

## **CHAPTER 6**

### **THE GOVERNMENT OF THE HONG KONG SPECIAL ADMINISTRATIVE REGION**

#### **GENERAL REVENUE ACCOUNT**

#### **GOVERNMENT SECRETARIAT**

#### **Security Bureau**

#### **GOVERNMENT DEPARTMENTS**

#### **Correctional Services Department**

#### **Government Property Agency**

#### **Architectural Services Department**

<b>Management of staff accommodation of the Correctional Services Department</b>
--

# MANAGEMENT OF STAFF ACCOMMODATION OF THE CORRECTIONAL SERVICES DEPARTMENT

## Contents

### Paragraphs

#### SUMMARY AND KEY FINDINGS

#### PART 1: INTRODUCTION

<b>Background</b>	1.1 – 1.2
<b>Staff accommodation</b>	1.3 – 1.5
<b>Audit review</b>	1.6
<b><i>General response from the Administration</i></b>	1.7

#### PART 2: MANAGEMENT OF DEPARTMENTAL QUARTERS

<b>Utilisation of institution-tied quarters</b>	2.1 – 2.5
<b><i>Audit observations on utilisation of ITQ</i></b>	2.6 – 2.7
<b><i>Audit recommendations on utilisation of ITQ</i></b>	2.8
<b><i>Response from the Administration</i></b>	2.9 – 2.10
<b>Allocation of operational quarters</b>	2.11
<b>Operational quarters allocated to CSD civilian staff</b>	2.12 – 2.16
<b><i>Audit observations on operational quarters allocated to CSD civilian staff</i></b>	2.17
<b><i>Audit recommendations on operational quarters allocated to CSD civilian staff</i></b>	2.18
<b><i>Response from the Administration</i></b>	2.19 – 2.20
<b>SOQ and shared quarters</b>	2.21 – 2.28
<b><i>Audit observations on SOQ and shared quarters</i></b>	2.29

## Paragraphs

<i>Audit recommendations on SOQ and shared quarters</i>	2.30
<i>Response from the Administration</i>	2.31 – 2.32
<b>Vacancy of operational quarters</b>	2.33 – 2.35
<b>Vacant JSMQ and OMQ at the Lai Chi Kok Reception Centre</b>	2.36 – 2.39
<i>Audit observations on vacant JSMQ and OMQ at the LCKRC</i>	2.40 – 2.42
<i>Audit recommendations on vacant JSMQ and OMQ at the LCKRC</i>	2.43
<i>Response from the Administration</i>	2.44 – 2.46
<b>Vacant JSMQ and OMQ at other institutions</b>	2.47 – 2.49
<i>Audit observations on vacant JSMQ and OMQ at other institutions</i>	2.50
<i>Audit recommendations on vacant JSMQ and OMQ at other institutions</i>	2.51
<i>Response from the Administration</i>	2.52 – 2.54

## PART 3: MANAGEMENT OF BTA

<b>BTA</b>	3.1 – 3.6
<i>Audit observations on BTA</i>	3.7
<i>Audit recommendations on BTA</i>	3.8
<i>Response from the Administration</i>	3.9 – 3.10

## PART 4: MANAGEMENT INFORMATION AND USE OF STAFF ACCOMMODATION

<b>CSD's quartering database</b>	4.1 – 4.2
<b>Returns to the GPA and the Security Bureau</b>	4.3 – 4.4

	<b>Paragraphs</b>
<b>Change in use of departmental quarters by individual institutions</b>	4.5
<b><i>Audit observations on management information and use of staff accommodation</i></b>	4.6 – 4.7
<b><i>Audit recommendations on management information and use of staff accommodation</i></b>	4.8
<b><i>Response from the Administration</i></b>	4.9 – 4.10

Appendix A: Institutions managed by the CSD as at 31.12.2001

Appendix B: Accommodation for staff required to be on call overnight or on shift duty

Appendix C: Classification of departmental quarters

Appendix D: Operational quarters allocated to civilian staff as at 31.12.2001

Appendix E: Size of SOQ and shared quarters as at 31.12.2001

Appendix F: Example of layout plan of single-bedroom SOQ

Appendix G: Example of layout plan of an SOQ built as a self-contained residential unit

Appendix H: Vacant quarters of the CSD as at 31.12.2001

Appendix I: Reasons for the vacancy of the CSD's operational quarters as at 31.12.2001

Appendix J: Chronology of key events relating to the withholding of vacant quarters at the LCKRC from allocation

Appendix K: Chronology of key events during the refurbishment of Blocks A to C of the LCKRC

Appendix L: Acronyms and abbreviations



# MANAGEMENT OF STAFF ACCOMMODATION OF THE CORRECTIONAL SERVICES DEPARTMENT

## Summary and key findings

### Introduction

A. The Correctional Services Department (CSD) is responsible for providing safe and humane custody of all persons committed or sentenced by the courts or persons detained under the Immigration Ordinance. As at 31 December 2001, the CSD managed 29 institutions. To ensure that sufficient staff are readily available to discharge their duties and to cope with emergencies of various scales, the CSD provides departmental quarters and barracks type accommodation (BTA) in the vicinity of the institutions to its staff. As at 31 December 2001, the CSD had a total of 2,827 departmental quarters and 3,523 places of BTA located in different parts of Hong Kong (paras. 1.1 to 1.5).

### Audit review

B. Audit has conducted a review of the CSD's management of staff accommodation (para. 1.6). Audit's major findings are summarised in paragraphs C to H below.

### Management of departmental quarters

C. ***Need to review the utilisation of institution-tied quarters.*** As at 31 December 2001, a total of 114 departmental quarters of the CSD tied to its institutions were not classified as post-tied quarters (PTQ) or operational quarters. These institution-tied quarters (ITQ) were designated for the holders of specific posts of the CSD. In substance, the CSD's ITQ were the same as PTQ of other disciplined service departments. However, the CSD's ITQ were not included in the Security Bureau's review of PTQ in 1997. As at 31 December 2001, other disciplined service departments had a total of only 48 PTQ, while the CSD had 114 ITQ. With the rapid development of Hong Kong's public transportation network, Audit considers that the need for providing PTQ or ITQ to staff to ensure that they can attend to urgent cases has diminished. The CSD needs to reassess its overall requirement of ITQ so as to ensure that these quarters are utilised economically and effectively (paras. 2.1 to 2.7).

D. ***Operational quarters allocated to CSD civilian staff.*** According to the Accommodation Regulations, only surplus operational quarters, with the Government Property Administrator's approval, can be redesignated as general quarters and made available to interested staff within the department. However, as at 31 December 2001, the CSD allocated 48 operational quarters (i.e. 46 government-owned quarters and two rented quarters) to its civilian staff without the Government Property Administrator's approval. The annual rent (including notional rent) of these 48 operational quarters was \$5.19 million. Audit considers that the CSD's practice of allocating operational quarters to civilian staff does not comply with the Accommodation Regulations (paras. 2.12 and 2.15 to 2.17).

E. ***Over-provision of Single Officers' Quarters and shared quarters.*** The CSD provides Single Officers' Quarters (SOQ) and shared quarters (converted from Officers' Married Quarters) to its staff of the Officer Grade required to be on call overnight or on shift duty. However, such quarters were mainly used as a rest place. Unlike the CSD, all other disciplined service departments provided only BTA or night duty rooms to their staff. Since the implementation of the sleep-in standby system in 2001, the number of CSD staff of the Officer Grade required to be on call overnight has decreased significantly. As at 31 December 2001, only 198 CSD staff were required to be on call overnight or on shift duty. Audit used the Government Property Agency's space standard to assess the CSD's requirement of sleeping accommodation for its staff of the Officer Grade. Audit found that at least 16,468 square metres of SOQ and shared quarters would be over-provided if all CSD staff of the Officer Grade were provided only with BTA. The annual rent (including notional rent) of such area over-provided was \$15.93 million. Audit considers that the CSD needs to critically review its practice of providing such quarters to staff required to be on call overnight or on shift duty (paras. 2.21 to 2.29).

F. ***Need to review the utilisation of operational quarters.*** As at 31 December 2001, 413 (15%) of the CSD's 2,713 operational quarters were vacant (para. 2.33). Audit notes that:

- (a) since mid-1995, the CSD had started to withhold vacant quarters (totalling 109 as at 31.12.2001) in Blocks A to E of the Lai Chi Kok Reception Centre from allocation for at least two years before the approval for upgrading, refurbishment or demolition was obtained. Furthermore, from 1998-99 to 2001-02, refurbishment and maintenance costs of \$3.7 million were incurred for these five blocks of quarters although, in December 1998, the CSD sought the Government Property Administrator's endorsement for demolishing these five blocks of quarters. Audit has reservations about the need to withhold vacant operational quarters from allocation before the approval for their upgrading, refurbishment or demolition is obtained, and the need to continue with their refurbishment and maintenance works. The total annual notional rent forgone of the 140 vacant quarters was \$42.1 million (paras. 2.36 to 2.42); and
- (b) the CSD also withheld 42 vacant quarters (located at the Victoria Prison, Stanley and Hei Ling Chau) from allocation before the notice for vacant possession or the approval for change in use of these quarters was received. Audit considers that it is not cost-effective to withhold vacant quarters from allocation before the notice for their vacant possession or the approval for their change in use is received. As at 31 December 2001, 190 quarters available for allocation were left vacant because no applications were received. Audit considers that the CSD needs to periodically review the vacancy of operational quarters on hand, particularly those for which no applications have been received for a long period of time (paras. 2.47 to 2.50).

#### **Over-provision of BTA**

G. The CSD provides BTA to its staff of the Rank and File Grade required to be on call overnight or on shift duty. As at 31 December 2001, the CSD provided 21,861 square metres of BTA, of which 10,673 square metres were converted from departmental quarters and 807 square

metres were in 16 rented properties. According to the Accommodation Regulations, the space standard for BTA is 5 square metres for each CSD staff member. Audit used this standard to assess the CSD's requirement of BTA. Audit found that 4,758 square metres of BTA were over-provided by the CSD. The annual rent (including notional rent) of such over-provided area was \$1.59 million. In view of the considerable over-provision, Audit considers that the CSD needs to critically review its requirement of BTA (paras. 3.1 to 3.7).

### **Need to improve the management information system and use of staff accommodation**

H. Audit notes that the CSD's quartering database does not contain up-to-date management information for monitoring the utilisation of its staff accommodation. Audit's examination of the CSD's returns on departmental quarters reveals that some of the information the CSD submitted to the Government Property Agency and the Security Bureau in January 2002 was inaccurate. To ensure that the CSD's management is provided with accurate and up-to-date management information for monitoring the utilisation of its staff accommodation, Audit considers that the CSD needs to improve its management information system (paras. 4.1 to 4.7).

