

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 2023 and his Report No. 81 on the results of value for money audits were laid in the Legislative Council (“LegCo”) on 29 November 2023. The Public Accounts Committee (“the Committee”)’s Report (Report No. 81) was subsequently tabled on 21 February 2024 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. 81 was laid in LegCo on 22 May 2024. A progress report on matters outstanding in the Government Minute was issued on 29 October 2024. The latest position and the Committee’s further comments on these matters are set out in paragraphs 3 to 39 below.

Licensing services for drivers

(Paragraphs 3 and 4 of Part 3 of P.A.C. Report No. 81)

3. The Committee was informed that:

- the Transport Department (“TD”) had arranged some Driving Examiners and Driving Test Centre officers to directly report duty at four specific Driving Test Centres since June 2024; and
- after implementation of the respective measures for increasing driving test output and filling the vacancies of Driving Examiner grade in 2023, TD was now collecting data to review the situation (including the actual waiting time for driving tests) and explore drawing up a new performance pledge on the number of waiting days for road tests upon receiving the applications for non-commercial vehicle driving tests, which was expected to be completed by end of 2024.

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.

Sports Federation & Olympic Committee of Hong Kong, China

(Paragraphs 3 and 4 of Part 5 of P.A.C. Report No. 81)

5. The Committee was informed that:

- the Corporate Governance Team established by the Sports Federation & Olympic Committee of Hong Kong, China (“SF&OC”) in October 2020 had completed its review on the corporate governance and operation of all National Sports Associations (“NSAs”), and would make recommendations to improve the governance of NSAs. SF&OC targeted to promulgate the review report and the code of governance within 2024; and
- the Culture, Sports and Tourism Bureau had been working closely with the Architectural Services Department and SF&OC on the design scheme for the redevelopment of the Olympic House with the aim to provide office and activity space for SF&OC, its affiliated companies, NSAs and sports related organizations.

6. 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 8 and 9 of Part 5 of P.A.C. Report No. 81)

7. The Committee was informed that the Transport and Logistics Bureau/TD drew up the circular which set out the requirement of incorporating public parking spaces in suitable government projects, and consulted relevant bureaux/departments (“B/Ds”) on the proposed amendments, with a view to finalizing the details.

8. 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 10 to 12 of Part 5 of P.A.C. Report No. 81)

Government's support and monitoring of charities

(Paragraphs 16 to 18 of Part 5 of P.A.C. Report No. 81)

9. Hon SHIU Ka-fai declared that he was a member of the Assessment Committee of the Liberal Party Caring Foundation, and he served as an unremunerated honorary adviser/an unremunerated member of some non-governmental organizations (“NGOs”) or trade associations upon their invitations. The organizations or trade associations concerned might have conducted fund-raising activities. 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 YUNG Hoi-yan and Hon Carmen KAN Wai-mun declared that they had taken up unremunerated roles in charities and participated in fund-raising activities. 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.

10. The Committee was informed that the major issue still outstanding was the formulation of a response to the Law Reform Commission's recommendations by the Home and Youth Affairs Bureau, and the Home and Youth Affairs Bureau had been tasked to co-ordinate inputs from relevant B/Ds in formulating a response to the Law Reform Commission's recommendations.

11. 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 13 to 15 of Part 5 of P.A.C. Report No. 81)

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

13. The Committee was informed that:

- the Lands Department was in discussion with the Development Bureau on the proposed framework for regularizing surveyed squatter structures. Subject to the outcome of the review of the feasibility of the proposed regularization scheme, the Administration would consider the implementation timing and arrangement; and
- the Lands Department was in discussion with the Development Bureau on the handling of the fee levels of various categories of Government Land Licence (“GLL”). By the end of June 2024, there were a total of 14 678 valid GLLs covering domestic and non-domestic uses. Since a number of GLL holders were grass-root households and small business operators, the Administration would need to consider the potential impact of the proposed fee adjustment on GLL holders, as well as the prevailing economic situation.

14. 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 19 and 20 of Part 5 of P.A.C. Report No. 81)

15. The Committee was informed that TD consulted the relevant stakeholders in late 2023 and early 2024 on the recommendations for the administration of licensing requirements and regulatory controls over unauthorized non-franchised bus operations. In response to the stakeholders’ views, TD met with the non-franchised bus trade again in mid-2024. TD was following up on the views received and the relevant work.

16. 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 21 to 23 of Part 5 of P.A.C. Report No. 81)

17. 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.

18. The Committee was informed that the Administration targeted to introduce an amendment bill to implement the Land Title Registration System on newly granted land first into LegCo in the first quarter of 2025. In tandem with the drafting of the amendment bill, the Administration would explore and examine options for converting existing land to the Land Title Registration System.

19. 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

(Paragraphs 40 and 41 of Part 5 of P.A.C. Report No. 81)

20. The Committee was informed that the Administration would make the selected service output targets and the attainment of District Health Centres accessible to the public by 2024.

21. 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 minor works by the Buildings Department

(Paragraphs 42 to 44 of Part 5 of P.A.C. Report No. 81)

22. 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.

