

# **CHAPTER 1**

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

**GENERAL REVENUE ACCOUNT**

**GOVERNMENT SECRETARIAT**

**Health, Welfare and Food Bureau**

**GOVERNMENT DEPARTMENT**

**Food and Environmental Hygiene Department**

<p><b>Management of public cleansing services</b></p>
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# MANAGEMENT OF PUBLIC CLEANSING SERVICES

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# MANAGEMENT OF PUBLIC CLEANSING SERVICES

## Summary and key findings

### Introduction

A. Under the Public Health and Municipal Services Ordinance, the Food and Environmental Hygiene Department (FEHD) is responsible for providing public cleansing services in Hong Kong. Presently, public cleansing services are delivered by the FEHD (hereinafter referred to as in-house cleansing services) and its private contractors (hereinafter referred to as outsourced cleansing services). For 2001-02, the total direct labour cost of providing in-house cleansing services was \$764 million. As at 31 October 2002, the FEHD contracted out 44% of its refuse collection service and 59% of its street cleansing services, which will be increased up to 60% and 70% respectively by 2004-05 (paras. 1.2, 1.9 and 1.10).

### Audit review

B. Audit has conducted a review to examine: (a) the economy, efficiency and effectiveness with which the FEHD manages its in-house cleansing services and (b) whether there is any room for improvement in the administration of the FEHD's outsourced cleansing services (para. 1.17). Audit's findings are summarised in paragraphs C to O below.

### Planning and evaluation of public cleansing services

C. ***Need to promptly report the FEHD's performance against its pledges.*** The FEHD publishes its performance pledges for public cleansing services in its performance pledge pamphlet. Audit has found that in October 2002, the FEHD was still collating the relevant statistics for the compilation of the actual performance in 2001 against its pledges. Audit considers that the FEHD's performance data for 2001 should have been compiled and made available to the public within the first half of 2002 (paras. 2.5 and 2.9).

D. ***Need to maximise the planned utilisation of duty hours.*** Audit's review of the planned utilisation of duty hours of the in-house cleansing staff has revealed the following inadequacies: (a) there is no time standard for the manual gully cleansing operation in the Urban Area; (b) there is scheduled idle time in the refuse collection operation; and (c) there is excessive balancing time for Foremen in some cleansing sections. Audit has estimated that the total annual staff cost of the scheduled idle time of the refuse collection teams (RCTs) amounts to \$14.6 million. Audit considers that the FEHD needs to maximise the planned utilisation of duty hours in order to ensure that the cleansing staff are gainfully employed during their duty hours (paras. 2.12, 2.13, 2.19, 2.20 and 2.25).

E. ***Need to ensure that community needs and expectations are met.*** Audit has noted that, since the FEHD's establishment in 2000, a survey on public toilets and a survey on the effectiveness



of outsourced street cleansing services had been conducted. However, the FEHD had not conducted any survey on its in-house cleansing services. To ensure that the provision of all public cleansing services is effective and meets the needs and expectations of the community, Audit considers that the FEHD also needs to conduct a survey to assess the effectiveness of its in-house cleansing services (paras. 2.28 and 2.29).

### **Monitoring of the provision of public cleansing services**

F. ***Need to further streamline the district supervisory structure.*** Cleansing staff of the FEHD are subject to the day-to-day supervision of the Overseers and Sectional Foremen who, in turn, are subject to repetitive supervisory checks by their supervisors. Audit has found that the day-to-day inspection function of the Overseers duplicates that of the Sectional Foremen and such function can be dispensed with. Audit considers that the FEHD needs to further streamline its district supervisory structure. For example, to improve the effectiveness of supervisory checks, Audit has suggested that the existing hierarchy of district supervisory structure could be grouped into two distinct streams. For in-house cleansing services, one stream would concentrate on the routine day-to-day management of the delivery of public cleansing services while the other stream would concentrate on the administration of the provision of public cleansing services at a higher level. For outsourced cleansing services, the day-to-day monitoring of the contractors' performance could be separated from the administration of the provision of public cleansing services. If the streamlined district supervisory structure is adopted, Audit has estimated that 28 Overseers can be redeployed to perform other duties and an annual saving in staff cost of \$13.3 million can be achieved (paras. 3.9, 3.10 and 5.6).

G. ***Need to reduce supervisory checks.*** Audit has reservations about the effectiveness of the repetitive multi-level supervisory checks. Audit also has reservations about the cost-effectiveness of requiring the cleansing staff to report for duty at roll call points before and after the meal break. The financial implications of spending the unproductive time to report for duty in such a way are about \$13 million a year. Audit considers that the FEHD needs to review the cost-effectiveness of its supervisory checks (paras. 3.14 and 3.16).

H. ***Need to strengthen the work of the QAS.*** Audit has found that the inspection work of the Quality Assurance Section (QAS) is more effective than that of the cleansing supervisors and that there is still room for improvement in the QAS's work. Audit considers that the FEHD needs to strengthen the work of the QAS so that the performance of public cleansing services can be further improved (paras. 3.20 and 3.21).

### **Performance measurement and complaints management of public cleansing services**

I. ***Need to develop more useful performance indicators.*** Audit has found that the FEHD has only two performance indicators for public cleansing services. Audit considers that the FEHD needs to develop more useful performance indicators to measure the performance of public cleansing services (para. 4.7).

J. ***Need to benchmark the FEHD's performance.*** Audit conducted three benchmarking studies on the refuse collection service and found anomalies in manpower provision and staff

productivity. First, Audit found that the number of loaders of each RCT working on the same type of refuse collection route differed among various Operations Divisions and districts. Audit considers that the FEHD needs to review the manning scale of all its RCTs. An FEHD's study on the manpower deployment of the refuse collection service was completed in January 2003. The study recommended the deletion of 86 Workman posts, which would give rise to an annual saving in staff cost of about \$14.3 million. Second, Audit's comparison of the productivity of the FEHD's refuse collection loaders with that of the cleansing contractors' loaders revealed that the contractors' loaders were more productive than the FEHD's loaders. In terms of the average weight of refuse collected per loader per hour in 2001, the productivity of contractors' loaders was 2.8 to 4.6 times that of the FEHD's loaders. Audit considers that the FEHD needs to improve the loaders' productivity of each RCT. Third, Audit found that the number of refuse collection point (RCP) attendants stationed at RCPs provided with refuse compaction trailers in the Urban Area differed between the contracted-out RCPs and the FEHD-operated RCPs. In response to Audit's enquiries about the anomalies, in October 2002, the FEHD standardised the manpower requirements of RCPs with refuse compaction trailers in the Urban Area, irrespective of whether the RCP was contracted out or not. As a result, 7 Workman Is and 2 Workman IIs were redeployed in mid-October 2002 and an annual saving in staff cost of \$1.6 million was achieved. Audit considers that the FEHD also needs to standardise the manpower requirements of the contracted-out RCPs (with refuse compaction trailers) in the New Territories Area (paras. 4.13 to 4.15, 4.17(a), 4.18, 4.20, 4.23 and 4.25).

K. ***Need to monitor closely the progress of handling complaint cases.*** Audit has found that there were many long outstanding complaint cases on public cleansing services because of the delay in updating the progress of handling them by the case officers. Audit considers that the FEHD needs to monitor closely the progress of handling complaint cases (paras. 4.30 to 4.32).

#### **Monitoring of the performance of cleansing contractors and contract compliance**

L. ***Need to enhance the Personal Digital Assistant Contract Management System (PDACMS).*** An assessment report on the performance of each cleansing contractor is prepared monthly. Another monthly assessment report on the summary of actions taken against cleansing contractors is generated by the PDACMS. Audit has found that the preparation of the monthly assessment reports has not been fully computerised and that a full set of monthly assessment reports is submitted to the senior district management. To improve efficiency, in Audit's view, the FEHD needs to fully computerise the preparation of the monthly assessment reports and consider generating exception management reports from the computer system (paras. 5.11, 5.12, 5.14 and 5.15).

M. ***Need to recover water and electricity charges from the cleansing contractors.*** Audit noted that the FEHD had not charged the cleansing contractors for using water and consuming electricity supplied to them at the RCPs, notwithstanding that there were standard terms in the cleansing contracts, stating that the Government was entitled to charge them. Audit has estimated that the annual water and sewage charges recoverable from all cleansing contractors amount to \$4.2 million. In Audit's view, the FEHD should consider recovering such charges from them (paras. 5.19 and 5.20).

N. ***Need to ensure contract compliance.*** Audit has found two instances of non-compliance with the contract requirements by the cleansing contractors. In one case, a cleansing contractor did

not submit the required work records to the FEHD. In another case, a cleansing contractor had not fulfilled the contract requirements in that it had neither covered all the service locations nor met the minimum frequencies for some service locations. Audit considers that the FEHD needs to ensure that all contractual performance requirements are complied with (paras. 5.21, 5.22 and 5.30).

O. ***Need to monitor the performance of the cleansing contractors.*** The FEHD awarded two new contracts to the private sector for the provision of intensive street washing and gum removal services for all 20 districts in the territory. Audit found that the contractors did not provide sufficient information for the FEHD to assess their workload. To ensure gainful employment of the contractors' cleansing staff, Audit considers that the FEHD needs to obtain adequate performance information to measure their performance (paras. 5.26 and 5.28).

### **Audit recommendations**

P. Audit has made the following major recommendations that the Director of Food and Environmental Hygiene should:

#### ***Need to promptly report the FEHD's performance against its pledges***

- (a) review the FEHD's reporting mechanism for the public cleansing services so as to ensure that the FEHD's actual performance against its pledges is made available to the public as soon as possible (para. 2.10);

#### ***Need to maximise the planned utilisation of duty hours***

- (b) establish time standards for the manual gully cleansing operation in the Urban Area and plan the workload for the tasks of the operation based on the newly established time standards with a view to fully utilising the duty hours for the operation (para. 2.14);
- (c) reduce the scheduled idle time of RCTs either by arranging the drivers and loaders of RCTs to report for duty at the same vehicle depot or by implementing staggered working hours for them (para. 2.21(b));

#### ***Need to ensure that community needs and expectations are met***

- (d) periodically ascertain the service satisfaction level of in-house cleansing services of individual districts, and benchmark the results among districts and with those of the outsourced cleansing services (para. 2.30(b));

#### ***Need to further streamline the district supervisory structure***

- (e) dispense with the day-to-day inspections of the Overseers and consider adopting a more streamlined district supervisory structure (paras. 3.11 and 5.7);

### ***Need to reduce supervisory checks***

- (f) review the effectiveness of the FEHD's supervisory check system and examine whether there is any room for reducing the extent of supervisory checks (para. 3.17(a));
- (g) critically assess the cost-effectiveness of requiring the cleansing staff to report for duty at the roll call points before and after the meal break (para. 3.17(b));

### ***Need to strengthen the work of the QAS***

- (h) consider increasing the coverage of the QAS's inspections on public cleansing services to supplement the resulting reduction in supervisory checks (para. 3.22(a));
- (i) strengthen the work of the QAS, particularly in highlighting system deficiencies and making recommendations for improvement in systems, procedures and guidelines (para. 3.22(b));

### ***Need to develop more useful performance indicators***

- (j) develop more useful performance indicators to measure the economy, efficiency, effectiveness and quality of public cleansing services (para. 4.8(a));
- (k) benchmark the FEHD's performance internally among districts and externally with that of cleansing contractors (para. 4.8(b));

### ***Need to benchmark the FEHD's performance***

- (l) promptly review the manning scale of all the RCTs in the territory with a view to optimising the staff resources deployed in the RCTs (para. 4.16);
- (m) promptly and critically examine the feasibility of reducing the number of loaders of each FEHD's RCT with a view to improving the loaders' productivity (para. 4.21(a));
- (n) critically review the work of the cleansing contractors providing the refuse collection service to enable the performance of the FEHD's RCTs to be benchmarked with that of the contractors (para. 4.21(b));
- (o) standardise the manpower requirements of the contracted-out RCPs (with refuse compaction trailers) in the New Territories Area with a view to reducing the cost in future contracts (para. 4.26);

***Need to monitor closely the progress of handling complaint cases***

- (p) set target time for completing a complaint case and promptly draw the attention of case officers to expedite action on long outstanding complaint cases (para. 4.33(a) and (b));
- (q) prepare ageing analysis of outstanding complaint cases not completed within the target time for management attention (para. 4.33(c));

***Need to enhance the Personal Digital Assistant Contract Management System***

- (r) fully computerise the preparation of the monthly assessment reports and, in doing so, consider the need to generate exception management reports (para. 5.16(c));

***Need to recover water and electricity charges from the cleansing contractors***

- (s) assess the consumption of water and electricity by the cleansing contractors and, based on the results of cost and benefit analyses, consider charging individual cleansing contractors (para. 5.23(a));

***Need to ensure contract compliance***

- (t) issue departmental guidelines to remind the contract management staff that all contractual performance requirements should be strictly complied with (paras. 5.23(c) and 5.31(e)); and

***Need to monitor the performance of the cleansing contractors***

- (u) consider collecting performance information (such as the cleaning area covered, number of gum marks removed, number of work teams hired and their work duration) from the cleansing contractors providing intensive street washing and gum removal services, with a view to measuring their performance and benchmarking their performance among all 20 districts (para. 5.31(b)).

**Response from the Administration**

- Q. The Administration has generally agreed with Audit's recommendations.

## **PART 1: INTRODUCTION**

1.1 This PART describes the background to the audit and outlines the objectives of the audit.

### **Background**

1.2 Under the Public Health and Municipal Services Ordinance (Cap. 132), the Food and Environmental Hygiene Department (FEHD —Note 1) is responsible for providing public cleansing services in Hong Kong. The Environmental Hygiene Branch (EHB) of the FEHD, headed by a Deputy Director, comprises three Operations Divisions, each headed by an Assistant Director. Each Operations Division is responsible for the delivery of environmental hygiene services, including public cleansing services, within its own geographical area, as follows:

- (a) Operations Division 1 (Ops 1) covers the combined area of Hong Kong Island and the outlying islands, which is sub-divided into six districts;
- (b) Operations Division 2 (Ops 2) covers the area of Kowloon, which is sub-divided into six districts; and
- (c) Operations Division 3 (Ops 3) covers the area of the New Territories, which is sub-divided into eight districts.

An organisation chart of the EHB as at 31 March 2002 is at Appendix A.