### **Audit recommendations**

I. Audit has made the following major recommendations that the Commissioner of Correctional Services should:

#### ***Management of departmental quarters***

- (a) ensure that ITQ will be covered in future reviews of PTQ (para. 2.8(a));
- (b) in consultation with the Secretary for Security, reassess the need for designating the CSD's departmental quarters for holders of specific posts (para. 2.8(c));
- (c) critically review the eligibility criteria for the allocation of operational quarters to ensure that their allocation complies with the Accommodation Regulations (para. 2.18(a));
- (d) reallocate the operational quarters occupied by civilian staff to eligible disciplined staff (para. 2.18(b));
- (e) in consultation with the Secretary for Security and the Government Property Administrator, critically review the CSD's practice of providing SOQ and shared quarters to its staff of the Officer Grade required to be on call overnight or on shift duty, and consider following the practice of other disciplined service departments of providing BTA or night duty rooms to these staff (para. 2.30(a) and (b));

- (f) examine the feasibility of converting the excess area of SOQ and shared quarters into other beneficial uses (para. 2.30(c));
- (g) schedule effectively the vacation of operational quarters and withhold vacant operational quarters from allocation only after the approval for upgrading, refurbishment, demolition or relocation of the quarters has been obtained (para. 2.43(a));
- (h) after a decision has been made to change the future use of operational quarters, in consultation with the Director of Architectural Services, economise on refurbishment/maintenance works of the quarters by examining the feasibility of discontinuing or scaling down such works (para. 2.43(b));
- (i) in conjunction with the Government Property Administrator, consider the future use of the quarters for government-owned blocks of operational quarters with high vacancy rates (para. 2.43(c));

#### ***Over-provision of BTA***

- (j) in consultation with the Secretary for Security, consider converting some of the surplus BTA into departmental quarters, particularly the BTA which was converted from departmental quarters (para. 3.8(b));
- (k) in consultation with the Government Property Administrator, examine the feasibility of converting the surplus government-owned BTA into other beneficial uses (para. 3.8(c));

#### ***Need to improve management information system and use of staff accommodation***

- (l) develop a computer system for collecting data on staff accommodation and for analysing them to produce useful management information (para. 4.8(a)); and
- (m) promulgate procedures to ensure that quartering officers of individual institutions provide, on a timely basis, accurate and up-to-date information on staff accommodation to the Human Resource Division of the CSD for updating the CSD's quartering database (para. 4.8(c)).

#### **Response from the Administration**

- J. The Administration generally agrees with Audit's observations and recommendations.

## PART 1: INTRODUCTION

### Background

1.1 The Correctional Services Department (CSD) is responsible for providing safe and humane custody of all persons committed or sentenced by the courts. Its operations are governed by the Prisons Ordinance (Cap. 234), the Detention Centres Ordinance (Cap. 239), the Drug Addiction Treatment Centres Ordinance (Cap. 244), the Training Centres Ordinance (Cap. 280) and the Mental Health Ordinance (Cap. 136). The CSD is also responsible for providing safe and humane custody of persons detained under the Immigration Ordinance (Cap. 115).

1.2 As at 31 December 2001, the CSD managed 24 penal institutions, including 14 prisons, 1 detention centre, 2 drug addiction treatment centres, 2 training centres, 1 psychiatric centre and 4 institutions with multiple roles (see Appendix A). In addition to penal institutions, the CSD operated 1 reception centre for Vietnamese illegal immigrants and 4 half-way houses for providing residential accommodation to persons released under supervision from prisons, detention centre, drug addiction treatment centres or training centres (Note 1).

### Staff accommodation

1.3 To facilitate its staff to discharge their duties and to cope with emergencies of various scales, the CSD has to ensure that sufficient staff are readily available in the vicinity of penal institutions, reception centre for Vietnamese illegal immigrants or half-way houses (hereinafter referred to as institutions). The CSD mainly provides the following two types of accommodation to its staff:

- (a) **Departmental quarters.** Departmental quarters are allocated to staff in the vicinity of the institutions where they work. The CSD classifies its departmental quarters according to the eligibility criteria of staff, as follows:
  - (i) Junior Staff Married Quarters (JSMQ) are allocated to married staff of the Rank and File Grade;
  - (ii) Officers' Married Quarters (OMQ) are allocated to married staff of the Officer Grade; and

---

**Note 1:** *These persons live in the half-way houses for a period of transitional adjustment. During this period, intensive counselling and community services are provided to cultivate a spirit of civic and moral awareness among them.*

- (iii) Single Officers' Quarters (SOQ) and shared quarters (see Appendix B) are allocated to staff of the Officer Grade who do not reside nearby their institutions and are required to be on call overnight or on shift duty; and
- (b) ***Barracks type accommodation.*** Barracks type accommodation (BTA — see Appendix B) is temporary in nature. It is provided as a rest place for staff required to be on call overnight or on shift duty.

1.4 The Human Resource Division (HRD) of the CSD is responsible for the overall management of the CSD's staff accommodation. The quartering officers of the HRD, together with the quartering officers of individual institutions, are responsible for managing the CSD's departmental quarters and BTA and for filing returns on departmental quarters to the Government Property Agency (GPA) and the Security Bureau.

1.5 As at 31 December 2001, the CSD managed a total of 2,827 departmental quarters and 3,523 places of BTA located in different parts of Hong Kong.

## **Audit review**

1.6 Against the above background, Audit has conducted a review of the CSD's management of staff accommodation. The audit objectives were to examine:

- (a) the economy, efficiency and effectiveness with which the CSD manages its staff accommodation; and
- (b) whether the relevant government regulations have been complied with.

Audit has found a number of areas where there is room for improvement and has made a number of recommendations to address the related issues.

## **General response from the Administration**

1.7 The **Secretary for Security** has said that the Security Bureau undertakes to give full support and guidance, if necessary, to the CSD in positively looking for ways of remedying the unsatisfactory situation as soon as possible.

## **PART 2: MANAGEMENT OF DEPARTMENTAL QUARTERS**

### **Utilisation of institution-tied quarters**

#### **Unique classification of institution-tied quarters**

2.1 The Accommodation Regulations classify departmental quarters into post-tied quarters (PTQ), operational quarters and general quarters (see Appendix C — Note 2). Like other disciplined service departments, the CSD does not have general quarters. Most of the CSD's departmental quarters are operational quarters which are allocated to its staff through its Quarters Allocation Exercise (QAE — Note 3). The remaining departmental quarters of the CSD are designated for the holders of specific posts for meeting the CSD's specific operational needs. The CSD ties these quarters to individual institutions (hereinafter referred to as institution-tied quarters — ITQ) because CSD staff have to be transferred to different institutions periodically. At a meeting held in November 1986 among the Security Bureau, the Civil Service Bureau, the then Administrative Services and Information Branch and the CSD, it was agreed that the CSD's ITQ designated for the holders of specific posts fell into a category which was in between PTQ and operational quarters.

#### **ITQ treated by the CSD as PTQ**

2.2 As at 31 December 2001, the CSD had a total of 114 ITQ designated for the holders of specific posts, as shown in Table 1 below.

---

**Note 2:** *In the Public Accounts Committee's Report No. 27 of January 1997, the Committee expressed serious concern that there were inadequacies in the classification and definition of departmental quarters and urged the Government Property Administrator to expeditiously amend the relevant Accommodation Regulations to clarify the position. At the completion of this audit in June 2002, the Government Property Administrator was still in the process of consulting the disciplined service departments about the proposed new definition of departmental quarters.*

**Note 3:** *In the CSD, the QAE is conducted two to three times a year to allocate vacant quarters to applicants according to their score of quartering points, sequence of choices and grade.*

**Table 1**

**ITQ of the CSD as at 31.12.2001**

<b>Specific posts</b>	<b>Number of ITQ</b>
Superintendents and above	34
Chief Officers performing operational or hospital duty	38
Principal Officers assigned the job of Day Orderly Officer, Hospital Supervisor or Security Officer	25
Medical Officers	17
<b>Total</b>	<b><u>114</u></b>

*Source: CSD's records*

2.3 Audit notes that ITQ are, in substance, the same as PTQ because:

- (a) occupation of ITQ does not affect an officer's eligibility to civil service housing benefits. Since 1987, approval has been given for CSD staff who are directed to occupy ITQ to continue receiving other civil service housing benefits (Note 4) because they are required for operational reasons to live in the ITQ provided; and
- (b) ITQ are reserved for the holders of specific posts. Allocation of ITQ does not go through the CSD's QAE.

2.4 Despite the different terminology used by the CSD, both the CSD and other departments concerned treated ITQ as PTQ. This is substantiated by the following audit findings:

---

**Note 4:** *These housing benefits include the Home Financing Allowance, Home Purchase Allowance and Housing Loan granted under the Housing Loan Scheme.*

- (a) in 1988, in reviewing the pay and conditions of service of the disciplined services, the Review Committee on Disciplined Services Pay and Conditions of Service did not include PTQ of other disciplined service departments and the CSD's ITQ in its review, on the grounds that both types of quarters were not civil service housing benefits;
- (b) in 1996, the Director of Accounting Services approved the Director of Health's application to allow 17 Medical Officers seconded to work in the CSD to continue receiving other civil service housing benefits on the grounds that the CSD's ITQ occupied by them were PTQ; and
- (c) in 2000, the CSD confirmed to the Department of Health that the CSD's ITQ designated for Medical Officers could be regarded as PTQ for the purpose of seeking the approval for these officers to continue receiving other civil service housing benefits.

### **Exclusion of ITQ from the review of PTQ**

2.5 In March 1997, in response to the then Finance Bureau's concern over the need of the disciplined services for PTQ, the Secretary for Security conducted a review to examine such need. In its reply to the Secretary for Security in April 1997, the CSD confirmed that it did not have PTQ. As a result, the review did not cover the CSD's ITQ.