23. The Committee was informed that:

- the Buildings Department (“BD”) would make better use of the enhanced Minor Works Management System for generating management reports for irregularities found during audit check and monitoring non-compliant minor works submissions to ensure timely referral of non-compliant cases for prosecution/disciplinary actions;
- the enhanced Minor Works Management System would facilitate the timely processing of the validation applications and monitoring of signboard revalidation submissions. BD completed the review on the guidelines for the handling of the signboard revalidation submissions in July 2024; and
- the review of the guidelines for the Minor Amenity Feature Validation Scheme had been included in the revamp of the Technical Guidelines on Minor Works Control System, which was being finalized. The revamped guidelines would be published by the fourth quarter of 2024.

24. 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 of food premises

(Chapter 2 of Part 8 of P.A.C. Report No. 81)

25. 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. The organizations or trade associations concerned, or their members, might have participated in business related to food sector. He also declared that he was a LegCo Member representing the Wholesale and Retail Functional Constituency, and members of that sector might have participated in business related to food sector.

26. The Committee was informed that:

Processing of applications for new food business licences and permits

- the electronic referral system for food business licence applications had been implemented since July 2024 to reduce the time lag between the

issuance of referrals by Food and Environmental Hygiene Department (“FEHD”) and receipt of comments from B/Ds;

- FEHD had enhanced the Licensing Management Information System (“LMIS”), which required approval from supervisory staff when applicants requested an extension of grace period for their licence applications with justifications provided by the applicants recorded in the LMIS. FEHD would closely monitor the development progress of LMIS 3, which was expected to be rolled out in 2025;
- the test result of the new email alert function on the timeframes of processing restricted food permit applications in LMIS was being reviewed;
- the Fire Services Department and BD had agreed in principle to establish a referral mechanism for cases of unlicensed food premises. FEHD was discussing implementation details with the two departments;
- FEHD had established a working group with relevant departments to follow up on the timeframes for processing outside seating accommodation applications. FEHD and the Home Affairs Department had agreed on setting a standardized local consultation area when processing the outside seating accommodation applications;

Management of food business licences and permits

- FEHD was reviewing its various guidelines and timeframes and would set an appropriate timeframe for the submission of interview results for seeking approval for food business licence/permit transfer applications. The relevant guideline was expected to be updated in 2024;
- FEHD was considering enhancing the renewal procedures by requiring corporate licensees/permittees to confirm in the application forms that the company registration was still valid;
- FEHD had consulted the trade on the feasibility of providing an option for operators with good track records to renew their food business licences with a longer validity period. The trade generally considered the existing mechanism effective;

- FEHD was exploring other feasible options to step up efforts to curb the operation of unlicensed food business before the issuance of provisional licence;

Other related issues

- FEHD had sought comments from the trade on the composite food shop licence. The trade generally considered it appropriate to retain this licence type; and
- upon reviewing the existing procedures for processing restricted food permits applications, FEHD considered it not necessary to extend Online Licence Application Tracking Facility to permit applications at this stage.

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.

Maintenance and modernization of lifts and escalators in public rental housing estates

(Chapter 3 of Part 8 of P.A.C. Report No. 81)

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

29. The Committee was informed that:

Maintenance of lifts and escalators

- the Housing Department (“HD”) would enhance the existing information technology system to facilitate the monitoring of submission of quarterly inspection reports by the contractors;

- HD had been making use of an information technology system to schedule the assessments of lifts, and had revised the guidelines to require responsible project staff to input relevant information of new lifts into the system within three months from the date of taking-over the lifts;
- starting from January 2024, HD had required District Maintenance Offices (“DMOs”)/Property Services Agents to return the Notification of Completion within one month from the issuance of surprise check reports. Central Services Team would monitor the return of Notification of Completion and issue reminders in a timely manner;
- the Lift Inspection Focus Team had updated the procedural manual to clearly specify the timeframe and new workflow of issuing reminders for outstanding replies from DMOs/Property Service Administration Units;
- HD had revised guidelines to provide clearer guidance to project staff on checking of the maintenance frequency of all main items against those stated in the maintenance schedule;
- HD had activated the digital log-books for all lifts and escalators (“L/E”) maintained by HD. HD would completely phase out the paper-bound log-books after the contractors and project staff had been familiarized with the operation of digital log-books;
- HD had reviewed the three-tier mechanism for monitoring the work of L/E contractors. Since April 2024, Central Services Team had coordinated with DMOs/Property Services Agents in conducting lift surprise check and half-yearly inspection in parallel so as to minimize the frequency of suspension of lift services. The results of surprise checks had been included in the half-yearly assessment;
- HD had made special arrangements to retain those old motors in good condition dismantled from other lift modernization projects as contingency measures to tackle the shortage of replacement parts. HD also maintained a central record of the motors retained;
- HD was reviewing the current scoring mechanism operated under the Building Services Maintenance Assessment Scoring System, and would consult the sector of lift industry. The consultation-cum-review was expected to be completed by end 2024;