### **Public cleansing services**

#### **Overall objectives**

1.3 Public cleansing services are essential to ensure that the people of Hong Kong live in a clean and healthy environment. The overall objectives of the FEHD in the management of public cleansing services are embodied in its vision and mission statements. The FEHD's vision is to work hand in hand with the community in building Hong Kong into a world-class metropolis renowned for its food safety and public hygiene. The FEHD's mission is to ensure that food is fit for human consumption and to maintain a clean and hygienic living environment for the people of Hong Kong.

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**Note 1:** *The FEHD was established in January 2000 to take over from the ex-Municipal Councils, among others, the responsibility for providing public cleansing services.*

## Scope

1.4 In Hong Kong, public cleansing services include a wide spectrum of activities, namely refuse collection, street cleansing (including street sweeping, street washing and gully cleansing), sludge removal, and management of public toilets and refuse collection points (RCPs). Keeping Hong Kong clean is a formidable task.

1.5 ***Refuse collection.*** In 2001, nearly 2.2 million tonnes (or about 6,000 tonnes per day) of trade and, predominantly, domestic refuse and junk were collected from about 3,000 RCPs scattered throughout the territory and disposed of at refuse transfer stations or landfills managed by the Environmental Protection Department (EPD). About 17,000 litter containers and 410 dog excreta collection bins are placed on the streets. They are cleared at least once a day.

1.6 ***Street sweeping.*** All streets are swept manually at least once a day. In the main commercial and tourist areas, streets are swept, on average, four times a day. In the busiest pedestrian areas, streets are swept up to eight times a day. Most public roads are swept manually. Special-purpose vehicles, called mechanical sweepers, are also used to sweep fast-speed roads, flyovers and central dividers which are too dangerous to be swept manually, normally after midnight.

1.7 ***Street washing.*** Special-purpose vehicles, called street washing vehicles, wash the streets day and night at a frequency ranging from an on-a-need basis to at least twice a week, depending on the nature of the area covered.

1.8 ***Gully cleansing.*** Manual cleansing is employed to clear dirt and refuse from gully traps on most public roads. Normally, larvae-killing oil is poured into the gully to prevent mosquito breeding upon clearance of the gully. Dirt and refuse collected from gullies are delivered to RCPs. Special-purpose vehicles, called mechanical gully emptiers, are used to clear gully traps on fast-speed roads and flyovers where manual means of clearing are either too dangerous or impracticable.

## Resources employed

1.9 Presently, public cleansing services are delivered by the FEHD (hereinafter referred to as in-house cleansing services) and its private contractors (hereinafter referred to as outsourced cleansing services). As at 31 March 2002, the FEHD employed 3,840 cleansing staff and 524 drivers at a total staff cost of \$764 million for 2001-02. Also as at that date, the FEHD managed 12 refuse collection service contracts and 27 street cleansing services contracts with a total annual contract value of \$432.6 million.

## Target for contracting out

1.10 To improve efficiency and cost-effectiveness and to allow for greater flexibility in the delivery of its public cleansing services, the FEHD has been actively contracting out its public

cleansing services in recent years. As at 31 October 2002, the FEHD contracted out 44% of its refuse collection service and 59% of its street cleansing services. In anticipation of the introduction of a second voluntary retirement scheme, the FEHD has tentatively set the targets for further contracting out up to 60% of its refuse collection service and up to 70% of its street cleansing services by 2004-05.

### **Previous related audit reviews**

1.11 Audit issued three reports in recent years relating to public cleansing services in Hong Kong. Audit reported on the refuse collection service of the then Regional Services Department (Chapter 3 of Director of Audit's Report No. 31 of October 1998), the refuse collection service of the then Urban Services Department (Chapter 1 of Director of Audit's Report No. 33 of October 1999) and the mechanised street cleansing services (Chapter 6 of Director of Audit's Report No. 37 of October 2001). In all these three reports, Audit observed common weaknesses of slackness in the management of outdoor staff.

1.12 In its Report No. 38 of July 2002, the Public Accounts Committee:

- (a) expressed grave concern and found it unjustified that:
  - (i) a hierarchy of ten tiers of staff, i.e. from the Director of Food and Environmental Hygiene to Ganger, was involved in supervisory duties over the delivery of mechanised street cleansing services; and
  - (ii) despite the elaborate system of supervision in its EHB, the FEHD still found it necessary to set up an additional Quality Assurance Section; and
- (b) considered the multi-layered bureaucratic structure of the EHB an obstacle to the provision of efficient mechanised street cleansing services.

### **Recent developments**

1.13 Since the issue of the last audit report on mechanised street cleansing services in October 2001, the FEHD has conducted various reviews on public cleansing services, as described in paragraphs 1.14 to 1.16 below.

1.14 ***Review on mechanised street cleansing services.*** In response to Audit's recommendations made in the review on mechanised street cleansing services, the Management



Services Unit (MSU) of the FEHD conducted a review on the mechanised street sweeping service and the mechanised gully cleansing service. As a result, the FEHD:

- (a) deleted 9 mechanised street sweeping routes in May 2002, thus achieving an annual saving of \$4.3 million;
- (b) outsourced the remaining 27 mechanised street sweeping routes in November 2002;
- (c) contracted out 12 mechanised gully cleansing routes in September 2002; and
- (d) formulated a plan to outsource the remaining 5 mechanised gully cleansing routes by 2004.

1.15 ***Foreman grade review.*** The MSU has completed a staffing review of the Foreman grade with a view to simplifying the supervisory structure and enhancing the efficiency of the cleansing section. Following the MSU's recommendations, the FEHD has introduced the following management initiatives:

- (a) since September 2002, the supervisory structure for outsourced cleansing services has been reduced from three tiers to one tier. As a result, only the Senior Foreman (Contract Management) is now responsible for the front-line supervision of outsourced cleansing services. The FEHD has deleted 232 Overseer, Senior Foreman and Foreman posts, thus achieving a net annual saving of \$25.8 million; and
- (b) since September 2002, the Senior Foreman post has been deleted from the supervisory structure for in-house cleansing services. As a result, the FEHD has deleted 95 Senior Foreman posts, thus achieving a net annual saving of \$21.9 million.

1.16 ***New time standards for Sectional Foremen.*** The MSU has established new time standards and new frequency of inspections for Sectional Foremen. On that basis, the FEHD prepared new planning sheets for Foreman Cleansing Sections, which came into use in May 2002. As a result, the FEHD reduced 31 Sectional Foreman posts, thus achieving a net annual saving of \$1.6 million.

## **Audit review**

1.17 Against the above background, Audit has conducted a review on the FEHD's management of its public cleansing services. This audit focused mainly on the refuse collection service and street cleansing services because they constitute the bulk of public cleansing services. The audit objectives were to examine:

- (a) the economy, efficiency and effectiveness with which the FEHD manages its in-house cleansing services; and
- (b) whether there is any room for improvement in the administration of the FEHD's outsourced cleansing services.

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

### **General response from the Administration**

1.19 The **Secretary for Health, Welfare and Food** has said that:

- (a) he appreciates that optimal utilisation of manpower resources and enhancement of public accountability are two essential guiding principles for enhancing the cost-effectiveness of in-house cleansing services. Audit's report contains a number of practical improvement suggestions in this regard. As the FEHD's cleansing staff will continue to play a key role in the delivery of public cleansing services for some time, Audit's suggestions in PARTs 2 and 3 on in-house cleansing services deserve careful consideration alongside those in PART 5 which concern the performance of cleansing contractors. Audit's suggestions in PART 4 on performance measurement and complaints management should also be closely examined;
- (b) he considers that benchmarking is an important management tool to identify areas for improvement in the delivery of public cleansing services. Audit's benchmarking studies on refuse collection service have identified differences across districts in terms of manning scale and productivity. He sees merit to have these anomalies removed as soon as practicable in the interest of optimal use of manpower resources; and
- (c) he recognises that the full benefits of outsourcing can be reaped only if a proper mechanism is in place to ensure the quality and cost-effectiveness of services delivered by the contractors involved. In this connection, he regards Audit's observations and recommendations as useful pointers for the FEHD to monitor the performance of its cleansing contractors more effectively. The recommendations made are particularly meaningful to the FEHD in view of the Government's increasing reliance on outsourcing as the major avenue to deliver public cleansing services.

1.20 The **Director of Food and Environmental Hygiene** welcomes Audit's recommendations. He has said that the FEHD has taken positive steps to review its present mode of operation, practices and procedures in the management of public cleansing services in the light of Audit's recommendations.

## **PART 2: PLANNING AND EVALUATION OF PUBLIC CLEANSING SERVICES**

2.1 This PART examines the FEHD's planning and evaluation of its public cleansing services and reveals that there is room for improvement.

### **Importance of planning and evaluation**

2.2 Planning and evaluation are key steps in the whole management process. Proper planning and evaluation require the setting of objectives and performance targets. The setting of clear objectives and measurable performance targets enables successful evaluation of results and improves public accountability.

### **Objectives and performance targets and pledges of public cleansing services**

#### **Objectives**

2.3 According to the FEHD's 2002-03 Controlling Officer's Report (COR), the objectives of public cleansing services are to provide quality environmental hygiene services and facilities through, among others, delivering efficient and effective public cleansing services and maintaining public cleansing facilities.

#### **Performance targets**

2.4 The performance targets of public cleansing services, as stated in the FEHD's 2002-03 COR, are to:

- (a) complete the first round of street sweeping service for 97% of the main roads before 9 a.m.; and
- (b) provide 70% of public toilets with toilet attendant service during day-time.

In 2001, the FEHD reported that it had achieved 98% of performance target (a) and 72% of performance target (b).

## Performance pledges

2.5 According to its performance pledge pamphlet, the FEHD also commits itself to meeting performance pledges for public cleansing services, as shown in Table 1 below.

**Table 1**

**FEHD's performance pledges**

<b>Performance standard</b>	<b>Target</b>
(a) Providing at least daily refuse collection service (except on Lunar New Year's Day)	97%
(b) Sweeping streets and emptying litter bins at least 4 times a day in built-up areas and up to 8 times a day in very busy locations or blackspots	95%
(c) Washing streets on a need basis, at least once a week in busy areas and at least twice a week in problematic areas or blackspots	97%

*Source: FEHD's records*

However, Audit could not find any published information about the FEHD's actual performance in 2001 against the above pledges.

## Operational planning of in-house cleansing services

2.6 Operational planning refers to the detailed planning of day-to-day work. Detailed work plans mainly include work schedules prepared based on the planned workload.

2.7 The work schedules and workload of in-house cleansing services are documented in planning sheets, which specify the tasks required to be performed. For each task of a particular cleansing operation, the time allowed is estimated on the basis of the time standard established for the task. A planning sheet is prepared on a shift basis so that the total time planned to complete all tasks of the work schedule would approximate the working hours (hereinafter referred to as duty hours) in the shift.

## **Evaluation of the effectiveness of public cleansing services**

2.8 To ensure that public cleansing services are provided to the community effectively, the FEHD has to assess whether they meet the needs of the community. A community needs analysis is a process whereby the detailed needs and expectations of the community are collected (usually through public opinion surveys) and analysed. As the community's needs and expectations change in time, such surveys should be conducted at regular intervals. Consequential changes to public cleansing services are then made having regard to the results of the surveys.

## **Audit observations on reporting of actual performance**

2.9 In September 2002, Audit asked the FEHD about the actual performance in 2001 against the pledges mentioned in Table 1 of paragraph 2.5 above. In October 2002, the FEHD replied that its actual performance in 2001 was not yet available because it was still collating the relevant statistics from the districts. **Audit considers that the FEHD's actual performance in 2001 against its pledges should have been compiled and made available to the public within the first half of 2002. As late reporting undermines public accountability, the FEHD needs to improve its reporting mechanism.**

## **Audit recommendation on reporting of actual performance**

2.10 Audit has ***recommended*** that the Director of Food and Environmental Hygiene should review the FEHD's reporting mechanism for the public cleansing services so as to ensure that the FEHD's actual performance against its pledges is made available to the public as soon as possible.

## **Response from the Administration**

2.11 The **Director of Food and Environmental Hygiene** agrees with Audit's recommendation. He has said that, in future, the FEHD will provide the performance report through its website regularly on a half-yearly basis. The performance report for 2001 and 2002 will be uploaded to the FEHD's website in early 2003.

## **Planned utilisation of duty hours**

2.12 Audit's review of the planned utilisation of duty hours of the in-house cleansing staff has revealed the following inadequacies:

- (a) there is no time standard for some cleansing tasks (see para. 2.13 below);

- (b) there is scheduled idle time in the refuse collection operation (see paras. 2.16 to 2.20 below); and
- (c) there is excessive balancing time for Foremen in some cleansing sections (see paras. 2.23 to 2.25 below).

### **Audit observations on time standards**

2.13 Audit has noted that no time standard has been set for all tasks of the manual gully cleansing operation in the areas of Hong Kong and Kowloon (hereinafter referred to as the Urban Area). **Audit considers that, without time standards, it is difficult for the FEHD to ensure that the duty hours for the operation of these tasks are properly estimated and fully utilised.**

### **Audit recommendations on time standards**

2.14 Audit has *recommended* that the Director of Food and Environmental Hygiene should:

- (a) **establish time standards for the manual gully cleansing operation in the Urban Area; and**
- (b) **plan the workload for the tasks of the manual gully cleansing operation in the Urban Area based on the newly established time standards with a view to fully utilising the duty hours for the operation.**

### **Response from the Administration**

2.15 The **Director of Food and Environmental Hygiene** agrees with Audit's recommendations. He has said that after the receipt of the audit report in December 2002, the FEHD has planned to embark on the relevant time standards and workload studies in mid-2003 using in-house resources.

### **Audit observations on scheduled idle time**

2.16 Scheduled idle time refers to idle time, other than normal rest time, which arises because the duty hours of the cleansing staff are not fully utilised. The cleansing staff have scheduled idle time because:

- (a) some tasks in certain cleansing operations are performed by the Special Driver alone; and
- (b) the cleansing staff and the Special Driver report for duty at different locations.