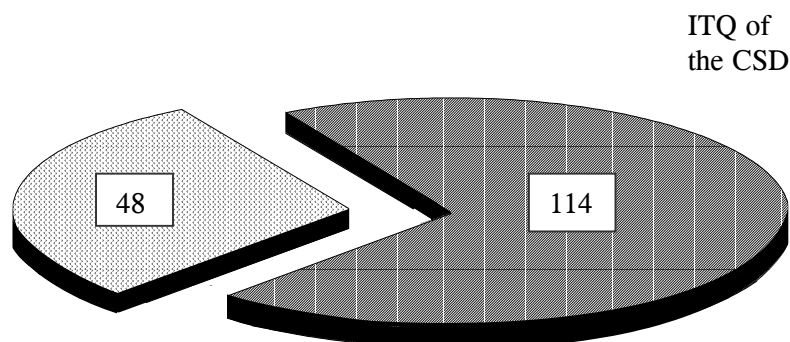
### **Audit observations on utilisation of ITQ**

2.6 Audit has found that both ITQ and PTQ were treated as the same by the CSD and other departments concerned (see para. 2.4 above). In substance, the CSD's ITQ are the same as PTQ of other disciplined service departments (see para. 2.3 above). **Audit considers that the CSD's ITQ should have been included in the Security Bureau's review of PTQ in 1997.**

2.7 It is pertinent to note that, as at 31 December 2001, other disciplined service departments (i.e. the Hong Kong Police Force, the Fire Services Department and the Customs and Excise Department) had a total of only 48 PTQ, while the CSD had 114 ITQ (see Figure 1 below). **With the rapid development of Hong Kong's public transportation network, Audit considers that the need for providing PTQ or ITQ to staff to ensure that they can attend to urgent cases has diminished. The CSD needs to reassess its overall requirement of ITQ so as to ensure that these quarters are utilised economically and effectively.**

**Figure 1**

**Number of ITQ of the CSD and PTQ of  
other disciplined service departments as at 31.12.2001**



PTQ of other disciplined  
service departments:

- 1 in Customs and Excise Department
- 15 in Hong Kong Police Force
- 32 in Fire Services Department

*Source: CSD's records*

*Remarks: The 48 PTQ of other disciplined service departments represented only 42% of the 114 ITQ of the CSD.*

## **Audit recommendations on utilisation of ITQ**

**2.8 Audit has *recommended* that the Commissioner of Correctional Services should:**

- (a) ensure that ITQ will be covered in future reviews of PTQ;**
- (b) closely monitor the utilisation of the CSD's departmental quarters which are designated for holders of specific posts; and**
- (c) in consultation with the Secretary for Security, reassess the need for designating the CSD's departmental quarters for holders of specific posts.**

## **Response from the Administration**

2.9 The **Commissioner of Correctional Services** agrees with Audit's recommendations.

2.10 The **Secretary for Security** agrees with Audit's recommendation to reassess the need for designating the CSD's departmental quarters for holders of specific posts. The Secretary has said that the Security Bureau will urge the CSD to review the list of ITQ to ensure that only those CSD staff who have absolute operational needs are required to reside in such quarters.

## **Allocation of operational quarters**

2.11 Heads of Department are responsible for the allocation of departmental quarters. Audit's review of the allocation of the CSD's operational quarters reveals the following unsatisfactory aspects:

- (a) operational quarters were allocated to CSD civilian staff (see paras. 2.12 to 2.16 below); and
- (b) at least 16,468 square metres of SOQ and shared quarters would be over-provided by the CSD, if all its staff of the Officer Grade were provided with BTA in line with the practice of other disciplined service departments (see paras. 2.21 to 2.28 below).

## **Operational quarters allocated to CSD civilian staff**

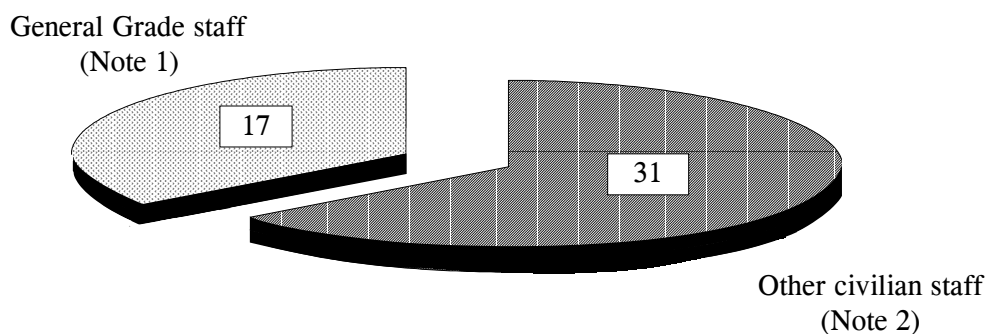
2.12 According to the Accommodation Regulations, only surplus operational quarters, with the Government Property Administrator's approval, can be redesignated as general quarters and made available to interested staff within the department. Besides, it is not the Government's policy to provide departmental quarters to General Grade staff because all departmental quarters, except PTQ, were considered as one of the civil service housing benefits. However, Audit notes that since 1992, the CSD has stated in its quartering guidelines that its civilian staff are also eligible to apply for operational quarters in its QAE, although their applications would be considered only if no applications are received from disciplined staff.

2.13 To ascertain whether the CSD had allocated any operational quarters to its civilian staff, Audit analysed the CSD's quartering records of 2001. The results of Audit's analysis, as shown in Figure 2 below, reveal that as at 31 December 2001, 48 civilian staff working in various institutions and at the CSD's Headquarters were allocated operational quarters. They comprised:

- (a) 17 General Grade staff, seven of whom were working at the CSD's Headquarters in Wan Chai; and
- (b) 31 other civilian staff.

**Figure 2**

**Operational quarters allocated to CSD civilian staff as at 31.12.2001**



*Source: CSD's records*

*Note 1: These comprised 8 Assistant Clerical Officers, 4 Clerical Assistants, 2 Typists, 1 Office Assistant, 1 Personal Secretary and 1 Supplies Assistant.*

*Note 2: These comprised 15 Masters/Mistresses, 4 Assistant Lecturers, 4 Clinical Psychologists, 2 Artisans, 1 Assistant Education Officer, 1 Occupational Therapist, 1 Registered Nurse, 1 Senior Master, 1 Workman and 1 Works Supervisor.*

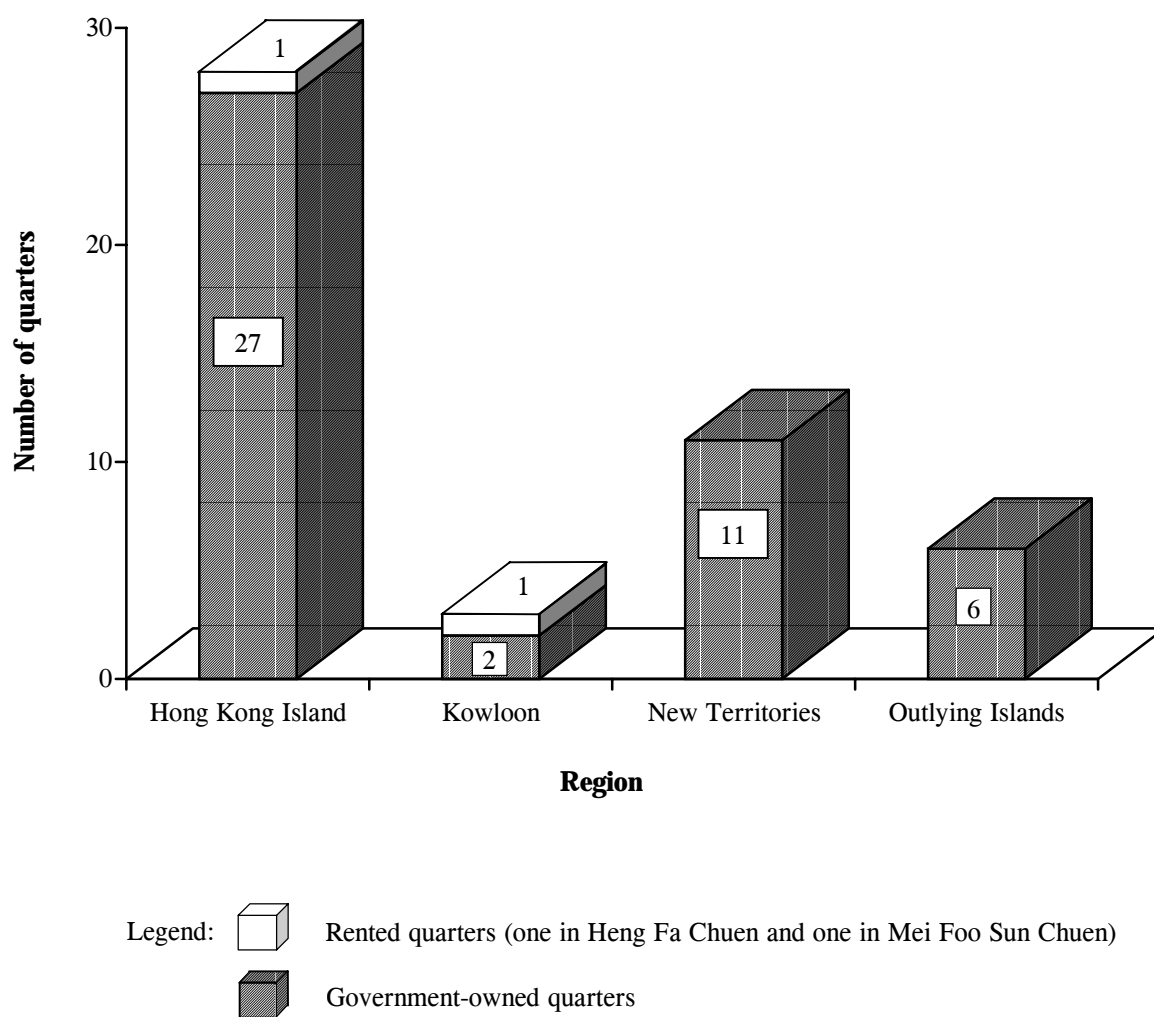
2.14 ***Locations of operational quarters allocated to CSD civilian staff.*** Audit further analysed the locations of the 48 operational quarters allocated to CSD civilian staff. The results of Audit's analysis, as shown in Figure 3 below, reveal that the majority of these quarters are in convenient locations in Hong Kong. Only six quarters were located on Outlying Islands. Of the remaining 42 quarters, Audit found that:

- (a) 23 were located in Stanley. Of these 23 quarters, eight were built in 1999 to provide more JSMQ to staff of the Rank and File Grade of the CSD; and
- (b) 19 were located in other parts of Hong Kong Island, Kowloon and the New Territories.

2.15 ***Rented operational quarters allocated to CSD civilian staff.*** Among the 48 operational quarters allocated to CSD civilian staff, Audit notes that two quarters (one located at Heng Fa Chuen and another at Mei Foo Sun Chuen) were rented by the Government at \$0.39 million

annually. These quarters were allocated to two civilian staff working at an institution on Hong Kong Island. Audit estimates that the total annual notional rent of the remaining 46 government-owned quarters was about \$4.8 million (Note 5).

**Figure 3**  
**Locations of operational quarters**  
**allocated to CSD civilian staff as at 31.12.2001**



Source: CSD's records

---

**Note 5:** *Audit has used the estimated rent of the GPA's Quarters Grading Review of 2001 to estimate the notional rent of government-owned quarters and BTA assuming that these properties can be let in the commercial market.*

2.16 ***Operational quarters allocated to CSD civilian staff were in shortage.*** According to the CSD's review on its operational quarters, as at 31 December 2001, the CSD was short of 1,121 operational quarters for most of the grades. To ascertain the implications of allocating operational quarters to CSD civilian staff on the shortage of operational quarters, Audit analysed the grades of the 48 operational quarters allocated to CSD civilian staff (see Appendix D). Audit's analysis reveals that as at 31 December 2001:

- (a) 36 quarters (including one rented quarters) were in the same grades as those operational quarters which were in shortage; and
- (b) 12 quarters (including one rented quarters) were in the same grades as those operational quarters which were surplus to the CSD's requirement.

However, these 48 quarters were allocated to CSD civilian staff, without the Government Property Administrator's approval for redesignating such quarters as general quarters.