Lift Modernisation Programme

- HD had recorded clearly the justifications made by the Lift Modernisation Technical Vetting Committee in determining the priority of lift replacement works under the Lift Modernisation Programme;
- after obtaining the approval of building works proposal for the fire safety improvement works in Shopping Centre A, HD would commence the partial lift modernization works by phases in conjunction with the fire safety improvement works. It was anticipated that one lift would be completed by the first quarter of 2026 and the other one would be completed by 2026-2027;
- HD had selected two estates to implement partial lift modernization works under the Lift Modernisation Programme. Tender for the first estate was awarded in August 2024. Procurement process of partial lift modernization for the second estate was in progress. It was anticipated that the tender would be issued in the first quarter of 2025;
- HD had enhanced the information technology system which would automatically send reminder emails to responsible staff about the needs for conducting evaluation of lifts with service years of 25 or more and submitting the reports in a timely manner;
- HD would further discuss with the Lift and Escalator Contractors Association to review the lift modernization project management, work procedures, affordability of the industry, etc., with a view to expediting the implementation of lift modernization works without compromising safety; and
- HD had required L/E contractors to resume lift services within two weeks after obtaining use permits and revised the relevant contract clause so that the lifts should be resumed as soon as possible.

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.

Provision of barrier-free facilities in public rental housing estates

(Chapter 4 of Part 8 of P.A.C. Report No. 81)

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

32. The Committee was informed that:

- HD had been closely monitoring the submission of the results of regular checks conducted by Access Officers and had rectified the defects and deviations from the guidelines as identified by Audit. HD had also refined the inspection checklist in March 2024 to facilitate Access Officers in recording the conditions of relevant facilities;
- HD was reviewing the application process for adaptation works with a view to minimizing the processing time;
- as of end February 2024, HD had discussed with the Incorporated Owners of all 42 estates under Tenants Purchase Scheme, Buy or Rent Option Scheme and Home Ownership Scheme and obtained written consent for installation of Visual Fire Alarm from 32 Incorporated Owners. HD would continue to persuade the remaining ten Incorporated Owners;
- to further promoting the installation of Visual Fire Alarm systems to public rental housing flats with hearing-impaired tenants, HD would include this topic as one of the regular agenda items of upcoming meetings with relevant NGOs providing services to persons with disabilities;
- for the implementation of two lift addition proposals under the Lift Addition Programme, the detailed feasibility study of one proposal was targeted to be completed in the first quarter of 2025 while the other proposal was pending the agreement from the co-owner and the detailed feasibility study was anticipated to be completed in the fourth quarter of 2025; and

- for the three outstanding lift retrofitting items, while one of the lifts was completed and opened for public use in 2023, the works for the other two lift retrofitting items had re-commenced in mid-2024, and were expected to be completed in the third quarter of 2025 and the first quarter of 2026 respectively.

33. 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.

Regulatory control of food premises

(Chapter 6 of Part 8 of P.A.C. Report No. 81)

34. 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. The organizations or trade associations concerned, or their members, might have participated in business related to food sector. He also declared that he was a LegCo Member representing the Wholesale and Retail Functional Constituency, and members of that sector might have participated in business related to food sector.

35. The Committee was informed that:

- FEHD was developing LMIS 3, with new features including issuing timely reminders to the officers concerned to conduct inspections. LMIS 3 would also include the relevant recording function to enhance the accuracy and completeness of records. The new system was expected to be rolled out in 2025;
- FEHD had updated the relevant guidelines to clearly specify the timeframe for conducting the first inspection to newly permitted food premises. FEHD was reviewing the reporting basis for the performance pledge for inspections of licensed food premises;
- FEHD was reviewing the specific recommendations on how to regulate the food trade and would consult the trade in due course;
- FEHD was developing a dedicated management information system to record and report the enforcement and regulatory work relating to

unlicensed food premises. The new system was expected to be rolled out in 2025;

- FEHD had updated the operational guidelines to ensure that all District Environmental Hygiene Offices adopted a consistent benchmark in preparing District Action Plans and maintained a complete list of unlicensed food premises that were under surveillance in their districts; and
- the Environment and Ecology Bureau and FEHD would conduct research on practices and experiences in other places, and would take note of the views of the public regarding bringing dogs into food premises, so as to consider the need to review the current practice and legislation.

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.

The Chinese University of Hong Kong: Campus facilities operated by external entities

(Chapter 8 of Part 8 of P.A.C. Report No. 81)

37. Hon SHIU Ka-fai declared that he was a member of the Liberal Party, and he served as an unremunerated honorary adviser/an unremunerated member of some NGOs or trade associations upon their invitations. The organizations or trade associations concerned might have participated in the business of The Chinese University of Hong Kong.

38. The Committee was informed that:

- among the 18 outlets identified by Audit that had sold restricted foods without having the required permits, 4 outlets had immediately ceased selling restricted food items, 12 outlets had obtained the necessary permits, and the remaining 2 outlets had applied for the relevant restricted food permits with results pending; and

- The Chinese University of Hong Kong had engaged contractors to install visual fire alarms and retrofit barrier-free access in the five facilities. Relevant works were in progress and were targeted for completion within 2024.

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.