2.17 Audit reported the problem of scheduled idle time in the street washing operation and the mechanised gully cleansing operation in October 2001 (Chapter 6 of Director of Audit's Report No. 37). Audit has noted that the FEHD has, since February 2002, adopted staggered working hours for the Special Drivers engaged in the street washing operation in all 20 districts. In September 2002, the FEHD reduced the scheduled idle time of the mechanised gully cleansing operation by requiring the drivers and cleansing staff to report for duty at the same location, i.e. the vehicle depot. **However, in the course of this audit, it was found that some cleansing staff engaged in the refuse collection operation still had scheduled idle time.**

2.18 In response to Audit's enquiry, in October 2002, the FEHD informed Audit that:

- (a) for the refuse collection operation, it would arrange the loaders to report for duty at the vehicle depot as far as possible. For those districts where such an arrangement was not possible, the FEHD would consider the feasibility of implementing staggered working hours for the drivers and loaders; and
- (b) in view of the large number of vehicles involved and the FEHD's pledge to provide daily refuse collection service, the feasibility of implementing staggered working hours had to be worked out at a later stage.

2.19 Based on the information provided by the FEHD, Audit has analysed the idle time of cleansing staff of the refuse collection teams (RCTs). **Audit has estimated that the total annual staff cost of the scheduled idle time of the RCTs amounts to \$14.6 million (see Appendix B).**

2.20 **Some of the duty hours of the RCTs are under-utilised because of the scheduled idle time. Audit considers that the FEHD needs to reduce the scheduled idle time of the RCTs.**

#### **Audit recommendations on scheduled idle time**

2.21 **To ensure that all loaders in the RCTs are gainfully employed during the duty hours, Audit has *recommended* that the Director of Food and Environmental Hygiene should:**

- (a) promptly and critically review the workload of all RCTs;
- (b) reduce the scheduled idle time of RCTs either by arranging the drivers and loaders of RCTs to report for duty at the same vehicle depot or by implementing staggered working hours for them; and
- (c) revise the work schedules in the planning sheets of RCTs so that the scheduled idle time is reduced to a minimum.

### **Response from the Administration**

2.22 The **Director of Food and Environmental Hygiene** has said that:

- (a) he notes Audit's observations. However, he wishes to point out that during the scheduled idle time, the loaders may be deployed for other cleansing work in the vicinity of the roll call points, such as cleansing of litter containers and removal of illegal bills and posters;
- (b) the FEHD will explore the feasibility and likely benefits of implementing staggered working hours for the Special Drivers and loaders;
- (c) other ways to reduce scheduled idle time are being examined. Where circumstances permit, the FEHD will arrange the loaders to report for duty at vehicle depots. This arrangement is being implemented in Kwai Tsing District. The FEHD is planning to extend the arrangement to Tuen Mun District;
- (d) the FEHD is constantly seeking ways to improve the cost-effectiveness of public cleansing services provided by its in-house staff. In January 2003, the MSU completed a study on the manpower deployment of the refuse collection service. The study recommended a deletion of 86 posts, which would give rise to an annual saving in staff cost of about \$14.3 million. The recommendation is being implemented; and
- (e) the FEHD is progressively outsourcing the public cleansing services to improve cost-effectiveness. Coupled with other streamlining arrangement, this would minimise the scheduled idle time.



## **Audit observations on excessive balancing time of Sectional Foremen**

2.23 Balancing time is the difference between the duty hours (7.5 hours) and the scheduled working hours (Note 2). The planning sheet of the Foreman Cleansing Section (FCS, i.e. a cleansing section headed by a Foreman) first came into use in May 2002. It shows the section's work schedule (Note 3). Audit's examination of the planning sheets of the 138 in-house FCSs revealed that there was excessive balancing time in most cleansing sections. Audit found that in each shift:

- (a) 121 (or 87.7%) FCSs had balancing time (see Appendix C), of which 24 (or 19.8%) FCSs had balancing time of at least 30 minutes and 2 (or 1.7%) FCSs had balancing time of more than four hours; and
- (b) the average balancing time of the 23 FCSs in Ops 2 was about one hour (see Appendix D).

2.24 In response to Audit's enquiry about the excessive balancing time of the Sectional Foremen, in September 2002, the FEHD informed Audit that:

- (a) although excessive balancing time was not desirable, balancing time could hardly be avoided. Positive balancing time was mainly used for offsetting the effects of minor and unexpected delays that might occur from time to time. Negative balancing time was equivalent to overtime, which could be compensated by time off in lieu or paying overtime allowance. Negative balancing time should be avoided as far as possible;
- (b) the FEHD considered that a balancing time of 30 minutes per FCS was acceptable. As the average balancing time of all the 138 FCSs was 0.43 hour, it was within the desirable range; and
- (c) the FEHD would review the planning sheets of those FCSs with balancing time of more than 30 minutes to see if they were operating at a reasonable and desirable level and would make every effort to confine the balancing time to within 30 minutes. If the

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**Note 2:** *The scheduled working hours include the time planned for carrying out daily duties such as inspection, performance monitoring, law enforcement, maintenance of venues and facilities, complaints handling, administrative work, travelling time and miscellaneous duties.*

**Note 3:** *Each FCS has one Sectional Foreman.*

constraints present in a particular cleansing section forbid the reduction of balancing time to within 30 minutes, the Sectional Foreman concerned would be gainfully employed to assist in other duties.

2.25      Audit notes the FEHD's positive response. **To ensure that all Sectional Foremen are gainfully employed during their duty hours, Audit considers that additional duties should be assigned to them as part of their daily workload and included in the planning sheets of the FCSs.**

#### **Audit recommendations on excessive balancing time of Sectional Foremen**

2.26      In the light of the FEHD's response mentioned in paragraph 2.24 above, Audit has ***recommended*** that the Director of Food and Environmental Hygiene should:

- (a)    review the FCSs' planning sheets so as to reduce the Sectional Foremen's balancing time to within 30 minutes; and
- (b)    for those FCSs with balancing time of more than 30 minutes, assign additional duties to the Sectional Foremen as part of their daily workload and include such duties in the planning sheets of the FCSs.

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

2.27      The **Director of Food and Environmental Hygiene** agrees with Audit's recommendations. He has said that:

- (a)    as a result of part of the FEHD's on-going efforts to improve efficiency, since mid-2002, Sectional Foremen have been required to take up additional tasks; and
- (b)    subsequent to Audit's enquiry in September 2002, the balancing time has been reduced to at most 18.6 minutes, which is considered reasonable.

#### **Effectiveness of public cleansing services**

2.28      Between 1997 and 1999, the ex-Municipal Councils conducted:

- (a) an opinion survey on the ex-Provisional Regional Council's public toilets in June 1998;
- (b) a survey on the ex-Provisional Urban Council's street cleanliness in October 1999; and
- (c) an opinion survey on the ex-Provisional Regional Council's public toilets in December 1999.

After taking over the responsibility from the ex-Municipal Councils for the provision of public cleansing services in January 2000, the FEHD conducted a survey on public toilets in March 2002 and the Management Services Agency conducted a survey on the effectiveness of outsourced street cleansing services in July 2002.

#### **Audit observations on the effectiveness of public cleansing services**

2.29 Audit has noted that, since its establishment in 2000, the FEHD had not conducted any survey on its in-house cleansing services. **To ensure that the provision of all public cleansing services is effective and meets the needs and expectations of the community, Audit considers that the FEHD also needs to conduct a survey to assess the effectiveness of its in-house cleansing services.**

#### **Audit recommendations on the effectiveness of public cleansing services**

2.30 Audit has *recommended* that the Director of Food and Environmental Hygiene should:

- (a) promptly draw up guidelines for conducting regular opinion surveys on public cleansing services by districts;
- (b) periodically ascertain the service satisfaction level of in-house cleansing services of individual districts, and benchmark the results among districts and with those of the outsourced cleansing services; and
- (c) publish the key results of the surveys to enhance public accountability.

## **Response from the Administration**

2.31 The **Director of Food and Environmental Hygiene** generally agrees with Audit's recommendations. He has said that:

- (a) subject to the availability of resources, the FEHD would regularly conduct Clean Hong Kong Surveys to monitor the effectiveness of the efforts of the Government and the community in keeping Hong Kong clean;
- (b) in 2000, a Clean Hong Kong Survey was conducted to collect public views on the cleanliness of Hong Kong. Another Clean Hong Kong Survey has been scheduled to be completed in the first quarter of 2003. Besides conducting territory-wide surveys, the Home Affairs Department has set up in each of the 18 districts a District Clean Hong Kong Committee (chaired by the District Council Vice-Chairman) to oversee district cleansing activities, including the FEHD's performance in the delivery of cleansing services. There are also regular inspection programmes on public areas and cleansing facilities to monitor the standard of cleansing services provided;
- (c) Clean Hong Kong District Action Plans are prepared annually for discussion with District Councils and District Clean Hong Kong Committees and for seeking their views. The progress on the implementation of the plans is reported to them regularly; and
- (d) the preliminary results of the second Clean Hong Kong Survey obtained in January 2003 indicated that 68% of the respondents considered that the overall cleanliness of Hong Kong had improved when compared with the situation in mid-2002, before the Fixed Penalty System was introduced. Upon the completion of the survey, the key survey findings will be published and released to the general public through the FEHD's website and press release.

## **PART 3: MONITORING OF THE PERFORMANCE OF FEHD'S CLEANSING STAFF**

3.1 This PART reviews the FEHD's mechanism for monitoring the performance of its cleansing staff and suggests improvement measures.

### **Monitoring mechanism**

3.2 The FEHD has issued guidelines for monitoring the performance of its cleansing staff through its Operations Manual, Administrative Circulars, Operations Circulars and departmental memoranda. These guidelines are to facilitate the FEHD's supervisory grade staff to fully understand their supervisory role and to effectively monitor the performance of the cleansing staff under their supervision.

### **Supervisory structure of the EHB**

3.3 The three Assistant Directors (Operations) assist the Deputy Director of the EHB in directing the overall delivery of public cleansing services within their own Operations Divisions. They rely on the frontline supervisory staff to supervise the cleansing staff on a day-to-day basis. Presently, in respect of in-house cleansing services, there are seven tiers of supervisory grade staff within the EHB who are responsible for supervising the cleansing staff. According to the supervisory structure at Appendix E, they are: (a) Senior Superintendent (SS); (b) District Environmental Hygiene Superintendent (DEHS); (c) Chief Health Inspector (CHI); (d) Senior Health Inspector (SHI); (e) Health Inspector (HI); (f) Overseer; and (g) Foreman.

### **Supervision of staff**

#### **Day-to-day supervision of FEHD's cleansing staff**

3.4 The FEHD's departmental guidelines require its frontline supervisory staff (i.e. the Overseer and Sectional Foreman) to carry out inspections of all the services provided within their cleansing section at predetermined frequencies. The Sectional Foreman has to record the date and time of each inspection, and all observations and comments in the standard daily inspection form. The Overseer, who is the immediate supervisor of the Sectional Foreman, is required to examine and check the completed form to ensure that appropriate follow-up action is taken.

#### **Supervisory checks on in-house cleansing services**

3.5 Five tiers of supervisory staff, from SS to HI, perform supervisory checks in the form of physical inspections to monitor the performance of the cleansing supervisors within their district at

predetermined frequencies. An inspection timetable is prepared in advance every two months. Inspections start with the lowest tier, i.e. the HI. Each higher tier of staff (up to the SS) is required to choose for inspection the sectors recently covered by the lower tier. For example, the SHI would choose for inspection the sectors recently inspected by the HI. The frequency of inspections ranges from twice a week to every two months (see Appendix F for details). Generally speaking, the higher the rank of the officer, the lower will be the frequency of inspections. Each inspecting officer is required to prepare an assessment report on the cleansing officer's performance and submit it to his immediate supervisor for attention and follow-up action.

### **Cross-district inspections**

3.6 Cross-district inspections were introduced in April 2002 to strengthen the monitoring of the performance of the FEHD's cleansing staff. Under this system, the senior district management team members (i.e. the DEHS and the CHI) of each of the two districts headed by an SS are required to inspect the performance of the cleansing staff of the other district by making surprise visits to that district at intervals of every two months. Inspection reports are then submitted to the SS.

### **Task master scheme**

3.7 In July 2000, the task master scheme (adopted by the then Urban Services Department in 1999) was extended to cover the FEHD's cleansing staff to enhance the monitoring of their performance. The performer and the task master and his responsibilities are clearly specified in a work schedule for the service. According to the FEHD's Operations Circular No. 6/2000, a task master is defined as an officer who is designated to be accountable for the performance and conduct of the performers of a task under his charge. The task master must carry out conscientiously his supervisory responsibility to ensure that the task has been properly and satisfactorily completed by the performers under his supervision, in accordance with the standard required or set by the FEHD. In addition, he has a responsibility to report to his supervisor any deficiencies or irregularities identified in the working procedures for early rectification or improvement, and will be held responsible for irregularities found in the section under his charge. The task masters of in-house cleansing services, as specified in the Operations Circular on the task master scheme, are the Sectional Foremen of various cleansing sections.

### **Quality Assurance Section**

3.8 The Quality Assurance Section (QAS) was established on 1 October 2000 with the primary objective of monitoring and improving service quality. According to the FEHD's Administrative Circular No. 74/2000, the work scope of the QAS is to:

- (a) conduct regulatory inspections of the services delivered by the FEHD;

- (b) identify inadequacies in systems, procedures and guidelines in the course of inspections and make recommendations for improvement;
- (c) investigate into complaints concerning staff misconduct, other than those involving crime and corruption; and
- (d) report on good performers for appropriate recognition by the management.

### **Audit observations on supervisory structure of the EHB**

3.9 Cleansing staff of the FEHD are subject to the day-to-day supervision of the Overseers and Sectional Foremen who, in turn, are subject to repetitive supervisory checks by their supervisors (see para. 3.14 below). Although the Sectional Foremen are subject to multi-level supervisory checks, they are still functionally responsible for the tasks under their charge. Under the task master scheme, not only are the Sectional Foremen accountable for the performance and conduct of the cleansing staff under their supervision, but they are also held responsible for any irregularities found in their sections. Audit has found that the day-to-day inspection function of the Overseers duplicates that of the Sectional Foremen and such function can be dispensed with. **Audit considers that the FEHD needs to further streamline the district supervisory structure of its EHB. To improve the effectiveness of supervisory checks, the existing hierarchy of seven tiers of staff (i.e. from SS to Foreman) could be grouped into two distinct streams:**

- (a) **one stream would concentrate on the routine day-to-day management of the delivery of public cleansing services; and**
- (b) **the other stream would concentrate on the administration of the provision of public cleansing services at a higher level including:**
  - (i) **the monitoring of services rendered;**
  - (ii) **the investigation of complaints;**
  - (iii) **the arrangement of opinion surveys; and**
  - (iv) **the analysis of performance information.**

3.10      **Audit has estimated that 28 Overseers can be redeployed to perform other duties and an annual saving in staff cost of \$13.3 million (Note 4) can be achieved if the streamlined district supervisory structure at Appendix G is adopted.**

### **Audit recommendations on supervisory structure of the EHB**

3.11      **To streamline the supervisory structure of the EHB, Audit has *recommended* that the Director of Food and Environmental Hygiene should dispense with the day-to-day inspections of the Overseers. The Director may wish to consider adopting a more streamlined district supervisory structure. An example of such a structure is shown in Appendix G.**

### **Response from the Administration**

3.12      **The Secretary for Health, Welfare and Food has said that:**

- (a)    he observes that the implementation of Audit's recommendations would inevitably require reorganisation or restructuring of work by the FEHD in one way or another; and
- (b)    in assessing the desirability of various re-engineering options including those recommended by Audit, the FEHD will have to take account of, among others, their impact on its overall service delivery, the resultant staffing structure and the availability of service-wide options to facilitate exit of staff made redundant by the re-engineering exercise.