### **Audit observations on operational quarters allocated to CSD civilian staff**

2.17 Audit has found that as at 31 December 2001, the CSD allocated 48 operational quarters to its civilian staff. The majority of these quarters are in convenient locations in Hong Kong. The annual rent (including notional rent) of these 48 operational quarters was \$5.19 million (see paras. 2.13 to 2.15 above). **Audit considers that the CSD's practice of allocating operational quarters to its civilian staff does not comply with the Accommodation Regulations.**

### **Audit recommendations on operational quarters allocated to CSD civilian staff**

2.18 **Audit has *recommended* that the Commissioner of Correctional Services should:**

- (a) **critically review the eligibility criteria for the allocation of operational quarters to ensure that the allocation of operational quarters complies with the Accommodation Regulations;**

- (b) **reallocate the 35 government-owned operational quarters, which were occupied by civilian staff and which were in the same grades as those operational quarters in shortage, to eligible disciplined staff;**
- (c) **in consultation with the Government Property Administrator, find ways of putting the 11 government-owned operational quarters, which were in the same grades as those operational quarters surplus to the CSD's requirement, to alternative use; and**
- (d) **for the two rented operational quarters, consider terminating their tenancy agreements.**

## **Response from the Administration**

2.19 The **Commissioner of Correctional Services** generally agrees with Audit's recommendations. The Commissioner has said that the CSD has taken action to terminate the tenancy agreements of the two rented quarters allocated to civilian staff.

2.20 The **Secretary for Security** agrees with Audit's recommendations. The Secretary has said that the CSD is actively making appropriate arrangements to require the CSD civilian staff to vacate the quarters.

## **SOQ and shared quarters**

2.21 ***For staff required to be on call overnight or on shift duty.*** To ensure that sufficient reinforcements can be mobilised quickly to respond to emergency at night, CSD staff of both the Rank and File Grade and the Officer Grade are required to be on call overnight or on shift duty (Note 6). For this purpose, the CSD provides:

- (a) its staff of the Rank and File Grade with BTA; and
- (b) its staff of the Officer Grade, not residing in the vicinity of the institutions where they are posted to work, with SOQ or shared quarters. Other CSD staff of the Officer Grade

---

**Note 6:** *Staff holding specific posts are required to be on call from 8:15 p.m. to 6:45 a.m. of the following day for a maximum of 12 nights a month.*

are only provided with lockers and changing facilities. Unlike other operational quarters, allocation of SOQ and shared quarters does not go through the CSD's QAE.

During the period 1999-2000 to 2001-02, the average maintenance cost of SOQ and shared quarters amounted to \$1.4 million a year.

2.22 ***Layout of SOQ and shared quarters.*** As at 31 December 2001, a total of 644 CSD staff of the Officer Grade were allocated 137 SOQ and 182 shared quarters, either singly or on a sharing basis. Appendix E shows the size of SOQ and shared quarters of the CSD. Audit notes that:

- (a) ***SOQ.*** There were two types of SOQ. A total of 96 SOQ were built as single-bedroom quarters, sharing a common shower room and a common toilet (see Appendix F). A total of 41 SOQ were built as self-contained residential units each with a bedroom, sitting room, kitchen, bathroom and toilet (see Appendix G). The main difference between these two types of SOQ was that the communal area of the former type accounted for only 26% of the total area, while the communal area of the latter type accounted for 71% of the total area (see Appendix E); and
- (b) ***Shared quarters.*** All the 182 shared quarters were self-contained residential units converted from OMQ. Photograph 1 at the centre pages shows the sitting room of a shared quarters at the Tai Lam Correctional Institution. On average, the communal area of these quarters accounted for 63% of the total area (see Appendix E).

2.23 ***SOQ and shared quarters mainly used as a rest place or storage area.*** The CSD did not regard SOQ and shared quarters as proper quarters, on the grounds that these quarters were used solely for accommodating CSD staff required to be on call overnight or on shift duty. Unlike the occupants of other quarters, most of the officers to whom SOQ and shared quarters had been allocated did not reside in these quarters because they had their own places of residence elsewhere. These quarters were mainly used as a rest place by staff of the Officer Grade required to be on call overnight or on shift duty. During the site visits to 25 SOQ and shared quarters in 13 institutions in February and March 2002, Audit observed that some of these quarters were mainly used as changing rooms and storage area. Photograph 2 at the centre pages shows the bedroom of a shared quarters at the Stanley Prison.

2.24 ***The practice of other disciplined service departments.*** At the end of 2001, all other disciplined service departments did not provide SOQ or shared quarters to staff required to be on call overnight or on shift duty. Audit notes that, for example:

- (a) since 1 April 2001, all of the 180 SOQ of the Hong Kong Police Force (HKPF) had been redesignated as dormitory for inspectorate trainees. For staff of both the Officer Grade and the Rank and File Grade required to be on call overnight or on shift duty, the HKPF provided only BTA or night duty rooms (including lockers and changing area) to them; and
- (b) staff of the Fire Services Department required to be on call overnight were provided with BTA.

2.25 ***Significant decrease in on-call overnight requirement.*** Since the implementation of the sleep-in standby system in 2001 (Note 7), the CSD has introduced changes to its overnight on-call arrangement. In individual institutions, only the essential post-holders are required to be on call overnight in order to cope with emergencies of various scales (Note 8). Consequently, the number of CSD staff of the Officer Grade required to be on call overnight has decreased significantly (Note 9). According to the information provided by the CSD, as at 31 December 2001, only 198 of the 644 CSD staff provided with SOQ or shared quarters were required to be on call overnight or on shift duty.

2.26 ***GPA's space standard.*** The GPA's standard for assessing the requirement of BTA in other disciplined service departments is that staff required to be on call overnight or on shift duty are each provided with five square metres of space. Staff not allocated BTA are entitled to space of one square metre for the provision of locker and changing area. In June 2001, the GPA informed the CSD that the same standard should also be applied to the CSD.

2.27 ***Over-provision of SOQ and shared quarters.*** Audit used the GPA's space standard to assess the CSD's requirement of sleeping accommodation for its staff of the Officer Grade. Audit's analysis reveals that as at 31 December 2001:

- (a) if all CSD staff of the Officer Grade were provided with BTA in line with the practice of other disciplined service departments, at least 16,468 square metres of SOQ and shared quarters would be over-provided to them; and

---

**Note 7:** *Under this system, the CSD staff are required to perform sleep-in standby duty within individual institutions during the lock-up periods.*

**Note 8:** *The number of staff required to be on call overnight in the institutions on Hei Ling Chau, the Green Island Reception Centre and the Phoenix House remained the same.*

**Note 9:** *The number of disciplined staff required to be on call overnight decreased by 74% from 700 in 2000 to only 182 in 2001.*

- (b) of the 16,468 square metres of SOQ and shared quarters over-provided, 132 square metres were in rented premises (see para. 2.28 below). The remaining 16,336 square metres were in premises owned by the Government. Audit estimates that the total annual notional rent for the government-owned premises was \$15.8 million.

2.28 ***Rented SOQ.*** As at 31 December 2001, two SOQ located in Chi Ma Wan, with a total area of 132 square metres, were rented by the Government at \$0.13 million a year for staff required to be on call overnight or on shift duty at the Chi Ma Wan Drug Addiction Treatment Centre (CTC). However, a total of 479 square metres of SOQ and shared quarters would be over-provided in the two institutions located in Chi Ma Wan, if all CSD staff of the Officer Grade were provided with BTA.

### **Audit observations on SOQ and shared quarters**

2.29 **Audit considers that it is not cost-effective to use SOQ and shared quarters, particularly those with built-in sitting rooms and kitchens, mainly as a rest place for CSD staff of the Officer Grade who are required to be on call overnight or on shift duty. In view of the significant rent (including notional rent) of \$15.93 million per annum, the CSD needs to critically review the practice of providing SOQ and shared quarters to staff required to be on call overnight or on shift duty.**

### **Audit recommendations on SOQ and shared quarters**

2.30 **Audit has *recommended* that the Commissioner of Correctional Services should:**

- (a) **in consultation with the Secretary for Security and the Government Property Administrator, critically review the CSD's practice of providing SOQ and shared quarters to its staff of the Officer Grade required to be on call overnight or on shift duty;**
- (b) **consider following the practice of other disciplined service departments of providing BTA or night duty rooms, instead of SOQ and shared quarters, to CSD staff required to be on call overnight or on shift duty;**
- (c) **examine the feasibility of converting the excess area of SOQ and shared quarters provided to CSD staff required to be on call overnight or on shift duty into other beneficial uses;**

- (d) **consider terminating the tenancy agreements of the two rented quarters in Chi Ma Wan;**
- (e) **ensure that the government-owned quarters are fully utilised before renting properties in the market to meet the demand for operational quarters; and**
- (f) **monitor the utilisation of sleeping accommodation provided to staff of the Officer Grade required to be on call overnight or on shift duty.**

### **Response from the Administration**

2.31 The **Commissioner of Correctional Services** agrees with Audit's recommendations. The Commissioner has said that the CSD will conduct a review on the utilisation of SOQ and shared quarters in individual institutions to ensure that such quarters are utilised economically and effectively.

2.32 The **Secretary for Security** agrees that there is room for improvement in the use of SOQ and shared quarters. The Secretary has said that the Security Bureau has urged the CSD to undertake a comprehensive review of all SOQ and shared quarters, with a view to ensuring their best and most economical use.

### **Vacancy of operational quarters**

2.33 To ascertain the utilisation of the CSD's operational quarters, Audit analysed the records of the CSD's vacant quarters of 2001 (see Appendix H). Audit found that, as at 31 December 2001, 413 (15%) of the CSD's 2,713 operational quarters were vacant.

2.34 Audit further analysed the vacancy periods of the 413 operational quarters. Audit's analysis reveals that as at 31 December 2001, 244 operational quarters (59%) had been vacant for more than one year.

2.35 Operational quarters are allocated through the CSD's QAE. The CSD conducts two to three QAEs a year to ensure that vacant operational quarters are allocated to eligible staff as soon as possible. Therefore, these quarters should have been allocated within one year. Appendix I shows the reasons for the long periods of vacancy of the operational quarters.

