PHO of HHB had coordinated with DHCs/DHCEs in the 18 districts to roll out territory-wide and district-based promotion and publicity activities starting from 2022;
- K&TDHC launched the health management mobile application in August 2022 to promote its service, including disseminating health information and issuing DHC service/activities alerts to its members;

Provision of DHCs and DHCEs

- DHCEs were smaller in scale when compared to DHCs and were operated as an interim measure before the launch of a full-fledged DHC. Service capacity and accessibility would be enhanced by purchasing service from community service providers through the SPO;
- with the launching of the Blueprint as well as the implementation of CDCC Scheme, PHO of HHB would review the service contract agreement of DHCEs, including the accessibility of DHCE services in 2024;
- service guidelines had been elaborated in DHCE agreements. PHO of HHB issued new guidelines to all DHCE service providers in May 2023 to provide clearer guidance on service delivery;

- to enhance the collaboration of DHCs and the Hospital Authority, the Coordinating Committee on Primary Healthcare with the Hospital Authority was established in March 2023. The first meeting was held on 1 March 2023;
- as stipulated in the Blueprint, the primary healthcare services under DH would be gradually migrated to the district-based community health system with a view to facilitating provision of integrated primary healthcare services through the district-based community health system;
- CDCC Pilot Scheme would be launched in the second half of 2023 to provide targeted subsidies to citizens for early diagnosis and management of people with high risk of hypertension and diabetes mellitus. The Hospital Authority and family doctors would work together under a bi-directional referral mechanism with the coordination of DHCs/DHCEs for specialist consultation support based on the risk stratification from complication screening;³
- in order to measure the effectiveness of the DHC Scheme, PHO of HHB had set new key performance indicators for measuring the effectiveness of the DHC Scheme in the longer term, which had been included in the revised service contracts and DHC Service Manual and Guidelines. HHB also renewed the service contract agreements with DHC Operators in August 2023; and
- the launching of full-fledged DHCs was subject to the site readiness. With the release of the Blueprint, the DHC scheme would be further refined to support new primary healthcare initiatives.

41. The Committee wishes to be kept informed of further development on the subject, and provided with time frames, where possible, for actions to be taken on the outstanding matters.

³ The seven clusters of the Hospital Authority would set up designated medical consultation arrangements which would provide one-off protocol-driven specialist medical consultation, with a care plan to empower family doctors for follow-up. Meanwhile, based on the clinical condition of participants, family doctors might also refer patients to receive secondary care services at specialist clinics of the Hospital Authority under the prevailing mechanism.

Management of minor works by the Buildings Department

(Chapter 5 of Part 6 of P.A.C. Report No. 79)

42. Hon Louis LOONG Hon-biu declared that he was a LegCo Member representing the Real Estate and Construction Functional Constituency, and contractors in the sector might have carried out minor works (“MW”).

43. The Committee was informed that:

Processing of MW submissions

- the Buildings Department (“BD”) had reviewed the scope of initial screening of submitted forms for early identification of late submission and had worked out the mechanism to return these late submissions to prescribed building professionals (“PBPs”)/prescribed registered contractors (“PRCs”) for rectifying the information in the commencement notices and completion certificates before acknowledgement of MW submissions. Minor Works Management System (“MWM System”) would be enhanced by adding alert functions to cater for the new mechanism;
- building stakeholders were consulted via established channels in June 2023, and the enhanced mechanism would be adopted upon completion of the related enhancement works of MWM System by the end of 2023;
- after the implementation of the enhanced mechanism, if exceptional cases were identified, they might be selected for auditing. BD would also utilize MWM System to maintain lists of PBPs/PRCs with record of delays/contraventions;
- for the commencement notices received from 2014 to 2016 without corresponding completion certificates after two reviews (i.e. outstanding submissions), reminder letters had been issued to all PBPs and PRCs, followed by audit check on selected outstanding submissions. The above exercise was completed in February 2023. Most of the selected outstanding submissions were found cancelled/superseded by other submissions with completion certificates received;
- for some selected outstanding submissions for site audit check, it was noted that the works had been completed without submitting the

corresponding completion certificates. Such submissions were being reviewed for consideration of prosecution/ disciplinary actions against PRCs;

- for the remaining outstanding submissions received from 2014 to 2016 (i.e. those not selected for audit check), the review on all submissions relating to Class II MW commenced in July 2023 and was targeted to be completed in October 2023 tentatively, while the last batch of submissions relating to all Class I MW would be handled and targeted to be completed before mid-2024;
- similar exercise was completed in May 2023 for selected outstanding submissions received from 2017 to 2019. Most of the selected outstanding submissions were found cancelled/superseded by other submissions with completion certificates received;
- BD would conduct site audit checks on some of these outstanding submissions in order to determine if any contravention of Buildings Ordinance (Cap. 123) by PRCs was identified. Prosecution/disciplinary actions against PRCs would be considered, if necessary;
- for those remaining submissions received from 2017 to 2019 (i.e. those not selected for audit check), it was targeted to review all the Class II MW and Class I MW submissions by the first and second quarters of 2024 respectively;
- similar form of reviewing exercise would be conducted for outstanding submissions in subsequent years by phases according to the above strategy;
- to enhance the successful rate of entry into selected premises, BD had taken measures by issuing invitation letters to owners/occupiers/persons who arranged for the MW to be carried out to explain the purpose of audit checks for ensuring compliance with Cap. 123 and building safety;
- necessary follow-up actions would be taken on the non-compliant cases, including issuance of warning letters and/or instigating prosecution and/or disciplinary actions against PRCs with blatant and/or repeated contraventions of Cap. 123, in order to act as a deterrent;