3.13      **The Director of Food and Environmental Hygiene has said that:**

- (a)    regarding the present structure, he does not think that there is a long chain of command in the supervision of staff from SS down to the frontline workmen;
- (b)    each tier of staff has distinctive duties to perform. These duties may relate to:

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**Note 4:**    *There were altogether 48 Overseers in the FEHD responsible for overseeing the delivery of public cleansing services as at 30.9.2002. The suggested supervisory structure entails the deletion of all these 48 Overseer posts and the creation of 20 Overseer (Complaints and Special Duties) posts in the 20 districts, resulting in a net deletion of 28 Overseer posts. The annual saving in staff cost*

$$\begin{aligned} &= \text{Annual staff cost of an Overseer} \times 28 \\ &= \$474,360 \times 28 = \underline{\underline{\$13,282,080}} \quad (\text{Say } \$13.3 \text{ million}) \end{aligned}$$



- (i) direct monitoring and supervision of frontline staff;
  - (ii) planning of cleansing frequency and routes;
  - (iii) deployment of manpower and equipment; and
  - (iv) system improvement and performance management;
- (c) the percentage of time spent on staff management duties, inspections or performance/system management differs according to the level of staff and their responsibilities; and
- (d) the FEHD is exploring ways to re-engineer and simplify the management and supervisory structure of the EHB. In doing so, the FEHD will examine, among others, the issue of dispensing with the day-to-day supervisory inspection function of the Overseers.

## **Audit observations on supervisory checks**

### **Repetitive supervisory checks**

3.14 Presently, there are five tiers of supervisory grade staff conducting supervisory checks on the performance of cleansing supervisors. These checks are repetitive because each upper tier of staff is required to choose for inspection the sectors which have recently been covered by the staff in a lower tier. Such a checking system is unlikely to be effective because the cleansing staff know that the sectors not chosen by the HI for inspection will not be chosen for inspection by the senior supervisory staff in the next two months. Audit has reservations about the effectiveness of such repetitive multi-level supervisory checks. **Audit considers that the FEHD needs to review the effectiveness of such a checking system.**

### **Reporting for duty four times in a shift**

3.15 Audit has noted that a significant number of cleansing staff engaged in refuse collection, manual street sweeping and manual gully cleansing services are required to report for duty four times in a shift (i.e. at the beginning of a shift, before and after the meal break and at the end of a shift). In response to Audit's enquiry about the justifications for such a reporting requirement, in September 2002, the FEHD informed Audit that:

- (a) the guiding principle of this requirement was to enhance supervision without compromising efficiency and productivity;
- (b) of the 836 town beat workmen who were required to report for duty four times in a shift, the travelling time of 559 workmen (or 67%) was within 15 minutes and that of some 150 workmen (or 18%) was about 30 minutes;
- (c) over 45% of the gully cleansers had incurred extra travelling time of at least 15 minutes for reporting duty before and after their meal break at the roll call points;
- (d) the balancing time of the cleansing staff could be used to absorb the extra travelling time taken for reporting duty; and
- (e) the Sectional Foremen could make use of the opportunity before and after the meal break to give instructions.

3.16 Audit has reservations about the cost-effectiveness of requiring the cleansing staff to report for duty at roll call points before and after the meal break for the following reasons:

- (a) it is time-consuming for them to travel to and from the roll call points before and after the meal break. Moreover, they may have to incur travelling expenses; and
- (b) there are ample opportunities for their supervisors to give them instructions at the time they report for duty at the beginning of a shift.

**Audit has estimated that the financial implications of requiring the cleansing staff to report for duty at roll call points before and after the meal break are about \$13 million a year (see Appendix H). Audit considers that the FEHD needs to review the cost-effectiveness of such a reporting requirement.**

#### **Audit recommendations on supervisory checks**

3.17 Audit has ***recommended*** that the Director of Food and Environmental Hygiene should:

- (a) **review the effectiveness of the FEHD's supervisory check system and examine whether there is any room for reducing the extent of supervisory checks; and**
- (b) **critically assess the cost-effectiveness of requiring the cleansing staff to report for duty at the roll call points before and after the meal break.**

## **Response from the Administration**

3.18 The **Secretary for Health, Welfare and Food** generally agrees that the FEHD should review if there is room for rationalising the extent of supervisory checks. He has said that resources freed up in the process should be redeployed to areas where more value-added service can be provided.

3.19 The **Director of Food and Environmental Hygiene** has said that:

### ***Supervisory checks***

- (a) the work of the staff at the Overseer, Senior Foreman and Foreman levels is more supervisory in nature although they also assist in the planning of routes, deployment of resources and operations arrangement. On the other hand, staff of the levels from HI and above perform varying degrees of managerial role and administrative duties in the district and are responsible for system improvement and performance management;
- (b) although the SS, the DEHS and the CHI mainly perform managerial duties, the FEHD sees merits for them to have some first-hand knowledge of the district cleanliness conditions because this will help them to formulate a strategy for improving environmental hygiene;
- (c) to enhance independent checking, the cross-district inspection system was put on trial in the second quarter of 2002. After a review of its cost-effectiveness, the FEHD has abolished this system since 27 January 2003;

### ***Reporting for duty at roll call points before and after meal break***

- (d) while requiring beat workmen to report for duty four times in a shift, the FEHD always wants to ensure that the enhancement of supervision does not compromise efficiency and productivity. The FEHD will require beat workmen to make the trip to and from roll call points before and after the meal break only if the travelling time can be absorbed within the balancing time, which is about 30 minutes in a shift. However, if the “extra” travelling time requires more than 30 minutes, the FEHD will examine whether there is merit in requiring the beat workmen to report for duty four times in a shift; and
- (e) the FEHD critically reviewed the cost-effectiveness of the arrangement in the third quarter of 2002. The FEHD noted that of all the 1,374 cleansing beat workmen who were required to report for duty four times in a shift (comprising 836 town beats and 538 village beats), 247 (or 18%) cleansing beat workmen (comprising 91 town beats and 156 village beats) took more than 30 minutes to travel to and from roll call points before and after the meal break. To enhance productivity, starting from September 2002, the FEHD has, by districts, waived the reporting requirement before and after the meal break of those workmen who took more than 30 minutes to do so. As a result, all the 247

cleansing beat workmen are no longer required to report for duty before and after the meal break (Note 5). Facilities such as lockers would be provided at the refuse collection points or toilets in the vicinity of the workplace to address the long-term needs of the frontline staff for changing apparel and washing up before the meal break.

### **Audit observations on the work of the QAS**

**3.20 In this review, Audit has found that the inspection work of the QAS is more effective than that of the cleansing supervisors** for the following reasons:

- (a) unlike the cleansing supervisors, staff of the QAS, who are not responsible for the actual delivery of cleansing services, do not report to the district management. They are therefore more inclined to report any deficiencies or irregularities noted during their inspections; and
- (b) as the staff of the QAS perform inspections on a full-time basis, they can afford to spend more time on observing the cleansing operations than the cleansing supervisors. Audit has noted that the QAS' s checking of a mechanised cleansing operation includes whether:
  - (i) the vehicle and its staff follow the work programme;
  - (ii) the staff perform their work properly;
  - (iii) there is any idle time, unauthorised absence, non-performance of duties or prolonged meal break;
  - (iv) work records such as driver' s log book, daily job sheets, staff attendance book and gate-in and gate-out records of the depot are properly kept; and
  - (v) departmental guidelines on the services are being followed.

On comparing the observations arising from supervisory checks with those of the QAS, Audit has found that the QAS' s observations are more detailed and comprehensive. Details are in Appendix I.

**3.21** Nevertheless, Audit found that there was still room for improvement in the QAS' s work. One of the duties of the QAS is to identify inadequacies in systems, procedures and guidelines, and

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**Note 5:** *As a result of the full implementation of this new measure in February 2003, the financial implications of requiring the cleansing staff to report for duty at roll call points before and after the meal break have been reduced from \$13 million a year to \$6.8 million a year.*

make recommendations for improvement. While the QAS has been able to identify irregularities, it has not been too successful in highlighting system deficiencies and making recommendations for improvement in systems, procedures and guidelines. Audit has illustrated at Appendix J how the QAS's observations could be taken forward to make such improvements. **Audit considers that the FEHD needs to strengthen the work of the QAS so that the performance of public cleansing services can be further improved.**

### **Audit recommendations on the work of the QAS**

3.22 To make the best use of the work of the QAS, Audit has ***recommended*** that the Director of Food and Environmental Hygiene should:

- (a) consider increasing the coverage of the QAS's inspections on public cleansing services to supplement the resulting reduction in supervisory checks (see para. 3.17(a)); and
- (b) strengthen the work of the QAS, particularly in highlighting system deficiencies and making recommendations for improvement in systems, procedures and guidelines.

### **Response from the Administration**

3.23 The Director of Food and Environmental Hygiene has said that:

- (a) the QAS's role is to counter-check cleansing services. The QAS is no substitute for the district supervisors to exercise supervision over the cleansing staff (Note 6); and
- (b) during the period October 2000 to January 2003, the QAS made 35 system improvement suggestions. The QAS would continue to strengthen its work, including highlighting system deficiencies and making recommendations for improvement in systems, procedures and guidelines.

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**Note 6:** *Audit did not recommend the QAS to substitute the district supervisors to exercise direct supervision over the cleansing staff. In fact, Audit recommended the QAS to supplement the supervisory checks of the cleansing supervisors because such checks were less effective (para. 3.20).*

## **PART 4: PERFORMANCE MEASUREMENT AND COMPLAINTS MANAGEMENT OF PUBLIC CLEANSING SERVICES**

4.1 This PART examines the adequacy of performance measurement and complaints management of public cleansing services and suggests improvement measures.

### **Performance measurement**

4.2 Performance measurement is the quantification of services provided by an organisation over a specific period of time. Sound performance measurement enables judgements to be made on the extent to which the services of an organisation are achieving the desired results. A performance measurement system provides performance information to assist managers to account for and manage performance.

### **Performance measures and performance indicators**

4.3 Performance measures and performance indicators are the main constituents of a performance measurement system. Performance measures refer to the direct quantification of performance. They can be grouped under the following five general categories: economy measures, efficiency measures, effectiveness measures, financial measures and quality of services measures. In some cases, direct measures of performance are difficult to obtain. A performance indicator is used if it is not practical to directly measure an aspect of performance but it is possible to measure another characteristic as a useful proxy.

### **Need for reliable performance information**

4.4 Performance information refers to the source data, on the basis of which performance measures and performance indicators are compiled. In respect of public cleansing services, statistics relating to time spent on cleansing activities, resources, costs, refuse yield and complaints handled are some examples of the basic performance information. The availability of reliable performance information is essential for evaluating the economy, efficiency, effectiveness and quality of public cleansing services.

### **Performance measurement of public cleansing services**

#### **Performance measures**

4.5 Strictly speaking, the FEHD has not developed any performance measures for public cleansing services. The FEHD has set performance standards and targets for public cleansing

services (see paras. 2.4 and 2.5 above). However, these standards and targets focus on reporting operational activities and cannot be used to measure the economy, efficiency, effectiveness or quality of public cleansing services.

### **Performance indicators**

4.6 Two performance indicators for public cleansing services, i.e. the total amount of refuse collected and the total amount of sludge collected, were stated in the FEHD's 2002-03 COR. Besides, the FEHD keeps performance statistics on the numbers of enquiries and complaints received on public cleansing services.

### **Audit observations on performance measurement of public cleansing services**

4.7 The FEHD has no performance measures and only two performance indicators for public cleansing services (see paras. 4.5 and 4.6 above). As such, the FEHD cannot effectively measure its performance. **Audit considers that there are many performance indicators which the FEHD can use to measure the performance of public cleansing services.** The following are examples of such performance indicators:

- (a) **Cost indicators.** These include cost of refuse collected per tonne, cost of sludge collected per tonne and cleansing cost per capita;
- (b) **Productivity indicators.** These include the quantities of refuse collected per loader, refuse swept per sweeper and sludge collected per gully emptier and the time required to handle a complaint case;
- (c) **Human resource indicators.** These include manpower provision for various services and facilities, ratio of Sectional Foremen to cleansing staff, and ratio of cleansing staff to population;
- (d) **Qualitative indicators.** These include satisfaction rating, number of enquiries satisfactorily dealt with and number of complaints resolved; and
- (e) **Comparative indicators.** These include benchmarking of performance indicators among districts and Operations Divisions, and with those of the cleansing contractors.

## **Audit recommendations on performance measurement of public cleansing services**

4.8 To better account for and manage performance, Audit has *recommended* that the Director of Food and Environmental Hygiene should:

- (a) develop more useful performance indicators to measure the economy, efficiency, effectiveness and quality of public cleansing services; and
- (b) benchmark the FEHD's performance internally among districts and externally with that of cleansing contractors.

## **Response from the Administration**

4.9 The Secretary for Health, Welfare and Food considers that performance indicator is an important management tool to identify areas for improvement in the delivery of public cleansing services.

4.10 The Director of Food and Environmental Hygiene generally agrees with Audit's recommendations. He has said that:

- (a) while performance indicators may be useful for management purposes, their collection and compilation incur additional work and costs, which can be substantial in certain cases; and
- (b) given its present financial constraints, the FEHD can only compile and update performance indicators which are essential for enhancing accountability and management.

## **Benefits of benchmarking**

4.11 The aim of benchmarking is to determine, through comparisons with performance or good practices elsewhere, whether there is any scope for doing things better. Benchmarking is a tool to help identify opportunities for improvement.