## Vacant JSMQ and OMQ at the Lai Chi Kok Reception Centre

2.36 ***Quarters pending upgrading, refurbishment or demolition.*** As at 31 December 2001, the Lai Chi Kok Reception Centre (LCKRC) had seven blocks of departmental quarters and one block of BTA (Note 10). A total of 140 operational quarters [i.e. 109 (91%) quarters in Blocks A to E and 31 (17%) quarters in Blocks G and H] at the LCKRC were vacant (see Appendix I). Audit notes that since mid-1995, the CSD had started to withhold vacant quarters in Blocks A to E at the LCKRC from allocation for at least two years before the approval for upgrading, refurbishment or demolition of these five blocks was obtained (see Appendix J). Details are as follows:

- (a) in August 1995, the CSD started to withhold the vacant JSMQ in Blocks D and E of the LCKRC from allocation when it realised that the GPA was considering upgrading these quarters by combining two units into one. In the event, in April 1997, the GPA informed the Security Bureau that the GPA would not support the upgrading of JSMQ;
- (b) in September 1995, the CSD started to withhold the vacant OMQ in Blocks A to C of the LCKRC from allocation (see Photograph 3 at the centre pages) when it planned to refurbish these quarters. However, these quarters were not included in the Architectural Services Department (ArchSD)'s Annual Refurbishment Programme until 1998-99 (Note 11); and
- (c) in July 1997, three months after the GPA's refusal to support the upgrading of JSMQ, the CSD sought the Secretary for Security's policy support to expand the capacity of the LCKRC. In December 1998, the CSD sought the Government Property Administrator's endorsement to demolish Blocks A to E of the LCKRC under the proposed redevelopment project. The CSD continued to withhold the JSMQ from allocation although the redevelopment project was still under consideration. In September 2000, the proposed redevelopment project was put on hold because a new mega-prison project was under consideration (Note 12).

---

**Note 10:** *Blocks A, B, C and H are OMQ. Blocks D, E and G are JSMQ. Block F is BTA.*

**Note 11:** *During the period 1995 to 1997, the CSD applied for the refurbishment of the OMQ. However, the ArchSD declined the CSD's request to include them in the ArchSD's Annual Refurbishment Programme because the ArchSD considered that these quarters were still in a serviceable condition.*

**Note 12:** *The CSD was considering the proposal for a project which would co-locate all existing remand facilities and institutions on Hong Kong Island and in urban Kowloon. Under this proposal, Blocks A to E of the LCKRC would also be demolished. At the completion of this audit in June 2002, the matter of co-locating these institutions was still under consultation.*

2.37 ***Quarters reserved for affected occupants.*** Since January 1999, the CSD had started to withhold vacant quarters in Blocks G and H of the LCKRC as reserve quarters for the remaining occupants of Blocks A to E of the LCKRC (see Appendix J). In May 1999, the CSD advised the GPA that the remaining occupants of Blocks A to E of the LCKRC would be relocated to the vacant quarters in Stanley and that no reprovisioning of these five blocks was required (Note 13). However, the CSD continued to withhold the vacant quarters in Blocks G and H of the LCKRC from allocation for accommodating these remaining occupants.

2.38 ***Refurbishment of Blocks A to C of the LCKRC.*** During the site visit to the staff accommodation at the LCKRC in March 2002, Audit observed that the external walls of Blocks A to C of the LCKRC were newly redecorated (see Photograph 4 at the centre pages). From October 1998 to December 1999, six works orders at a total cost of \$2.6 million were issued to contractors to refurbish these three blocks (see Appendix K). Audit notes that:

- (a) in October 1998, when the first works order was issued, only 15 (42%) of the 36 quarters in these three blocks were occupied;
- (b) in December 1998, the CSD sought the Government Property Administrator's endorsement for demolishing Blocks A to E of the LCKRC (under either the LCKRC redevelopment project in 1998 or the mega-prison project in 2000). However, from December 1998 to December 1999, five works orders (at a total cost of \$2.5 million) were issued to contractors to continue with the refurbishment works of Blocks A to C of the LCKRC; and
- (c) from October 1999 to December 1999, two works orders (at a total cost of \$0.66 million) were issued to contractors to continue with the refurbishment works of Blocks A to C of the LCKRC, although the CSD advised the GPA in May 1999 that no reprovisioning of Blocks A to E of the LCKRC was required (see para. 2.37 above).

2.39 ***Maintenance of Blocks A to E of the LCKRC.*** In addition to the refurbishment cost incurred for Blocks A to C of the LCKRC, maintenance costs were also incurred for Blocks A to E of the LCKRC, as follows:

- (a) general maintenance of Blocks A to E of the LCKRC, at a total cost of \$0.7 million, was carried out during the period 1999-2000 to 2001-02; and

---

**Note 13:** *These five blocks of quarters were locked up in September 2002.*

- (b) planned maintenance of Blocks B and C of the LCKRC at an estimated cost of \$0.4 million, which commenced in November 2001, was still in progress at the completion of this audit in June 2002.

### **Audit observations on vacant JSMQ and OMQ at the LCKRC**

2.40 Audit has found that since mid-1995, the CSD had started to withhold vacant quarters (totalling 109 as at 31.12.2001) in Blocks A to E at the LCKRC from allocation for at least two years before the approval for upgrading, refurbishment or demolition of these five blocks was obtained (see para. 2.36 above). **Audit considers that it is not cost-effective to withhold vacant operational quarters from allocation before such approval is obtained.**

2.41 From 1998-99 to 2001-02, refurbishment cost of \$2.6 million and maintenance cost of \$1.1 million (\$0.7 million + \$0.4 million) were incurred for Blocks A to E at the LCKRC (see paras. 2.38 and 2.39 above). Audit has noted that:

- (a) as at 31 May 1999, there were only 30 (25%) occupants in Blocks A to E at the LCKRC; and
- (b) in May 1999, the CSD decided to demolish these quarters.

**Audit has reservations about the need to redecorate the external walls of Blocks A to C at the LCKRC and to continue with the refurbishment and maintenance works of Blocks A to E at the LCKRC.**

2.42 Based on the GPA's quarters valuation in 2001 (Note 14), Audit has estimated that the total annual notional rent forgone of the 140 vacant quarters at the LCKRC (see para. 2.36 above) was \$42.1 million. **Audit considers that the CSD needs to ensure that:**

- (a) **the approval for upgrading, refurbishment or demolition of vacant operational quarters is obtained before they are withheld from allocation; and**
- (b) **operational quarters are maintained economically and effectively.**

---

**Note 14:** *In 2001, the GPA conducted a Quarters Grading Review on the grade and rent of all government quarters to formulate a set of clear standards and guidelines for determining the grades of quarters.*

## **Audit recommendations on vacant JSMQ and OMQ at the LCKRC**

2.43      **Audit has *recommended* that the Commissioner of Correctional Services should:**

- (a)      **schedule effectively the vacation of operational quarters and withhold vacant operational quarters from allocation only after the approval for upgrading, refurbishment, demolition or relocation of the quarters has been obtained;**
- (b)      **after a decision has been made to change the future use of operational quarters, in consultation with the Director of Architectural Services, economise on refurbishment/maintenance works of the quarters by examining the feasibility of discontinuing or scaling down such works; and**
- (c)      **in conjunction with the Government Property Administrator, consider the future use of the quarters for government-owned blocks of operational quarters with high vacancy rates. In the meantime, the Commissioner should examine the feasibility of relocating the remaining occupants to other vacant quarters and locking up the whole block, and ensure that the expenditure incurred for the maintenance and management of the quarters is reduced to a minimum.**

## **Response from the Administration**

2.44      The **Commissioner of Correctional Services** agrees with Audit's recommendations.

2.45      The **Secretary for Security** agrees in principle with Audit's recommendations. The Secretary has said that the Security Bureau supports the suggested methods of dealing with blocks of quarters with high vacancy rates.

2.46      The **Director of Architectural Services** agrees with Audit's recommendation on the need to economise on refurbishment/maintenance works of those quarters after a decision has been made to change their future use.

## **Vacant JSMQ and OMQ at other institutions**

2.47      ***Quarters at Victoria Prison pending demolition.*** As at 31 December 2001, 35 operational quarters at the Victoria Prison pending demolition were withheld from allocation

(see Appendix I). Audit notes that in December 1999, the CSD started to withhold these quarters from allocation after the GPA had requested the CSD to provide information on the eligibility of the occupants for preparing the relocation plan of the occupants. In the event, it was only in November 2000 that the GPA notified the CSD to hand over the site of these quarters by the end of December 2001.

2.48 ***Quarters planned for change in use.*** As at 31 December 2001, the CSD withheld seven vacant quarters (located at Stanley and Hei Ling Chau) from allocation because it intended to change the use of these quarters (see Appendix I — Note 15). However, the CSD did not submit any application to the GPA to change the use of these quarters. Of these seven quarters, six had been withheld from allocation for more than two years.

2.49 ***Quarters available for allocation but received no applications.*** As at 31 December 2001, 190 quarters available for allocation were left vacant because no applications were received (see Appendix I). Of these quarters, applications had not been received in respect of 73 quarters for more than one year. Audit notes that these quarters were mainly JSMQ.

#### **Audit observations on vacant JSMQ and OMQ at other institutions**

2.50 **Audit considers that it is not cost-effective to withhold vacant operational quarters from allocation before the notice for vacant possession or the approval for change in use of these quarters is received (see paras. 2.47 and 2.48 above). In Audit's view, in order to optimise the utilisation of operational quarters, the CSD needs to periodically review the vacancy of quarters on hand, particularly those for which no applications have been received for a long period of time (see para. 2.49 above).**

#### **Audit recommendations on vacant JSMQ and OMQ at other institutions**

2.51 **Audit has recommended that the Commissioner of Correctional Services should:**

- (a) **obtain the Government Property Administrator's agreement on changes in the use of operational quarters before withholding them from allocation; and**

---

**Note 15:** *The CSD intended to change the 7 quarters into storerooms and BTA.*

- (b) **for vacant operational quarters for which no applications for allocation have been received for a long period of time, in consultation with the Government Property Administrator:**
- (i) **examine the need and feasibility of upgrading these quarters;**
  - (ii) **explore alternative uses of those quarters which are located within the operational compound of institutions; and**
  - (iii) **consider whether it is feasible for other departments to make use of those quarters which are located outside the operational compound of institutions.**

### **Response from the Administration**

2.52 The **Commissioner of Correctional Services** agrees with Audit's recommendations.

2.53 The **Secretary for Security** agrees in principle with Audit's recommendations. The Secretary has said that the Security Bureau supports the suggested methods of dealing with quarters which have remained vacant for a long period of time.

2.54 The **Government Property Administrator** agrees that upgrading is a practical solution, if the CSD and the Security Bureau agree to upgrade the quarters and the ArchSD confirms the technical feasibility of upgrading. The Administrator has said that the GPA will assist in the transfer of quarters among the disciplined service departments.