- BD would make better use of MWM System, for instance, by generating management information from MWM System to replace the current practice of using spreadsheets for enhancing the effectiveness of audit checks' monitoring, taking subsequent follow-up actions and timely monitoring of follow-up actions on irregularities found;
- currently, an automatic alert function for overdue cases had been established in MWM System to facilitate case officers' management and organization of processing audit cases. The system enhancement would be carried out by phases. With data accuracy improved in July 2023 and data migration from spreadsheets to MWM System in August 2023, regular reports would be generated from MWM System for review by supervisory officers to allow closer monitoring of the progress of audit checks. Management reports for irregularities found during audit checks would be formulated by the end of 2023. The enhancement for monitoring of non-compliant MW submissions including timely issue of advisory letters and warning letters would be tentatively completed by second half of 2024;
- BD would also make better use of MWM System by adding an alert function concerning the non-compliant MW submissions to ensure timely referral of these cases for instigating prosecution actions within the statutory time bar period. The system enhancement would be carried out by phases and the addition of alert function for instigating prosecution actions against non-compliant cases would be tentatively completed by the second half of 2024;
- an enhanced internal workflow had been established to escalate those complicated cases and cases approaching the time bar, to the Sectional Chief Officer, so that practicable solutions might be worked out at an early stage to expedite the investigation process;
- BD had provided additional guidelines and briefings to staff on inputting results of audit checks into MWM System. Some crucial information had been set as mandatory fields in MWM System in order to ensure the accuracy and completeness of the records. The corresponding enhancement of MWM System had been completed;
- to facilitate the use of e-submission by the public, BD provided a series of quick guides side-by-side with the e-forms on BD's website.

E-forms were in fillable file format which facilitated online/offline form filling and record;

- BD also stepped up efforts to promote the use of e-submission through BD's talks, seminars, workshops, letters issued to PBPs/PRCs and social media platforms. BD would continue to organize various public education and publicity campaigns to promote e-submission;

Management of PRCs for MW

- the updating of the information pamphlets by including the submission procedures of Registered Minor Works Contractor ("RMWC") registration applications with outstanding information was expected to be completed by the fourth quarter of 2023. The time frame for processing registration applications with outstanding information had been included in the performance pledge and published on BD's website. Since BD was contemplating stepped-up regulatory measures against contractors in view of recent fatal site incidents, associated amendments to Practice Notes for Registered Contractors would also be incorporated into the pamphlets;
- the revamp of the Registration Guides on BD's website for RMWCs was completed and launched on 30 June 2023 to further enhance applicants' understanding on the RMWC registration requirements;
- time frames had been set for issuing notification letters to RMWCs to attend performance enhancement courses, i.e. to be issued within ten working days from the date when a RMWC was accorded 15 or more performance points;
- reminder letters to convicted/disciplined RMWCs were to be issued within ten working days after 1.5 months from the dates of the notification letters. Update of BD guidelines was completed in April 2023;
- BD collected feedback from the relevant trade associations and RMWCs concerned who had not submitted the certificate of attendance to BD, and it was revealed that the low attendance rate was mainly because the RMWCs did not renew their registration upon expiry and therefore they intended not to attend the performance enhancement courses. BD would continue to monitor the situation and liaise with the RMWCs

concerned who had not attended the performance enhancement course to explore any encouragement measures when found necessary;

- BD collected feedback from training providers in January and February 2023 on the reasons for ceasing the provision of training courses for RMWCs and it was revealed that cessation of the courses was mainly due to the reduction in demand. In this connection, replacement of the outgoing ones was considered not necessary. BD would continue to monitor the situation and liaise with the training providers to ensure that the number of courses provided would be adequate;
- since 2023, BD had been obtaining relevant information (e.g. number of applications received, enrolment figures, attendance rates and satisfaction survey results of participants) from the training providers on a quarterly basis for planning and monitoring the provision of training courses and ensuring their quality;
- BD would make better use of MWM System (e.g. generation of monitoring reports) to ensure timely referral of cases to the Legal Services Section for disciplinary actions. For cases subject to prosecution action, the Legal Services Section would proactively remind the initiating section to instigate disciplinary actions upon completion of the prosecution action through MWM System;

Other related issues

- the publicity work in encouraging validation of unauthorized building works under the validation schemes (e.g. during large scale operation of clearance of unauthorized building works) had been enhanced;
- BD revised the standard advisory/warning letters to owners with respect to removal of unauthorized building works with the addition of QR code to provide electronic version of the pamphlets of validation schemes;
- BD would enhance MWM System (e.g. regular generation of monitoring reports) and make use of the system to maintain records on applications received so as to ensure timely processing of the applications under the validation schemes. Relevant enhancement works would tentatively be completed by second half of 2024. Pending the enhancement, separate

monitoring reports by way of spreadsheets had been made to monitor the timely processing of the validation applications;

- BD would make better use of MWM System, such as generation of monitoring reports on a regular basis for efficient tracking of the applications/signboards due for revalidation. BD was reviewing the guidelines and would consider setting a suitable time frame to bring up revalidation submission. The review of guidelines and the enhancement of MWM System would be worked out by phases, which would tentatively be completed by the second half of 2024. In the interim, BD would continue to closely monitor the situation and issue reminders to owners of validated signboards whose signboards had reached 4.5 years of the validity period;
- BD completed the uploading exercise of the information of all legal or validated signboards onto the GeoInfo Map in November 2022 as scheduled. The database would be updated regularly; and
- guidelines for the Minor Amenity Feature Validation Scheme would be included in the revamp of the Technical Guidelines on Minor Works Control System, which was being finalized. The revamped guidelines were expected to be completed by the third quarter of 2023.

44. The Committee wishes to be kept informed of further development on the subject, and provided with time frames, where possible, for actions to be taken on the outstanding matters.