## **Application of benchmarking to the EHB**

4.12 In Audit's view, the EHB's organisational structure and the operational characteristics of public cleansing services are suitable for the application of benchmarking for the following two reasons:



- (a) each of the EHB's three Operations Divisions and twenty districts delivers the same types of public cleansing services using similar resources and employing people with similar skills; and
- (b) as public cleansing services are delivered by the FEHD and its private contractors, appropriate benchmarks can be set to compare in-house cleansing services with outsourced cleansing services.

4.13 Audit conducted three benchmarking studies on the refuse collection service and found anomalies in:

- (a) the manning scale of the FEHD's RCTs (see paras. 4.14 to 4.15 below);
- (b) the productivity of the FEHD's loaders (see paras. 4.18 to 4.20 below); and
- (c) the manpower provision at the FEHD's RCPs (see paras. 4.23 to 4.25 below).

#### **Audit observations on manning scale of FEHD's RCTs**

4.14 Audit's comparison of the manpower provision for the FEHD's RCTs has revealed anomalies in their manning scale. For the three different types of refuse collection routes, namely pure refuse route, pure junk route and mixed route (i.e. collecting both refuse and junk), the number of loaders of each RCT working on the same type of refuse collection route differs among various Operations Divisions and districts. Audit has found that:

- (a) RCTs working on the pure refuse routes in Sai Kung and Shatin Districts are each manned by two loaders while those in Central, Eastern and Kwun Tong Districts are each manned by one loader;
- (b) RCTs working on the pure junk routes in the New Territories districts are each manned by three loaders while those in the districts on Hong Kong Island and in the outlying islands are each manned by two loaders;
- (c) RCTs working on the mixed routes in Kwai Tsing District are each manned by either one, two or three loaders; and

- (d) RCTs working on the mixed routes in Sai Kung, Shatin and Tai Po Districts are each manned by three loaders, while those in the districts on Hong Kong Island and the districts in Kowloon are each manned by one or two loaders.

4.15 In response to Audit's enquiry about the anomalies in the manning scale, in July 2002, the FEHD informed Audit that:

- (a) the anomalies arose because of historical reasons. The manning scale of RCTs in the urban districts was determined according to the results of a review conducted by the ex-Urban Services Department in May 1999, while that in the New Territories districts was determined according to the results of a review conducted by the ex-Regional Services Department in 1991-92; and
- (b) with a view to optimising the staff resources in RCTs, the FEHD had planned for a review of the present deployment of staff to see whether there would be any scope for enhancing their productivity.

**Audit considers that the FEHD needs to review the manning scale of all its RCTs.**

#### **Audit recommendation on manning scale of FEHD's RCTs**

4.16 In the light of the FEHD's response mentioned in paragraph 4.15 above, Audit has **recommended** that the Director of Food and Environmental Hygiene should promptly review the manning scale of all the RCTs in the territory with a view to optimising the staff resources deployed in the RCTs.

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

4.17 The **Director of Food and Environmental Hygiene** agrees with Audit's recommendation. He has said that:

- (a) in January 2003, the MSU completed a study on the manpower deployment of the refuse collection service. The study recommended the deletion of 86 posts, comprising 9 Workman I and 77 Workman II posts, which would give rise to an annual saving in staff cost of about \$14.3 million, subject to the appropriate internal redeployment and/or exit arrangement for the relevant staff. The recommendation is being implemented; and

- (b) action is being taken to rationalise the composition of the FEHD's RCTs in order to improve productivity.

### **Audit observations on productivity of FEHD's loaders**

4.18 Audit's comparison of the productivity of the FEHD's refuse collection loaders with that of the cleansing contractors' loaders in Eastern, Kwun Tong and Tai Po Districts in 2001 (Note 7) revealed that the contractors' loaders were more productive than the FEHD's loaders. In terms of the average weight of refuse collected per loader per hour in 2001, the productivity of contractors' loaders was 2.8 to 4.6 times that of the FEHD's loaders, as shown in Table 2 below.

**Table 2**  
**Comparison of productivity of**  
**contractors' loaders and FEHD's loaders in 2001**

District	Average weight of refuse collected per loader per hour by		Relative productivity of contractors' loaders to FEHD's loaders
	Contractors' loaders	FEHD's loaders	
	(a)	(b)	
	(Tonnes)	(Tonnes)	
<b>Eastern</b>	3.77	1.33	2.8
<b>Kwun Tong</b>	6.38	1.47	4.3
<b>Tai Po</b>	3.01	0.65	4.6

*Source: FEHD's records*

4.19 Audit observed that in 2001, the average number of loaders of each FEHD's RCT was 1.6 to 2.5 times that of each contractor's RCT (see Appendix K). In the light of this observation, Audit asked the FEHD whether the productivity of the FEHD's loaders could be improved if the number of loaders of each FEHD's RCT was reduced to the same level as that of each RCT of the contractors.

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**Note 7:** *For the purpose of comparing the productivity of the FEHD's refuse collection loaders with that of the cleansing contractors' loaders, for each Operations Division, one district which was provided with refuse collection service by both the FEHD and cleansing contractors was selected.*

4.20 In response to Audit's enquiry, in July 2002, the FEHD informed Audit that the FEHD would conduct a review on the staffing requirements for RCTs with due regard to their different modes of operation. In the course of the review, the FEHD considered it necessary to critically look into the work of the refuse collection vehicle drivers of the cleansing contractors. **Audit considers that the FEHD needs to improve the loaders' productivity of its RCTs.**

#### **Audit recommendations on productivity of FEHD's loaders**

4.21 In the light of the FEHD's response mentioned in paragraph 4.20 above, Audit has **recommended** that the Director of Food and Environmental Hygiene should:

- (a) promptly and critically examine the feasibility of reducing the number of loaders of each FEHD's RCT with a view to improving the loaders' productivity; and
- (b) critically review the work of the cleansing contractors providing the refuse collection service to enable the performance of the FEHD's RCTs to be benchmarked with that of the contractors.

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

4.22 The Director of Food and Environmental Hygiene generally agrees with Audit's recommendations. He has said that:

- (a) following the completion of the MSU's study in January 2003, action is being taken to rationalise the composition of the FEHD's RCTs in order to improve productivity; and
- (b) it is the FEHD's long-term aim to progressively outsource public cleansing services so as to achieve cost-effectiveness. The FEHD considers that there is little merit in trying to benchmark its in-house refuse collection service with that provided by the contractors because of the different modes of operation (Note 8).

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**Note 8:** *Audit disagrees with this statement for two reasons. First, the FEHD's cleansing staff will continue to play a key role in the delivery of refuse collection service for some time (para. 1.19(a)). Second, by benchmarking its operation with the different modes of operation of the contractors, the FEHD might adopt good operational practices of the contractors.*

## Audit observations on manpower provision at FEHD's RCPs

4.23 Audit has compared the number of RCP attendants stationed at RCPs provided with refuse compaction trailers in the Urban Area (Note 9). These RCPs are operated either by the cleansing contractors (hereinafter referred to as contracted-out RCPs) or by the FEHD (hereinafter referred to as FEHD-operated RCPs). The results of the comparison show the following anomalies:

- (a) **Contracted-out RCPs on Hong Kong Island.** The RCPs in Central District were each manned by two workmen while those in Eastern, Wan Chai and Western Districts were each manned by one workman;
- (b) **Contracted-out RCPs in Kowloon.** The RCPs in Kowloon City and Yau Tsim Districts were each manned by one workman of the contractor and two workmen of the FEHD, while those in Mong Kok and Sham Shui Po Districts were each manned by one workman of the contractor; and
- (c) **FEHD-operated RCPs.** In the day shift, in addition to one RCP attendant, the RCPs in Mong Kok and Sham Shui Po Districts were each manned by one Workman I, while the Market Street RCP in Yau Tsim District was manned by one Workman I and one Workman II. The Java Road RCP in Eastern District was manned by one RCP attendant only.

4.24 In response to Audit's enquiry about the anomalies, in October 2002, the FEHD informed Audit that:

- (a) the variances in manpower provision among the districts were due to historical reasons;
- (b) the variances between the FEHD-operated RCPs and the contracted-out RCPs were due to the fact that the cleansing contractors could exercise more flexibility in the deployment of staff. A single person could load refuse and operate the trailer, instead of designating two separate persons for the tasks; and
- (c) in conclusion, from operational experience, the FEHD was convinced that, irrespective of whether the RCP had been contracted out or not, only one Workman II was adequate for performing the duties of an RCP attendant, which included both refuse loading and the operation of the compaction trailer.

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**Note 9:** *The RCPs (with refuse compaction trailers) in the New Territories Area were all contracted out at the time of this audit in mid-2002.*

4.25 The FEHD considered it appropriate to standardise the manpower requirements of RCPs (with refuse compaction trailers) in the Urban Area, i.e. one Workman II for each RCP, irrespective of whether the RCP was contracted out or not. As a result, 7 Workman Is and 2 Workman IIs were redeployed in mid-October 2002 and an annual saving in staff cost of \$1.6 million was achieved (Note 10). **As the contracted-out RCPs in the New Territories Area have not been reviewed, Audit considers that the FEHD also needs to standardise the manpower requirements of the contracted-out RCPs (with refuse compaction trailers) in this area.**

#### **Audit recommendation on manpower provision at FEHD's RCPs**

4.26 Audit has *recommended* that the Director of Food and Environmental Hygiene should standardise the manpower requirements of the contracted-out RCPs (with refuse compaction trailers) in the New Territories Area, i.e. one RCP attendant for each RCP, with a view to reducing the cost in future contracts.

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

4.27 The **Director of Food and Environmental Hygiene** agrees with Audit's recommendation. He has said that the FEHD is standardising the manpower provision.

#### **Complaints management of public cleansing services**

4.28 All complaints received by the FEHD are recorded in the Complaints Management Information System (CMIS), which commenced operation on 1 November 2000. The CMIS maintains a database for sorting and instant retrieval of information and provides fast and accurate statistical reports for the FEHD's management decision. Presently, the system is monitored by the Complaints Management Section of the FEHD's Administration and Development Branch.

4.29 The CMIS groups complaints under two broad categories, namely operation-related complaints and staff-related complaints. In 2001, out of a total of 35,337 complaints received by the FEHD, 26% (or 9,107 complaints) were related to public cleansing services.

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**Note 10:** *Annual saving of 7 Workman Is and 2 Workman IIs*

$$\begin{aligned}
 &= (\text{Annual staff cost of Workman I} \times 7) + (\text{Annual staff cost of Workman II} \times 2) \\
 &= (\$180,444 \times 7) + (\$162,912 \times 2) \\
 &= \underline{\underline{\$1,588,932}} \text{ (Say \$1.6 million)}
 \end{aligned}$$

## **Audit observations on complaints management of public cleansing services**

4.30 Based on the complaint statistics provided by the FEHD, Audit has performed ageing analyses of the outstanding complaint cases on public cleansing services. The ageing analyses show that there were many long outstanding complaint cases, as follows:

- (a) of the 4,400 operation-related complaint cases that had been outstanding for more than 21 days as at 3 September 2002, 53% (or 2,334 cases) were over 180 days and 28% (or 1,212 cases) were over 365 days; and
- (b) of the 69 staff-related complaint cases that had been outstanding for more than 21 days as at 12 September 2002, 17% (or 12 cases) were over 180 days.

4.31 In response to Audit's enquiry about the reasons for the long outstanding complaint cases, in November 2002, the FEHD informed Audit that:

- (a) the long outstanding complaint cases arose from a time lag in updating the CMIS by the case officers;
- (b) after updating the district records and the CMIS, there were only two complaint cases outstanding for over 180 days; and
- (c) to prevent future recurrence, the FEHD would remind all case officers to update the progress of complaint cases in the CMIS regularly and as soon as the case is completed.

4.32 After test checking the working files of the long outstanding complaint cases, Audit found that they had all been completed. **Audit considers that the FEHD's explanation for the long outstanding complaint cases is valid and that the FEHD needs to monitor closely the progress of handling complaint cases.**

## **Audit recommendations on complaints management of public cleansing services**

4.33 In the light of the FEHD's response mentioned in paragraph 4.31 above, Audit has **recommended** that the Director of Food and Environmental Hygiene should:

- (a) **set target time for completing a complaint case;**
- (b) **promptly draw the attention of case officers to expedite action on long outstanding complaint cases; and**
- (c) **prepare ageing analysis of outstanding complaint cases not completed within the target time for management attention.**

### **Response from the Administration**

4.34 The **Director of Food and Environmental Hygiene** agrees with Audit's recommendations. He has said that:

- (a) the CMIS generates reports on the progress of individual complaints and on complaints outstanding for any time frame, for ease of monitoring by the FEHD's senior officers. The FEHD would remind all case officers to update the progress of complaints regularly;
- (b) the FEHD will issue an interim reply to the complainant within 10 calendar days upon receipt of a complaint, and aims at giving the complainant a full reply within 21 calendar days. However, it should be noted that the time required for handling individual cases varies with their specific nature and circumstances;
- (c) regarding the two outstanding complaints mentioned in paragraph 4.31(b) above, one is pending joint operation with other departments and the other pending confirmation of land ownership; and
- (d) the FEHD will look into the audit recommendation to prepare ageing analysis of outstanding complaint cases.



## **PART 5: MONITORING OF THE PERFORMANCE OF CLEANSING CONTRACTORS AND CONTRACT COMPLIANCE**

5.1 This PART examines the FEHD's system of monitoring the performance of cleansing contractors and their compliance with contract terms and conditions, and identifies room for improvement.

### **Monitoring the performance of cleansing contractors**

5.2 The FEHD uses two partially interlinked systems to monitor the performance of cleansing contractors. They are:

- (a) inspections and independent checks (see paras. 5.3 to 5.5 below); and
- (b) personal digital assistant contract management system (see paras. 5.9 to 5.12 below).

### **Inspections and independent checks**

5.3 Basically, the monitoring mechanism for inspections and independent checks for outsourced cleansing services is similar to that for in-house cleansing services. However, there is a slight difference in the supervisory structure at the district level. A hierarchy of six tiers of staff (i.e. from SS to Senior Foreman) is involved in monitoring the performance of outsourced cleansing services, as compared with seven tiers for in-house cleansing services (see Appendix E).