## PART 3: MANAGEMENT OF BTA

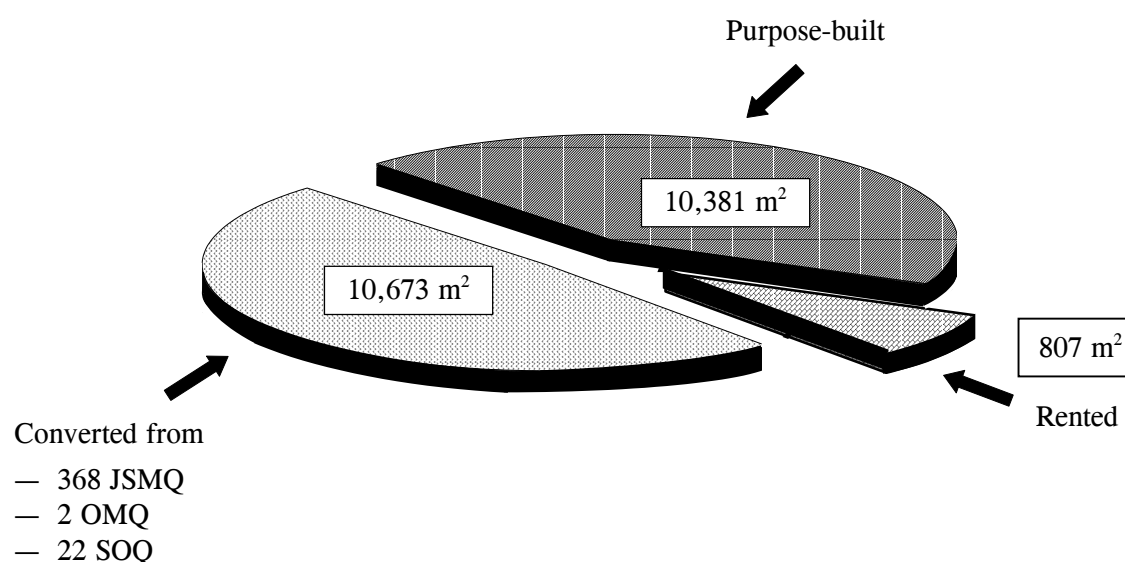
### BTA

#### BTA capacity and size

3.1 The CSD provides BTA to its staff of the Rank and File Grade required to be on call overnight or on shift duty, in the form of bunk beds and lockers in a room without internal partitioning. As shown in Figure 4 below, as at 31 December 2001, the CSD provided BTA with a total area of 21,861 square metres to 3,523 staff of the Rank and File Grade in 25 institutions. During the period 1999-2000 to 2001-02, the average maintenance cost of BTA amounted to \$2.3 million a year.

**Figure 4**

**BTA provided by the CSD as at 31.12.2001**



*Source:* CSD's records

*Remarks:* The total area of BTA provided by the CSD was 21,861 square metres.

#### GPA's space standard

3.2 According to the Accommodation Regulations, the space standard for BTA for each CSD staff member is five square metres for the provision of a bed, a locker and changing area. Staff not allocated BTA would be entitled to space of one square metre for the provision of locker and changing area.

**Photograph 1**

**Sitting room of a shared quarters at the Tai Lam Correctional Institution**  
(para. 2.22(b) refers)



*Source: Photograph taken by Audit staff on 7.3.2002*

## **Photograph 2**

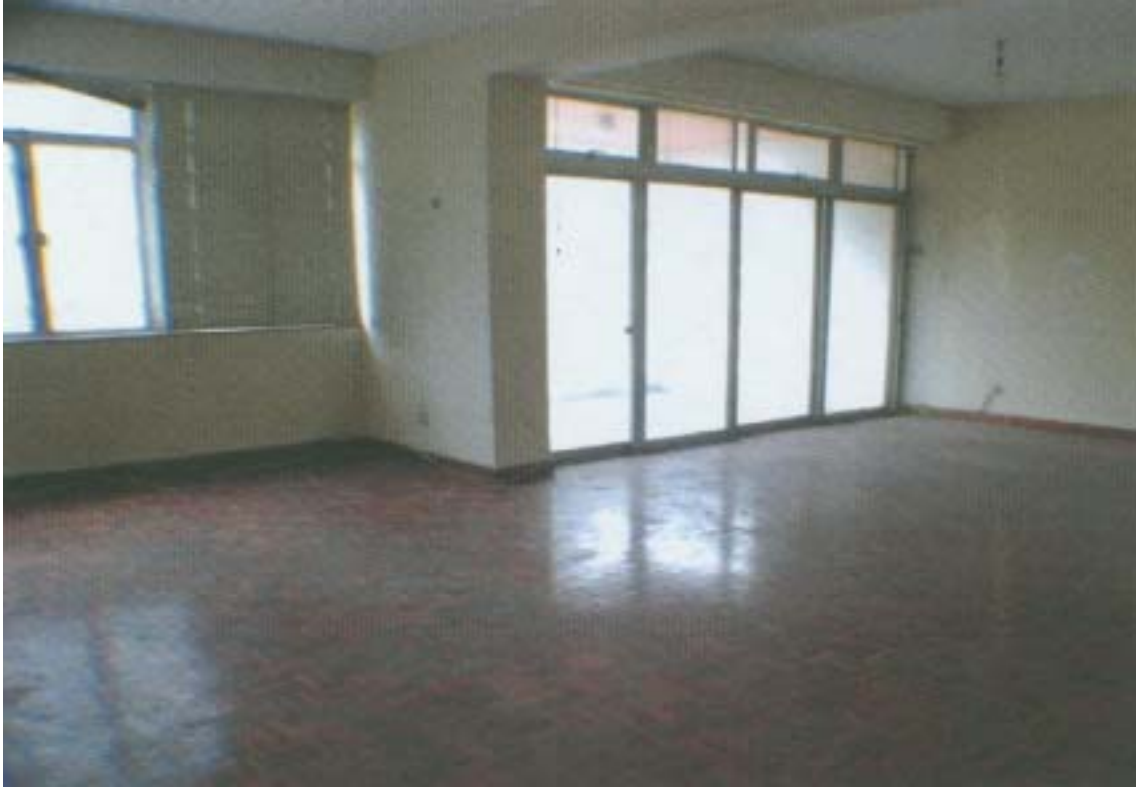
### **Bedroom of a shared quarters at the Stanley Prison** (para. 2.23 refers)



*Source: Photograph taken by Audit staff on 22.2.2002*

**Photograph 3**

**A vacant OMQ at the LCKRC**  
(para. 2.36(b) refers)



*Source: Photograph taken by Audit staff on 5.3.2002*

**Photograph 4**

**Blocks A to C of LCKRC**  
(para. 2.38 refers)



*Source: Photograph taken by Audit staff on 5.3.2002*

3.3 The GPA considers it excessive to provide BTA to all CSD staff of the Rank and File Grade because they would not take their rest at the same time. Based on the number of staff required for performing unlock or lock-up duty on one shift and special duty on another shift, the GPA estimated that about 45% of the established posts in the institutions would be entitled to BTA. Furthermore, the GPA considered that the number of staff of the Rank and File Grade allocated quarters nearby the institutions where they worked should be deducted from the requirement. However, Audit notes that as at 31 December 2001, the CSD provided 3,523 places of BTA to its staff of the Rank and File Grade, representing 69% of its establishment of 5,103.

### **Departmental quarters converted into BTA**

3.4 Although its establishment of the Rank and File Grade decreased from 5,234 in 1992 to 5,103 in 2001, the CSD had continued to convert departmental quarters into BTA with built-in sitting rooms and kitchens (Note 16). As shown in Figure 4 above, as at 31 December 2001, a total of 368 JSMQ, 2 OMQ and 22 SOQ had been converted into BTA. The total floor area of departmental quarters so converted was 10,673 square metres, representing 49% of the total area of BTA provided by the CSD.

### **Over-provision of BTA**

3.5 To ascertain whether the overall provision of BTA was reasonable, Audit compared the total area of such accommodation provided by the CSD in 2001 with the GPA's space standard. Audit's comparison reveals that as at 31 December 2001:

- (a) the 21,861 square metres of BTA provided by the CSD exceeded the total requirement of 17,103 square metres by 4,758 square metres;
- (b) 3,951 square metres of BTA over-provided were located in government-owned premises. Audit estimates that the total annual notional rent of the over-provided area was \$0.7 million; and
- (c) the CSD's total requirement of 17,103 square metres of BTA could well be provided within the CSD's government-owned buildings earmarked for this purpose. Therefore, there was no need to rent other premises for this purpose (see para. 3.6 below).

### **BTA on Lantau Island**

3.6 Audit also notes that as at 31 December 2001, the total area of BTA provided to 235 eligible staff working at the Chi Ma Wan Correctional Institution and the CTC was

---

**Note 16:** *The CSD explained that as a result of the closing down of two Vietnamese detention centres in 1997 and 1998, the redeployment of staff from these centres to other institutions created a great demand on BTA. Hence, the CSD had to convert some vacant quarters into BTA.*

1,841 square metres, of which 807 square metres were in 16 rented properties on Lantau Island. The total annual rent was \$0.89 million. The space requirement of these 235 staff was only 788 square metres. In these two institutions, the total area over-provided was therefore 1,053 square metres.

### **Audit observations on BTA**

3.7 In Audit's view, it is not cost-effective to use quarters with built-in sitting rooms and kitchens as BTA. In view of the considerable over-provision of BTA (see paras. 3.5 and 3.6 above), Audit considers that the CSD needs to critically review its requirement of BTA, particularly for the BTA converted from departmental quarters.

### **Audit recommendations on BTA**

3.8 To ensure the optimal utilisation of BTA under the CSD's purview, Audit has *recommended* that the Commissioner of Correctional Services should:

- (a) carry out a critical review on the CSD's requirement of BTA;
- (b) in view of the overall shortfall of departmental quarters in the CSD (see para. 2.16 above), in consultation with the Secretary for Security, consider converting some of the surplus BTA into departmental quarters, particularly the BTA which was converted from departmental quarters;
- (c) in consultation with the Government Property Administrator, examine the feasibility of converting the surplus government-owned BTA into other beneficial uses; and
- (d) consider terminating the tenancy agreements of the 16 rented properties located on Lantau Island by invoking the break clause in the tenancy agreements.

### **Response from the Administration**

3.9 The **Commissioner of Correctional Services** agrees with Audit's recommendations. The Commissioner has said that the CSD will conduct a review on the demand for BTA of individual institutions.

3.10 The **Secretary for Security** agrees that there is room for the CSD to review its requirement of BTA and optimise its utilisation of BTA so that any surplus area can be converted into other appropriate uses.

## **PART 4: MANAGEMENT INFORMATION AND USE OF STAFF ACCOMMODATION**

### **CSD's quartering database**

#### **Departmental quarters**

4.1 Since 1993, the CSD has stored the information of its departmental quarters, namely JSMQ, OMQ, SOQ and shared quarters, in a computerised database (hereinafter referred to as the quartering database). Audit notes that the CSD decentralised the management of SOQ and shared quarters to individual institutions. However, the CSD does not have sufficient management information on its departmental quarters because:

- (a) the quartering database is used mainly for communicating with occupants of the quarters for administrative purposes. It does not contain essential information, such as the size and number of occupants of the CSD's SOQ and shared quarters, for monitoring the utilisation of departmental quarters; and
- (b) the quartering database is not updated from time to time because individual institutions do not promptly report changes in particulars of their quarters to the HRD of the CSD.

#### **BTA**

4.2 The CSD also decentralised the management of BTA to individual institutions. The CSD does not have any information, such as the size and number of occupants, of its BTA. Audit notes that, in April 2001, the HRD of the CSD started to collect information on the location, size and capacity of BTA from individual institutions after the GPA had requested all government departments to provide the relevant information. In May 2002, the CSD gathered all the information and submitted its return to the GPA.