5.4 Day-to-day inspections are carried out by the Senior Foreman (Contract Management) (SF(CM)) to ensure that the contractor delivers the required services up to satisfactory standards. Checks are also performed so as to ensure that the contractor has provided the number of staff as stipulated in the contract, has paid the agreed wages and has not employed any illegal workers. Any irregularities identified are brought to the attention of the contractor for rectification. The standard terms of a cleansing contract prescribe the different sanctions for unsatisfactory performance. As provided for in the contracts, contractors will receive verbal warning, default notice or written warning depending on the incidence and gravity of the irregularities. A default notice usually results in a deduction of liquidated damages from the monthly fees payable to the contractor.

5.5 Independent checks on in-house cleansing services, including supervisory checks, cross-district inspections and QAS's inspections (see paras. 3.5, 3.6 and 3.8 above) also apply to outsourced cleansing services. In fact, supervisory checks on in-house cleansing services and outsourced cleansing services are carried out by the same staff of the level of SHI and above.

## **Audit observations on independent checks and supervisory structure**

5.6 The existing hierarchy of district supervisory structure for contract management has already been streamlined in that there is no Overseer (as in the case of in-house cleansing services), who duplicates the day-to-day inspection function of the Senior Foreman. Since the supervisory staff above the level of HI are responsible for both in-house and outsourced cleansing services, Audit's suggestion of grouping supervisory staff into two distinct streams for in-house cleansing services also applies to the supervisory structure for outsourced cleansing services (see para. 3.9 above). **For outsourced cleansing services, Audit considers that the day-to-day monitoring of the contractors' performance could be separated from the administration of the provision of public cleansing services.**

## **Audit recommendation on independent checks and supervisory structure**

5.7 To improve the effectiveness of independent checks, Audit has ***recommended*** that the Director of Food and Environmental Hygiene should consider adopting a more streamlined district supervisory structure. An example of such a structure is shown in Appendix L.

## **Response from the Administration**

5.8 The Director of Food and Environmental Hygiene has said that the FEHD is exploring ways to re-engineer and simplify the management and supervisory structure of the EHB. His comments on supervisory checks are mentioned in paragraph 3.19(a) to (c) above.

## **Personal digital assistant contract management system**

5.9 The personal digital assistant contract management system (PDACMS) was introduced in December 2001 to replace the old manual system which involved a lot of paper work and form filling. Since September 2002, each SF(CM) has been issued a personal digital assistant which is stored with standard inspection forms for all outsourced cleansing services. Without having to go back to the office, the Senior Foreman can record through the personal digital assistant the inspection results and any observations, irregularities and actions taken by the contractors on the site.

## **Demerit point system**

5.10 Under the PDACMS, a demerit point system is used to rate the performance of the cleansing contractors. Presently, a contractor who receives verbal warning, default notice or written warning will get demerit points. The standard demerit points for each verbal warning, default notice and written warning are 0.5, 1 and 2 respectively. The FEHD has also assigned weights to individual aspects of performance specified in the daily inspection form. A monthly weighted score on each aspect of performance is computed based on the number of verbal

warnings, default notices and written warnings recorded in the month. The aggregated weighted score on all aspects of performance gives the monthly rating score of a contractor. The performance of a contractor is then determined through analysing the scores collected each month. Under the demerit point system, the lower the score, the better will be the service quality of a contractor.

### **Monthly assessment reports**

5.11 The HI(CM) prepares a monthly assessment report on the performance of each cleansing contractor. This report shows the overall performance of the contractor for the month including the numbers of verbal warnings, default notices, and written warnings and the ratings on individual assessment items. It is first submitted to the SHI. The SHI, after adding his observations and comments, submits the report to the CHI who, after adding his comments and recommendations, finally submits the report to the SS via the DEHS.

5.12 Another monthly assessment report on the summary of actions taken against cleansing service contractors is generated by the PDACMS. This report summarises all the sanctions taken against each contractor for the month, including the deduction of payments and the number of complaints received. The SHI highlights the irregularities in this report and submits it to the CHI and the DEHS for their attention.

### **Audit observations on personal digital assistant contract management system**

5.13 According to the Operations Manual on the PDACMS, for every working day, the SF(CM) is required to complete one inspection form for each contractor and one inspection form for each public toilet. Audit has noted that as from September 2002, on every working day, the SF(CM) in charge of the supervision of the refuse collection contracts in Wan Chai District prepared four to five inspection reports for the refuse collection contractor, instead of one report per contract as stipulated in the Operations Manual. **As the requirement in the FEHD's Operations Manual has not been complied with, Audit considers that the FEHD's staff should be reminded to comply with the requirement laid down in the Operations Manual.**

5.14 The preparation of the monthly assessment reports has not been fully computerised. As daily inspection reports are input into the PDACMS, the computation of the score on verbal warnings is performed by the computer by treating an individual item of unsatisfactory performance as a verbal warning. However, records of default notices and written warnings are not yet kept in the PDACMS and have to be input into the computer manually. The preparation of the monthly assessment report on the summary of actions taken against cleansing contractors has also not been fully computerised because the complaints statistics and the deduction in payments are input into the computer manually. **To improve efficiency, Audit considers that the FEHD needs to fully computerise the preparation of the monthly assessment reports.**

5.15 Presently, a full set of monthly assessment reports is submitted to the senior district management. For example, the HI(CM) submits the monthly assessment report on the performance of cleansing contractor to the SHI who then forwards the full report to the CHI. Finally, the CHI forwards the same report to the DEHS and the SS. The SHI forwards the report on the summary of actions taken against cleansing contractors to the CHI and the DEHS. **To save paper work and the time of senior district management, Audit considers that the FEHD needs to consider generating exception management reports from the computer system.**

#### **Audit recommendations on personal digital assistant contract management system**

5.16 **Audit has *recommended* that the Director of Food and Environmental Hygiene should:**

- (a) **remind the contract management staff that, for every working day, one inspection form should be completed for each contractor for each type of service as mentioned in the FEHD's Operations Manual on the PDACMS;**
- (b) **enhance the existing PDACMS by providing a completeness check to detect any missing daily inspection reports; and**
- (c) **fully computerise the preparation of the monthly assessment reports and, in doing so, consider the need to generate exception management reports.**

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

5.17 The **Director of Food and Environmental Hygiene** agrees with Audit's recommendations. He has said that:

- (a) contract management staff will be reminded to complete one daily inspection report for each contractor for each type of service;
- (b) the FEHD will consider to further enhance the monitoring programme of the PDACMS by providing a completeness check to detect any missing daily inspection reports; and
- (c) the FEHD has computerised the preparation of monthly assessment reports in 9 districts and aims to extend the computerisation to the remaining 11 districts by mid-2003.

## **Non-compliance with contract terms**

5.18 The district offices of the EHB are responsible for ensuring that the terms and conditions of the cleansing contracts applicable to their individual districts have been complied with by the contractors. However, Audit found a few instances of non-compliance, as reported in paragraphs 5.19 to 5.22 below.

### **Audit observations on non-compliance with contract terms**

#### **No charges on electricity and water supply**

5.19 Under the Special Conditions of Contract, the contractor, in delivering the contracted cleansing services, may:

- (a) use water supplies which may be available at the government premises; and
- (b) consume electricity for lighting, power and testing installations from supply points which may be available at the government premises.

Standard terms have been provided in the cleansing contracts, stating that the Government shall be entitled to charge the Contractor for any water and electricity consumed by the Contractor at the rate to be determined solely by the Government.

5.20 Audit notes that the contractors use water and consume electricity supplied at the RCPs but the FEHD has not charged them for doing so. **Audit has estimated the water consumption of four cleansing contractors in Wan Chai District and that the annual water and sewage charges recoverable from all cleansing contractors would be \$4.2 million (see Appendix M). Audit considers that the FEHD should consider recovering such charges from cleansing contractors.** Audit was unable to estimate the electricity consumption of cleansing contractors because there were no available records which could be used for making such an estimate.

#### **Required work records not submitted**

5.21 Clause 12(a) of the Special Conditions of Contract of the waste collection service contract for Wan Chai District stipulates that the contractor should submit to the management of the district, within 48 hours after waste disposal, a copy of the records on daily waste collected and disposed. Audit notes that no such records had been submitted to Wan Chai District (Note 11)

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**Note 11:** *Audit selected two districts, namely Wan Chai District and Mong Kok District, where waste collection service was contracted out in 2002. Audit found two instances of non-compliance with contractual performance requirements by the waste collection contractor for Wan Chai District only.*

since the commencement of the contract on 1 July 2002. Furthermore, Clause 12(b) of the same contract requires the contractor to submit to the district a monthly report showing details of the services performed at each RCP during the month. Although the contractor submitted to the management of Wan Chai District a record on monthly waste collected, the record did not show the services performed and the time they were performed at individual RCPs within Wan Chai District. Upon Audit's enquiry, the contract management staff of Wan Chai District said that they were not aware of the above requirements.

5.22 In Audit's view, the contract management staff of Wan Chai District should be aware of the relevant contract conditions. As the work records show the workload of the cleansing contractors, they can be used for monitoring their performance and providing a useful reference for future tendering exercises. **Audit considers that the FEHD needs to ensure that the cleansing contractors comply with the contract requirements and to make use of the submitted work records to monitor their performance.**

#### **Audit recommendations on non-compliance with contract terms**

5.23 Audit has *recommended* that the Director of Food and Environmental Hygiene should:

##### ***Charges on electricity and water supply***

- (a) assess the consumption of water and electricity by the cleansing contractors and, based on the results of cost and benefit analyses, consider charging individual cleansing contractors;

##### ***Required work records***

- (b) standardise the format of work plans and work records of different cleansing contracts so as to facilitate monitoring of contractors' compliance with the contract conditions; and
- (c) issue departmental guidelines to remind the contract management staff that all contractual performance requirements should be strictly complied with and to explain how work records submitted by cleansing contractors can be used for monitoring their performance.

## **Response from the Administration**

5.24 The **Director of Food and Environmental Hygiene** agrees with Audit's recommendations. He has said that:

- (a) the FEHD will look into the audit recommendation to assess the consumption of water and electricity by the cleansing contractors; and
- (b) after the receipt of the audit report in December 2002, the FEHD has standardised the format of work plans and work records of cleansing contracts for use by cleansing contractors and staff have been reminded to observe guidelines in departmental operations circulars.

## **New cleansing initiatives**

5.25 Consequent upon the announcement in the Policy Address in 2001 that the Government would create over 30,000 job opportunities in various policy areas to alleviate the unemployment problem, the FEHD identified new cleansing initiatives for creating 2,900 jobs at a total estimated cost of \$566 million for 2002-03 and 2003-04 (Note 12). The new cleansing initiatives, among others, included:

- (a) intensive street washing and gum removal services (for creating about 660 jobs); and
- (b) cleansing of footbridges, pedestrian subways and public transport interchanges (for creating about 200 jobs).

Cleansing contracts were awarded by the FEHD for providing these services. Audit has found that the FEHD needs to obtain adequate performance information to measure the performance of the contractors and to ensure that the contract requirements are met, as elaborated in paragraphs 5.26 to 5.30 below.

## **Audit observations on new cleansing initiatives**

### **Intensive street washing and gum removal services**

5.26 The FEHD awarded two new contracts to the private sector for the provision of intensive street washing and gum removal services for all 20 districts in the territory (hereinafter referred to

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**Note 12:** *The new cleansing initiatives were estimated to cost \$283 million each year for 2002-03 and 2003-04. The funding requirement for 2002-03 was provided in the departmental expenses of the FEHD, under Head 49 of the General Revenue Account.*

as the IGR Contracts). These IGR Contracts covered a contract period of 19 months from 1 August 2002 to 29 February 2004 and had a total contract value of \$103 million. As a result, about 660 jobs in the private sector were created.

5.27 Schedule 5 of the IGR Contracts requires the contractors to provide a work plan for approval of the Government's Representative at least two weeks before the commencement of the contracts. Each contractor submitted an overall work plan, covering the whole contract period. Following the implementation of the contracts in August 2002, the contractor submitted district work plans for each district. These district work plans are incomplete, ranging from one-day work plans to three-month work plans. **Audit considers that, without complete work plans, the FEHD cannot ensure that the contractors have deployed appropriate resources to fully cleanse all service locations plagued with discarded chewing gums within the contract period.**

5.28 Clause 11 of the IGR Contracts requires the contractors to provide a daily return showing the work completed on the previous day and a weekly report showing in detail the services performed during the week. However, Audit found that the daily returns and weekly reports submitted by the contractors did not give sufficient information for the FEHD to assess the workload of the contractors. The submitted daily returns and weekly reports only showed the locations serviced by the contractors every day. They did not state the actual work performed, for example, in terms of the area covered and the number of gum marks removed. **To ensure gainful employment of the contractors' cleansing staff, Audit considers that the FEHD needs to obtain adequate performance information to measure their performance in each district and benchmark their performance among all 20 districts.**

### **Cleansing of footbridges, pedestrian subways, and public transport interchanges**

5.29 The FEHD awarded a new contract to the private sector for the provision of washing services for footbridges, pedestrian subways and public transport interchanges for Hong Kong, Kowloon and New Territories. The contract period was 21 months (from 1 June 2002 to 29 February 2004) and the contract value was \$38 million. As a result, about 200 jobs in the private sector were created.

5.30 Part B (Work Schedules) of the contract requires the contractor to cover all the service locations and to meet the minimum frequencies specified in the work schedules therein. Audit has compared the actual work performed by the contractor with the scheduled minimum frequency for Wan Chai and Shatin Districts for two working weeks in 2002. The comparison (see Appendix N) indicated that the contractor had not fulfilled the contract requirements in that it had neither covered all the service locations nor met the minimum frequencies for some service locations. **Audit considers that the FEHD needs to ensure that the contractual performance requirements are complied with.**



## **Audit recommendations on new cleansing initiatives**

5.31 Audit has *recommended* that the Director of Food and Environmental Hygiene should:

### ***Intensive street washing and gum removal services***

- (a) in the light of the experience gained on gum removal, instruct all districts to review their district work plans and assess whether all the service locations plagued with gums can be fully cleansed by the completion of the contract period and, if not, redeploy resources to tackle black spots as a matter of priority;
- (b) consider collecting performance information (such as the cleaning area covered, number of gum marks removed, number of work teams hired and their work duration) from the cleansing contractors providing intensive street washing and gum removal services, with a view to measuring their performance and benchmarking their performance among all 20 districts;

### ***Cleansing of footbridges, pedestrian subways and public transport interchanges***

- (c) compare the contractor's submitted work records with the contract requirements so as to ascertain whether there are similar irregularities in districts other than Wan Chai and Shatin Districts since the commencement of the contract on 1 June 2002;
- (d) having regard to the materiality of the irregularities revealed in inset (c) above, consider what action can be taken against the contractor under the existing contract terms and conditions;
- (e) issue departmental guidelines to remind the contract management staff to closely monitor the contractor's compliance with all contract requirements; and
- (f) organise refresher courses on contract management for the FEHD's staff, emphasising the need for compliance with contract requirements and demonstrating effective procedures for checking work records submitted by cleansing contractors.

## **Response from the Administration**

5.32 The Director of Food and Environmental Hygiene generally agrees with Audit's recommendations. He has said that:

### ***Intensive street washing and gum removal services***

- (a) the FEHD would bear in mind the need to review district work plans and perform the necessary assessment in organising the contractors' cleansing services;
- (b) some information such as locations requiring gum removal, gum removal frequency, date of gum removal service, operation hours of gum removal service and number of staff engaged for the service area is available in the work plans submitted by the contractors (Note 13);
- (c) while the FEHD concurs that benchmarking may be useful for management purposes, the collection and compilation of data will incur additional work and costs, which can be substantial in certain cases. Given the present financial constraints, the FEHD can only compile and update data which are essential for enhancing accountability and management;

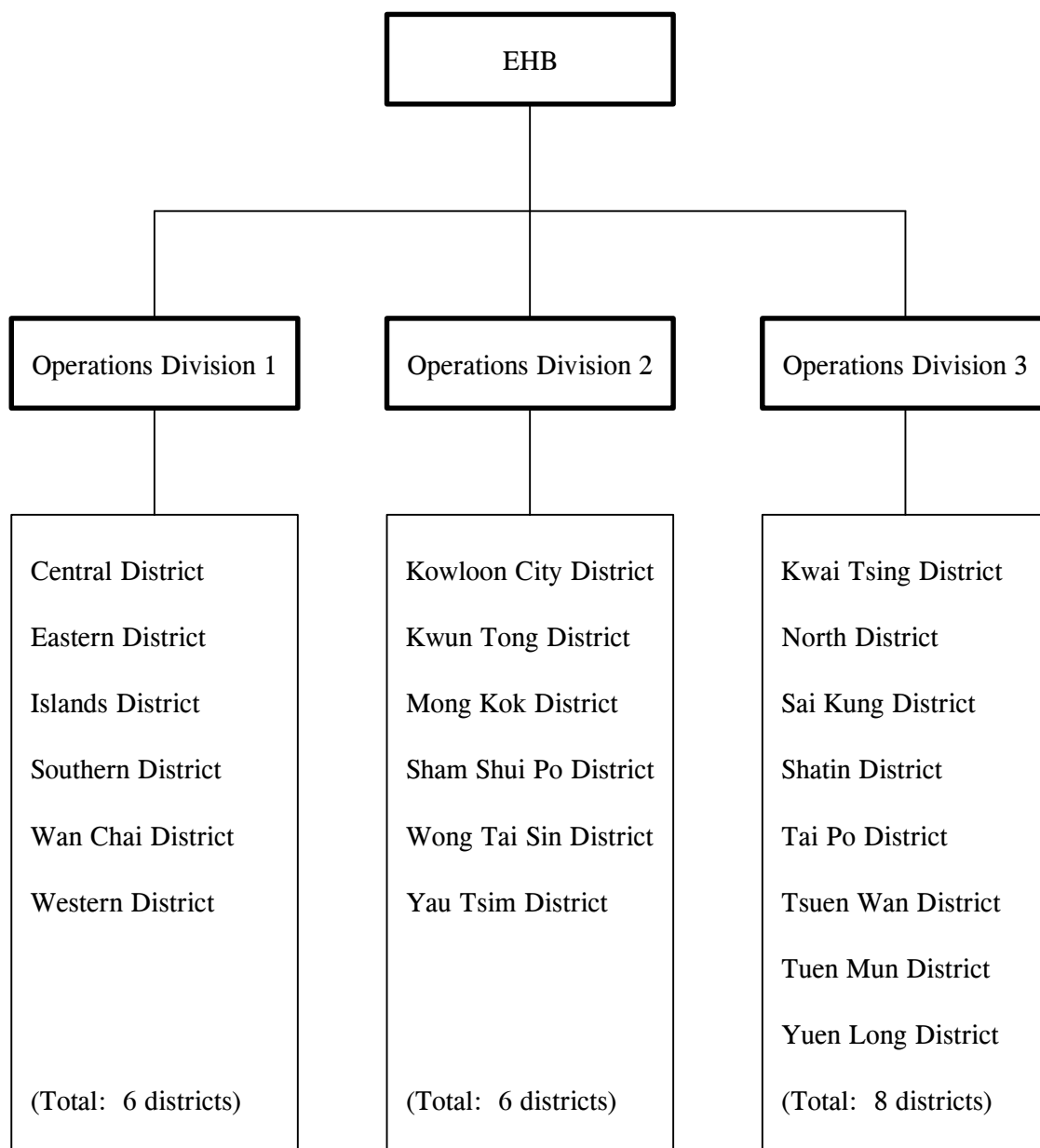
### ***Cleansing of footbridges, pedestrian subways and public transport interchanges***

- (d) the FEHD will address the issue of non-compliance with contract requirements and step up monitoring action by comparing the contractors' submitted work records with the contract requirements;
- (e) the FEHD will follow up with the contractor over any irregularities detected;
- (f) after the receipt of the audit report in December 2002, staff have been reminded to observe the guidelines concerning the need to monitor closely the contractor's compliance with departmental operations circulars; and
- (g) training classes for staff of the Senior Foreman and HI levels currently engaged in contract management, which are provided on an on-going basis, will be completed in April 2003. Refresher classes for Senior Foremen and seminars for HIs will be conducted in 2003-04. Training courses will also be arranged for those Senior Foremen not yet engaged in contract management.

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**Note 13:** *Audit considers that performance information such as cleansing area covered and number of gum marks removed, which is essential for measuring the performance of the cleansing contractors, should also be collected.*

**Organisation chart of the EHB as at 31 March 2002**



*Source: FEHD's records*

**Appendix B**  
(para. 2.19 refers)

**Annual staff cost of scheduled idle time of the RCTs**

No. of loaders in an RCT	Average scheduled idle time per team		No. of RCTs	Hourly rate of an RCT	Annual staff cost of scheduled idle time
	(a)	(b)	(c)	(d)	(e) = (b) × (c) × (d)
	(Hours per day)	(Hours per annum) (Note 1)		(\$) (Note 2)	(\$' 000)
<b>(I) Ops 1</b>					
1 Workman II	1.31	476.84	13	74.6	462
2 Workman IIs	1.27	462.28	41	149.2	2,828
3 Workman IIs	1.92	698.88	2	223.8	313
<b>(II) Ops 2</b>					
1 Workman II	1.44	524.16	14	74.6	547
2 Workman IIs	1.54	560.56	52	149.2	4,349
<b>(III) Ops 3</b>					
1 Workman II	0.67	243.88	6	74.6	109
2 Workman IIs	1.21	440.44	49	149.2	3,220
3 Workman IIs	1.19	433.16	29	223.8	2,811
<b>Total</b>			<b>206</b>		<b>14,639</b>
					<b>(Say \$14.6 million)</b>

*Source: Audit's analysis of FEHD's records*

*Note 1: RCTs work seven days a week throughout the year except the Lunar New Year's Day. Therefore, they work 364 days in a year.*

*Note 2: The hourly rate of a Workman II at 2002-03 prices is \$74.6.*

**Balancing time/overtime of the 138 in-house FCSs**

Balancing Time / (Overtime)			Percentage
(Minutes)			
241 — 270	121 sections	1.5 %	87.7 %
211 — 240		1.5 %	
181 — 210		2.2 %	
151 — 180		—	
121 — 150		1.5 %	
91 — 120		0.7 %	
61 — 90		3.6 %	
31 — 60		6.4 %	
1 — 30	17 sections	70.3 %	
(27) — 0		12.3 %	
Total			100.0 %

*Source: FEHD's records*

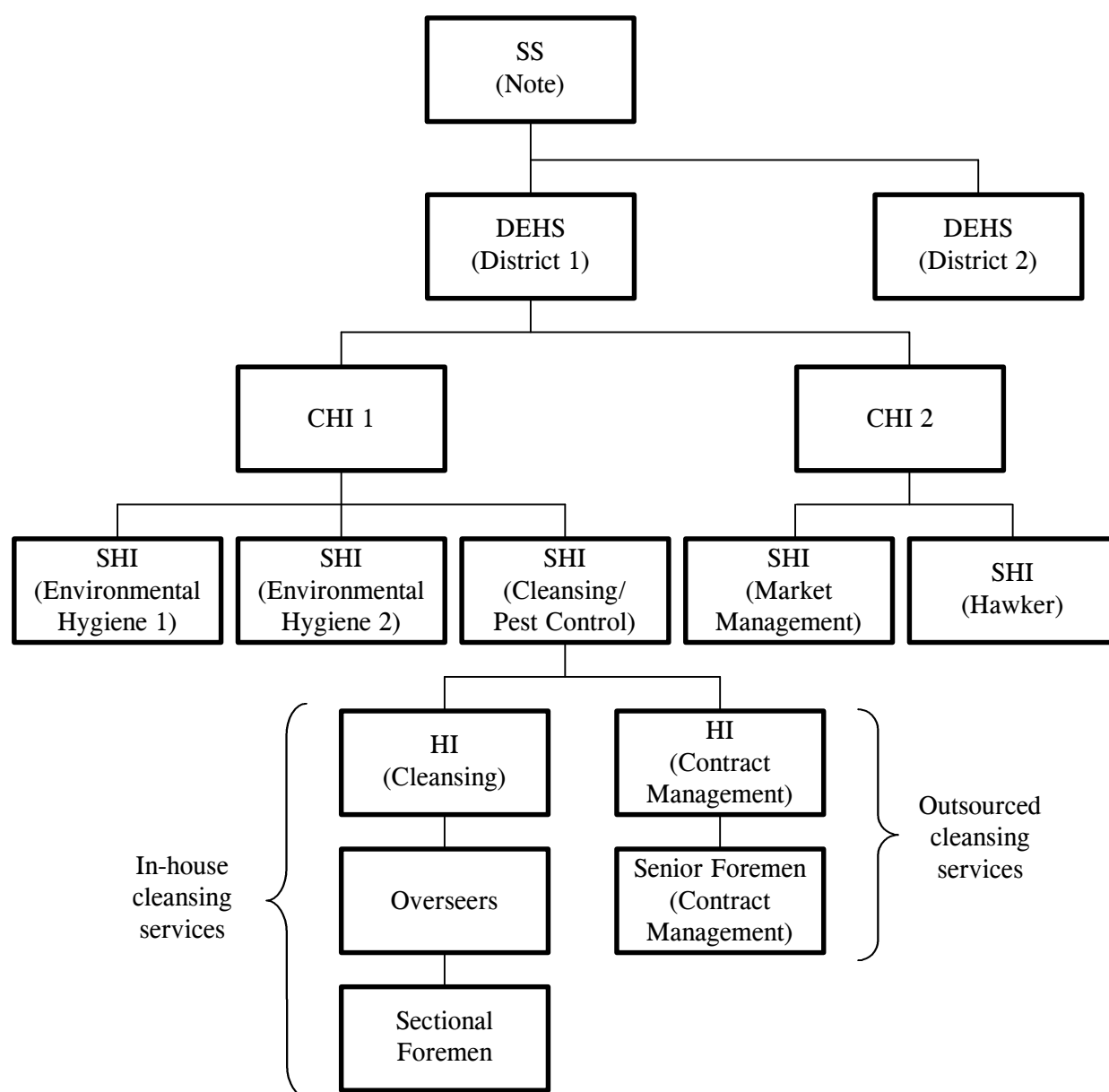
**Balancing time of the FCSs in Ops 2**

<b>District</b>	<b>FCS</b>	<b>Balancing time (Hours)</b>
Kowloon City	Day-1	0.23
	Day-2	0.14
	Day-3	0.12
	Evening-1	1.81
Kwun Tong	Day-1	0.30
	Day-2	0.28
	Day-3	0.30
Mong Kok	Day-B	0.10
	Day-C1	3.35
	Day-E	0.28
	Evening-1	4.09
	Evening-2	0.19
Sham Shui Po	Day-1	0.25
	Day-2	0.20
	Day-3	0.24
	Evening-1	3.48
Wong Tai Sin	Day-1	0.88
	Day-2	0.88
	Day-3	0.90
	Day-4	1.13
Yau Tsim	Day-1	0.26
	Night-1	0.27
	Night-2	3.98
<b>Total</b>	<b>23</b>	<b>23.66</b>

*Source: Audit's analysis of FEHD's records*

*Remarks: Average balancing time = Total balancing time ÷ Number of FCSs*  
*= 23.66 hours ÷ 23*  
*= 1.03 hours*

**Typical supervisory structure of the EHB at district level in Ops 1 and Ops 2**



*Source:* FEHD's records

*Note:* An SS oversees two districts.

*Remarks:* Staff at the rank of HI or below are mainly responsible for the provision of public cleansing services.