#### **Returns to the GPA and the Security Bureau**

4.3 Heads of Department are required to submit returns on departmental quarters to the GPA. Monthly returns on departmental quarters vacant for more than two months and on departmental quarters occupied by ineligible persons have to be submitted to the GPA within the first 14 days of the month. In addition, disciplined service departments have to file a monthly return on the demand for and supply of their departmental quarters to the Security Bureau.

4.4 Audit's examination of the CSD's returns reveals that the CSD did not have a systematic way of analysing the utilisation of its departmental quarters. Audit also notes that some of the

information the CSD submitted to the GPA and the Security Bureau in January 2002 was inaccurate. For example, as at 31 December 2001:

- (a) the total number of vacant quarters should be 424 instead of 345, as stated in the return to the GPA; and
- (b) the number of staff of the Rank and File Grade provided with other housing benefits should be 528 instead of 793, as stated in the return to the Security Bureau.

At the completion of this audit in June 2002, such inaccurate information had not been corrected.

### **Change in use of departmental quarters by individual institutions**

4.5 During this audit, Audit has found that the Tung Tau Correctional Institution converted four JSMQ into BTA, without notifying the HRD of the CSD and without obtaining the Government Property Administrator's approval. Consequently, these four JSMQ were reported as vacant quarters in the CSD's return to the GPA.

### **Audit observations on management information and use of staff accommodation**

4.6 As the CSD did not have up-to-date management information on the utilisation of its departmental quarters and BTA (see paras. 4.1, 4.2, 4.4 and 4.5 above), its management has little knowledge of the utilisation of its staff accommodation. Without such information, it is difficult for the CSD to closely monitor the utilisation of its staff accommodation.

4.7 **To ensure that the CSD's management is provided with accurate and up-to-date management information for monitoring the utilisation of its staff accommodation, Audit considers that the CSD needs to improve its management information system. The CSD also needs to promptly correct the inaccurate information in its returns to the GPA and the Security Bureau once such inaccuracies are found.**

### **Audit recommendations on management information and use of staff accommodation**

4.8 **Audit has *recommended* that the Commissioner of Correctional Services should:**

- (a) **in order to effectively monitor the utilisation of staff accommodation in the CSD's individual institutions, develop a computer system for collecting data on staff accommodation and for analysing them to produce useful management information;**
- (b) **establish guidelines for the CSD's management to review periodically the utilisation of staff accommodation in individual institutions;**
- (c) **promulgate procedures to ensure that quartering officers of individual institutions provide, on a timely basis, accurate and up-to-date information on staff accommodation to the HRD of the CSD for updating the CSD's quartering database; and**
- (d) **ensure that the information in the CSD's returns to the GPA and the Security Bureau is accurate and promptly submit revised returns as soon as incorrect information is found in such returns.**

### **Response from the Administration**

4.9 The **Commissioner of Correctional Services** agrees with Audit's recommendations.

4.10 The **Secretary for Security** agrees with Audit's recommendations. The Secretary has said that the Security Bureau fully supports the CSD's plan to upgrade its management information system in response to Audit's observations.

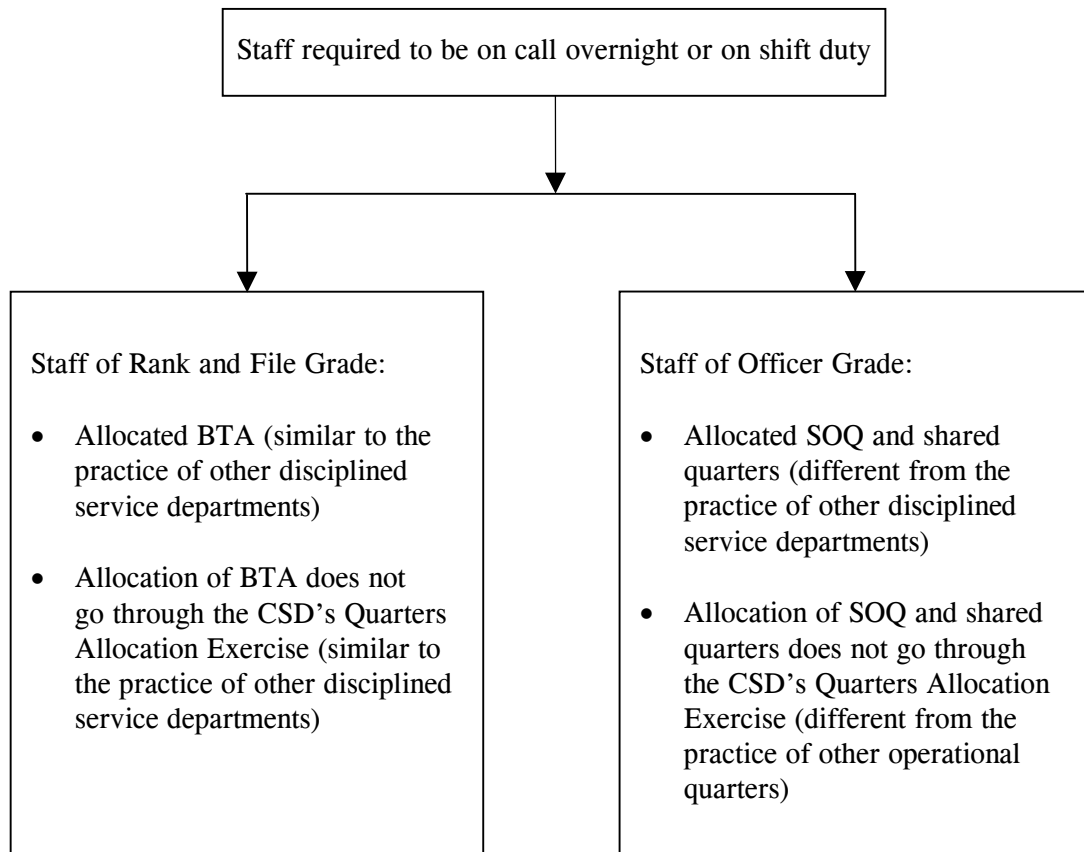
**Institutions managed by the CSD as at 31.12.2001**

<b>Institution</b>	<b>Population</b>
<b>(I) Penal institutions</b>	
<b>(a) Prisons</b>	
Chi Ma Wan Correctional Institution	632
Hei Ling Chau Correctional Institution	611
Lai Sun Correctional Institution	207
Lo Wu Correctional Institution	156
Ma Hang Prison	181
Ma Po Ping Prison	632
Pak Sha Wan Correctional Institution	441
Pik Uk Prison	578
Shek Pik Prison	672
Stanley Prison	1,919
Tai Lam Correctional Institution	605
Tong Fuk Centre	336
Tung Tau Correctional Institution	587
Victoria Prison	594
<b>(b) Detention centre</b>	
Sha Tsui Detention Centre	269
<b>(c) Drug addiction treatment centres</b>	
Chi Ma Wan Drug Addiction Treatment Centre	192
Hei Ling Chau Addiction Treatment Centre	455
<b>(d) Training centres</b>	
Cape Collinson Correctional Institution	163
Lai King Training Centre	174
<b>(e) Psychiatric centre</b>	
Siu Lam Psychiatric Centre	240
<b>(f) Institutions with multiple roles</b>	
Lai Chi Kok Reception Centre	1,236
Pik Uk Correctional Institution	285
Tai Lam Centre for Women	587
Tai Tam Gap Correctional Institution	301
<b>(II) Reception centre for Vietnamese illegal immigrants</b>	
Green Island Reception Centre (Note)	1
<b>(III) Half-way houses</b>	
Bauhinia House	24
New Life House	30
Pelican House	24
Phoenix House	120

*Source: CSD's records*

*Note: This reception centre has ceased operation since July 2002.*

**Accommodation for staff  
required to be on call overnight or on shift duty**



*Source: CSD's records*

### **Classification of departmental quarters**

The Accommodation Regulations classify departmental quarters into three categories, namely:

- (a) **PTQ.** These quarters are designated by departments, with the Government Property Administrator's approval, for occupation by holders of specific posts who are required to live at, or very close to, their places of work. Civil Service Regulation 809(1)(c)(i) states that the Director of Accounting Services or the Secretary for the Civil Service may approve an officer or his spouse to receive other civil service housing benefits while the officer is directed by his department to occupy a PTQ;
- (b) **Operational quarters.** These quarters are provided for specific policy or operational purposes. They include quarters which are provided, subject to the availability of resources, to married officers in the Rank and File Grade and married officers in the equivalent ranks of Inspector and Superintendent in the disciplined services; and
- (c) **General quarters.** These quarters are presently not required for operational purposes and, with the Government Property Administrator's agreement, are being retained by departments. They should be made available for allocation, on the basis of a points system, to all interested officers within the department.

*Source: Accommodation Regulations and Civil Service Regulations*

**Operational quarters allocated to civilian staff as at 31.12.2001**

<b>Grade of quarters/Institution</b>	<b>Number of quarters in surplus/(shortage)</b>	<b>Number of quarters allocated to civilian staff</b>
<b>(a) JSMQ</b>		
H	(784)	19 (Note 2)
I	(8)	1 (Note 2)
J	73	1 (Note 3)
<b>(b) OMQ</b>		
C	13	1 (Note 3)
CD	(56)	2 (Note 2)
D	(18)	8 (Note 2)
E	8	3 (Note 3)
F	33	6 (Note 3)
G	(7)	4 (Note 2)
<b>(c) SOQ and shared quarters (Note 1)</b>		
Chi Ma Wan Drug Addiction Treatment Centre	(13)	1 (Note 2)
Shek Pik Prison	10	1 (Note 3)
Victoria Prison	(2)	1 (Note 2)
<b>Total</b>		<b><u>48</u></b>

*Source: CSD's records*

*Note 1: As SOQ and shared quarters are provided to staff required to be on call overnight or on shift duty in individual institutions, the demand is assessed on the basis of each institution.*

*Note 2: A total of 36 operational quarters (including one rented quarters) allocated to CSD civilian staff were in the same grades as those operational quarters in shortage.*

*Note 3: A total of 12 operational quarters (including one rented quarters) allocated to CSD civilian staff were in the same grades as those surplus operational quarters.*

**Size of SOQ and shared quarters as at 31.12.2001**

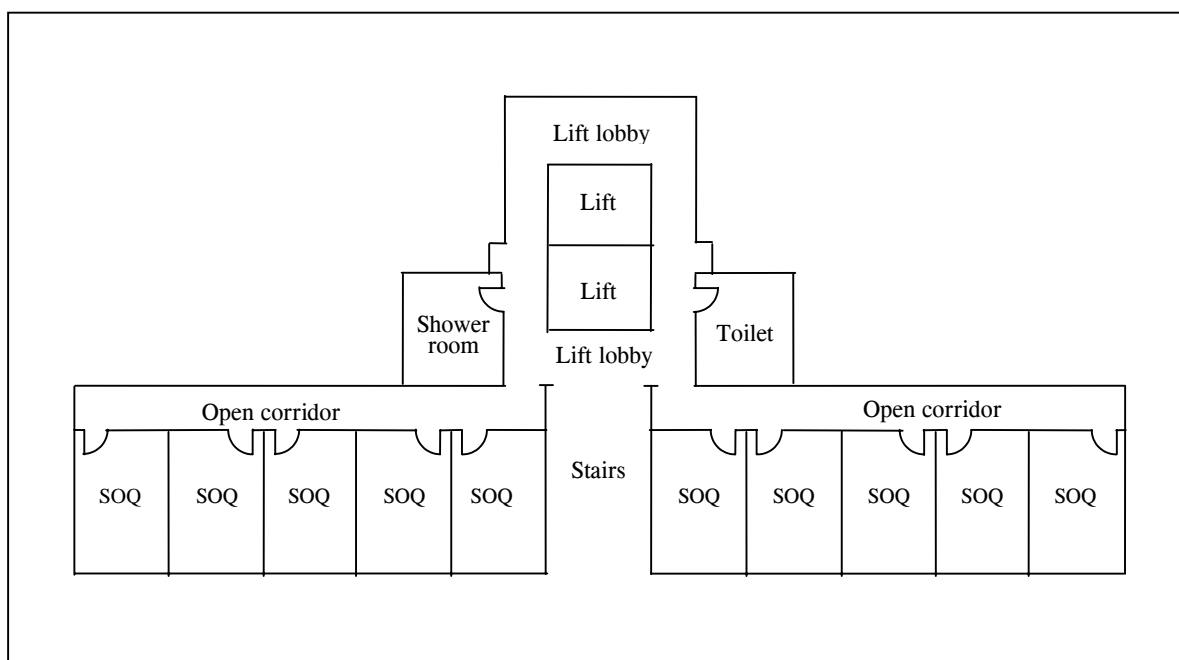
Type of quarters	Number of quarters	Number of occupants (Note 1)	Floor area of quarters				Total
			Area of bedroom		Communal area (Note 2)		
			(Square metres)	(%)	(Square metres)	(%)	
SOQ							
Quarters sharing a common shower room and a common toilet	96	121	1,185	74%	417	26%	1,602
Self-contained residential unit	41	68	776	29%	1,917	71%	2,693
Shared quarters							
Self-contained residential unit	182	455	6,276	37%	10,483	63%	16,759
Total	319	644	8,237		12,817		21,054

Source: CSD's records

Note 1: Some SOQ and shared quarters were allocated on a sharing basis.

Note 2: Communal area includes sitting room, kitchen, bathroom and, if any, storeroom and maid's room.

**Example of layout plan of single-bedroom SOQ**

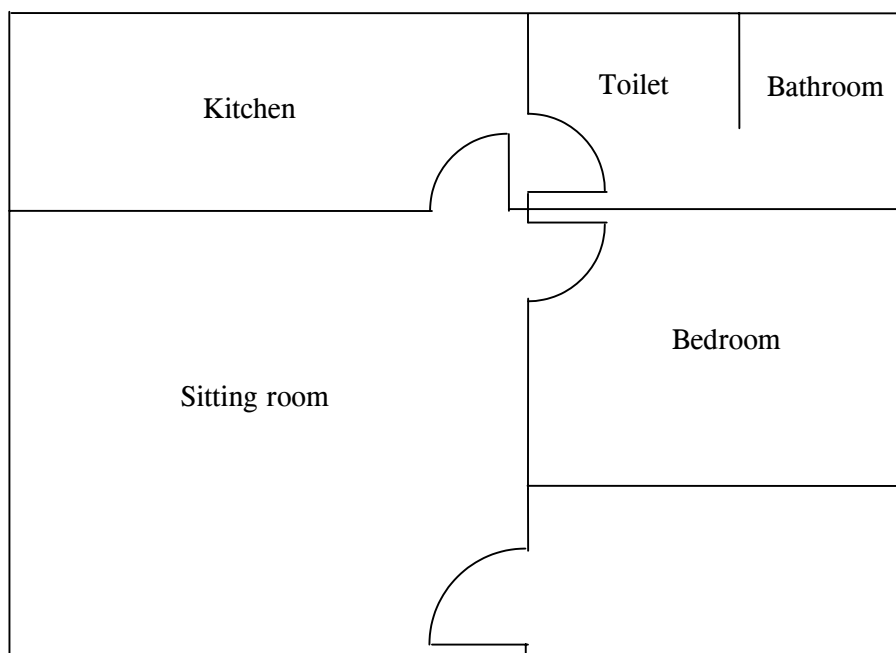


Scale: 1 : 220

Source: CSD's records

Remarks: This is the layout plan of the ten SOQ on a floor of Block H, LCKRC. These SOQ (each with an area of 12 square metres) share a common shower room (of 9 square metres) and a common toilet (of 9 square metres).

**Example of layout plan of an SOQ built  
as a self-contained residential unit**



Scale: 1 : 66

*Source:* CSD's records

*Remarks:* This is the layout plan of an SOQ on Lantau Island, which has a total area of 39 square metres.

**Appendix H**  
(para. 2.33 refers)

**Vacant quarters of the CSD as at 31.12.2001**

<b>Type of quarters</b>	<b>Total number of quarters</b>	<b>Number of vacant quarters</b>	<b>Percentage of vacant quarters</b>
	<b>(a)</b>	<b>(b)</b>	<b>(c) = <math>\frac{(b)}{(a)} \times 100\%</math></b>
JSMQ	2,076	328	16%
OMQ	318	58	18%
SOQ and shared quarters	319	27	8%
<b>Total</b>	<b><u>2,713</u></b>	<b><u>413</u></b>	<b>15%</b>

*Source: CSD's records*

**Reasons for the vacancy of the CSD's operational quarters as at 31.12.2001**

Reason for vacancy	Number of quarters which had been vacant for						Total
	Less than 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	Over 5 years	
Vacant JSMQ and OMQ at the LCKRC							
Pending upgrading, refurbishment or demolition — Blocks A to E	3	14	6	29	22	35	109
Reserved for affected occupants — Blocks G and H	11	9	11	—	—	—	31
	—	—	—	—	—	—	—
Subtotal	14	23	17	29	22	35	140
Other vacant JSMQ and OMQ							
Pending demolition — Victoria Prison	19	8	7	1	—	—	35
Planned for change in use	1	—	3	3	—	—	7
Available for allocation but receiving no applications (Note 1)	117	33	33	4	1	2	190
Under renovation (Note 2)	1	2	1	—	1	—	5
Allocated in 2001 and to be occupied in 2002	—	—	2	—	—	—	2
To be released in 2002	7	—	—	—	—	—	7
	—	—	—	—	—	—	—
Subtotal	145	43	46	8	2	2	246
Vacant SOQ and shared quarters							
Unoccupied	6	10	1	—	—	2	19
Pending renovation (Note 3)	4	—	2	1	—	—	7
Under renovation (Note 4)	—	—	1	—	—	—	1
	—	—	—	—	—	—	—
Subtotal	10	10	4	1	—	2	27
	—	—	—	—	—	—	—
Total	169	76	67	38	24	39	413
	—	—	—	—	—	—	—
Percentage	41%	19%	16%	9%	6%	9%	100%

Source: CSD's records

Note 1: Applications had not been received in respect of 73 quarters for more than one year.

Note 2: These quarters had been under renovation intermittently due to problems such as roof leakage and backflow of drainage.

Note 3: The flooring of these quarters located at Tai Lam Centre for Women was found in poor condition. Approval was obtained in 2001 to commence refurbishment in 2002.

Note 4: The refurbishment of this quarters was interrupted due to the default of the contractor.

**Chronology of key events relating to  
the withholding of vacant quarters at the LCKRC from allocation**

Year	Blocks A to C (OMQ)	Blocks D and E (JSMQ)	Blocks G (JSMQ) and H (OMQ)
1995	<ul style="list-style-type: none"> <li>The CSD withheld the quarters from allocation because it intended to refurbish them.</li> <li>The Architectural Services Department declined CSD’s request for refurbishing the quarters because they were still in a serviceable condition.</li> </ul>	<ul style="list-style-type: none"> <li>The CSD withheld the quarters from allocation because it realised that the GPA was considering upgrading them.</li> </ul>	
1996			
1997		<ul style="list-style-type: none"> <li>The GPA did not support the upgrading of quarters.</li> </ul>	
1998	<ul style="list-style-type: none"> <li>The CSD sought the Government Property Administrator’s endorsement to demolish Blocks A to E.</li> </ul>		
1999	<ul style="list-style-type: none"> <li>The CSD advised the GPA that the remaining occupants of Blocks A to E would be relocated to the vacant quarters at Stanley.</li> </ul>		<ul style="list-style-type: none"> <li>The CSD started withholding vacant quarters in Blocks G and H as reserve quarters for the remaining occupants of Blocks A to E.</li> </ul>
2000	<ul style="list-style-type: none"> <li>The CSD continued to withhold vacant quarters in Blocks A to E from allocation.</li> </ul>		
2001			

Source: CSD’s records

**Chronology of key events  
during the refurbishment of Blocks A to C of the LCKRC**

<b>Date</b>	<b>Event</b>	<b>Refurbishment cost  (\$)</b>
October 1998	ArchSD issued 1st works order for electrical work for redecoration of external walls	100,000
December 1998	<b><i>CSD sought endorsement for demolishing Blocks A to E</i></b>	
December 1998	ArchSD issued 2nd works order for re-roofing	332,870
January 1999	ArchSD issued 3rd works order for redecoration of external walls with specialist paint	992,300
February 1999	ArchSD issued 4th works order for redecoration of external walls with specialist paint	499,875
May 1999	<b><i>CSD advised GPA that no reprovisioning of Blocks A to E was required</i></b>	
October 1999	ArchSD issued 5th works order for replacement of fire-resistant exit doors	513,154
December 1999	ArchSD issued 6th works order for electrical work for redecoration of external walls	150,563
<b>Total</b>		<b><u>2,588,762</u></b>
		<b>Say \$2.6 million</b>

*Source:* ArchSD's records

*Remarks:*

1. From December 1998 to December 1999, five works orders at a total cost of \$2.5 million were issued to contractors to continue the refurbishment works of Blocks A to C.
2. From October 1999 to December 1999, two works orders at a total cost of \$0.66 million were issued to contractors to continue the refurbishment works of Blocks A to C.

**Acronyms and abbreviations**

ArchSD	Architectural Services Department
BTA	Barracks type accommodation
CSD	Correctional Services Department
CTC	Chi Ma Wan Drug Addiction Treatment Centre
GPA	Government Property Agency
HKPF	Hong Kong Police Force
HRD	Human Resource Division
ITQ	Institution-tied quarters
JSMQ	Junior Staff Married Quarters
LCKRC	Lai Chi Kok Reception Centre
OMQ	Officers' Married Quarters
PTQ	Post-tied quarters
QAE	Quarters Allocation Exercise
SOQ	Single Officers' Quarters