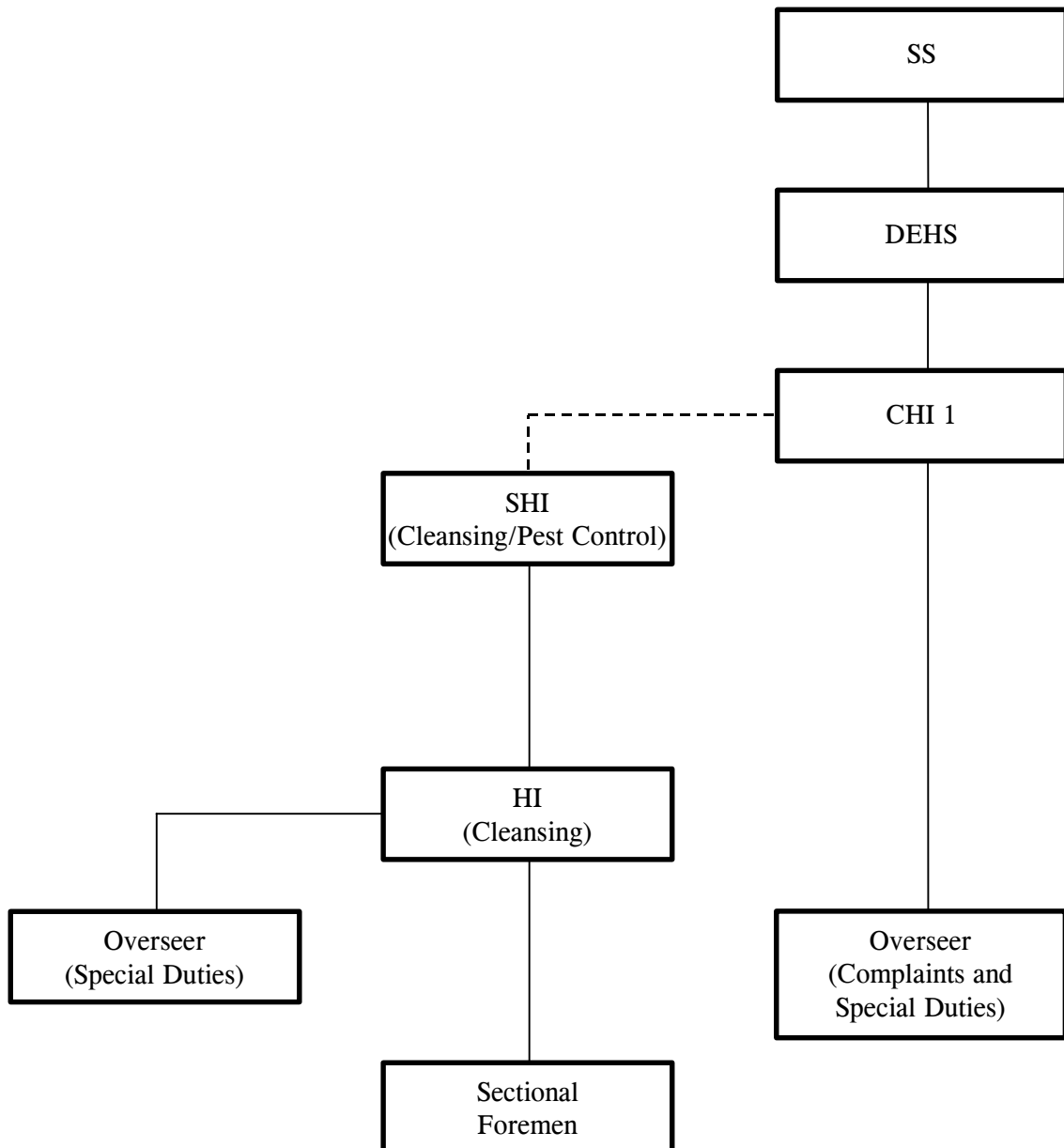
**Frequency of inspections on in-house cleansing services**

<b>Rank</b>	<b>Frequency of inspections</b>
HI	Twice weekly
SHI	Weekly
CHI	Fortnightly
DEHS	Monthly
SS	Every two months

*Source: FEHD's records*



**Streamlined district supervisory structure of the EHB  
(in-house cleansing services)**



*Remarks: The streamlined supervisory structure separates the day-to-day management of the delivery of public cleansing services from the administration of the provision of public cleansing services at a higher level. If such a structure is accepted, the specific responsibilities of each level of supervisory staff could be as follows:*

- (a) the Sectional Foremen, who are currently responsible for supervising the performance of all workers under their charge, would report directly to the HI(Cleansing);*
- (b) the Overseer (Special Duties) would continue to be responsible for implementing district-wide public cleansing activities and coordinating the provision of public cleansing services on special occasions;*
- (c) the newly created Overseer (Complaints and Special Duties) would report directly to the CHI 1 and would be mainly responsible for investigating complaints, assisting in collecting district-wide statistics for monitoring and review purposes, assisting in conducting opinion surveys, preparing documents for drawing up cleansing contracts and assisting in managing contractual matters;*
- (d) the HI (Cleansing) would be mainly responsible for planning and administrative matters such as compiling and updating the planning sheets in the light of changes in workload, mode of operation or time standards;*
- (e) the SHI (Cleansing/Pest Control) would be mainly responsible for overseeing the day-to-day management of the delivery of public cleansing services and for the day-to-day monitoring of the contractors' performance;*
- (f) the CHI 1 would be additionally responsible for analysing and monitoring closely all the performance measures and performance indicators of public cleansing services within the district;*
- (g) the DEHS would be additionally responsible for the analysis of opinion surveys conducted within the district; and*
- (h) the SS would be responsible for administering all aspects of public cleansing services provided in his districts.*

**Appendix H**  
(para. 3.16 refers)

**Financial implications of requiring cleansing staff  
to report for duty at roll call points before and after meal break**

<b>Cleansing services</b>	<b>Ops 1</b>	<b>Ops 2</b>	<b>Ops 3</b>	<b>Total</b>
	<b>(\$' 000)</b>	<b>(\$' 000)</b>	<b>(\$' 000)</b>	<b>(\$' 000)</b>
Town beat sweeping	2,009	828	2,198	5,035
Village beat sweeping	466	–	6,672	7,138
Manual gully cleansing	235	128	293	656
Refuse collection	51	32	91	174
<b>Total</b>	<b><u>2,761</u></b>	<b><u>988</u></b>	<b><u>9,254</u></b>	<b><u>13,003</u></b>
				<b>(Say \$13 million)</b>

*Source: Audit's analysis of FEHD's records*

**Comparison of QAS' s observations with those of FEHD' s supervisory staff**

<b>QAS' s observations</b>	<b>Observations of FEHD' s supervisory staff</b>
1. Some Special Drivers did not operate the loading mechanism during the loading of refuse onto refuse collection vehicles.	1. A beat sweeping Workman was found absent from duty.
2. There was insufficient work for refuse collection routes calling at schools in Shatin District during school holidays.	2. Some beat Workmen were found listening to radio while on duty.
3. A Ganger was deployed to accompany the Special Driver of a street flushing route.	3. Junk, building debris, litter, leaves, gum and bagged refuse were found on the pavement.
4. A street washing team flushed, instead of washing, some of the targeted locations.	4. Some gullies were blocked.
5. The Ganger seldom left the street washing vehicle to supervise the work of a street washing team.	5. Sanitary conditions at toilets were unsatisfactory.
6. The Driver' s visiting book at Yuen Chau Kok RCP did not record in full the movement of vehicles entering or leaving the RCP.	6. The water scrubber system was out of service.
7. Inspection of daily job sheets completed by the Foreman in charge of a gully cleansing team against QAS' s records revealed discrepancies in timing and number of gullies cleared.	7. There was bad odour at some RCPs.
8. A gully cleansing team comprising one Special Driver, one Foreman Driver and three Workman Is was found sleeping for 1.25 hours while on duty.	
9. The gully emptying vehicles were found queuing for water filling. As a result, there was insufficient time to complete the cleansing of all gullies as scheduled in the work programme.	

*Source: FEHD' s records*

**Cases where the QAS's observations  
could have been used for making recommendations for improvement**

<b>Observations from QAS's inspections</b>	<b>Audit's suggestions for improvement</b>
1. There was insufficient work for refuse collection routes calling at schools in Shatin District during school holidays.	1. The frequency of refuse collection routes calling at schools in all 20 districts during school holidays should be reduced.
2. The Driver's visiting book at Yuen Chau Kok RCP did not record in full the movement of vehicles entering or leaving the RCP.	2. RCP attendants should be asked to counter-sign the driver's visiting book in order to ensure that the drivers record the time properly therein.

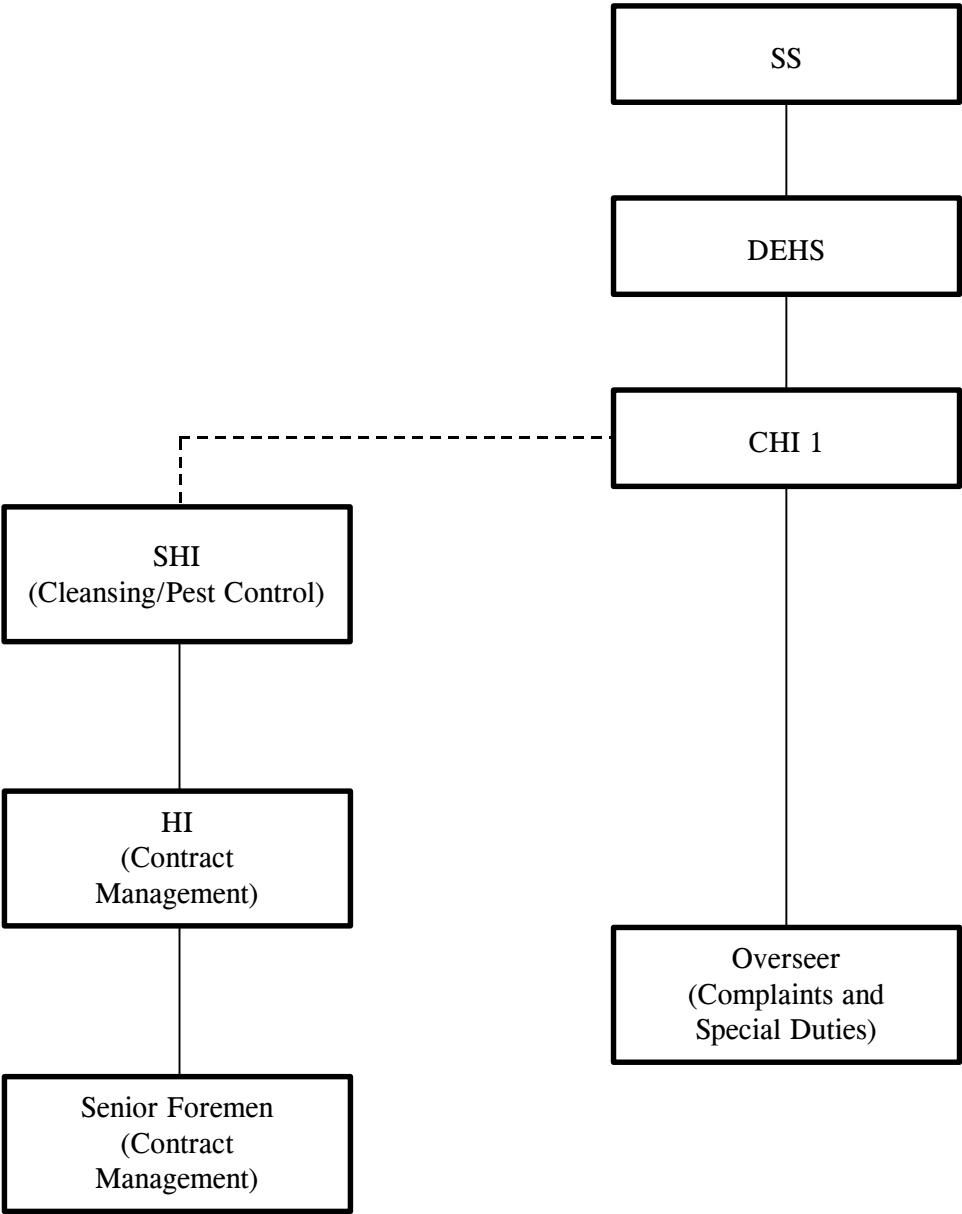
*Source: FEHD's records*

**Comparison of the number of loaders  
between FEHD's RCTs and contractors' RCTs in 2001**

District	Average number of loaders per route		Ratio of FEHD's loaders to contractors' loaders
	FEHD	Contractors	
	(a)	(b)	(c) = (a) ÷ (b)
Eastern	1.8	1	1.8
Kwun Tong	1.6	1	1.6
Tai Po	3	1.2	2.5

*Source: Audit's analysis of FEHD's records*

Streamlined district supervisory structure of the EHB  
(outsourced cleansing services)



*Remarks: The streamlined supervisory structure separates the day-to-day monitoring of the contractors' performance from the administration of the provision of public cleansing services. If such a structure is accepted, the specific responsibilities of each level of supervisory staff could be as follows:*

- (a) the newly created Overseer (Complaints and Special Duties) would report directly to the CHI 1 and would be mainly responsible for investigating complaints, assisting in collecting district-wide statistics for monitoring and review purposes, assisting in conducting opinion surveys, preparing documents for drawing up cleansing contracts and assisting in managing contractual matters; and*
- (b) the responsibilities of the SHI (Cleansing/Pest Control), CHI 1, DEHS and SS would be the same as those mentioned respectively in insets (e) to (h) of Appendix G above.*

*There would be no changes to the responsibilities of the HI(CM) and the SF(CM).*



**Estimated annual water and sewage charges recoverable from cleansing contractors**

**1. Daily water consumption based on Wan Chai District's cleansing contracts involving substantial water consumption**

<b>Contract Description</b>	<b>Daily consumption (Cubic metres)</b>
Street cleansing (Western Area)	48
Street cleansing (Causeway Bay)	39
Washing of footbridges, pedestrian subways and public transport interchanges	12
Intensive street washing and gum removal services	12
<b>Total daily consumption</b>	<b><u>111</u></b>

**2. Projected annual water and sewage charges based on Wan Chai District's water consumption statistics**

(a) Daily water charge at \$4.58 per cubic metre (Note 1)	\$508.38
(b) Daily sewage charge at \$1.2 per cubic metre (Note 1)	\$133.20
(c) Daily water and sewage charges for Wan Chai District [(a) + (b)]	<u>\$641.58</u>
(d) Annual water and sewage charges for Wan Chai District [(c) × 330.5 days —Note 2]	\$212,042
(e) <b>Total for 20 Districts [(d) × 20]</b>	<b>\$4,240,840</b>
	<b>(Say \$4.2 million)</b>

Source: FEHD's records

Note 1: Based on water and sewage tariff rates for non-domestic supplies published by the Water Supplies Department.

Note 2: Street cleansing contractors work 365 days a year whereas contractors for other contracts work every day except General Holidays (52 Sundays and 17 days of statutory holiday). On average, contractors work 330.5  $[(365 + 365 - 52 - 17) \div 2]$  days a year.

## Contractors' performance below contract requirements

### 1. Wan Chai District

#### (A) Contract requirements

- (a) Number of service locations = 22  
(comprising 19 footbridges and 3 pedestrian subways)
- (b) Frequency of washes required:  
Twice weekly for each location
- (c) Total number of washes per week  
= (a) × (b) = 44

	Week ended 24.8.2002	Week ended 7.9.2002
<b>(B) Actual work done</b>		
(d) Number of service locations washed twice weekly	11	10
(e) Number of service locations washed once weekly	10	12
(f) Number of service locations not washed = (a) – (d) – (e)	1	Nil
(g) Number of washes performed weekly = [(d) × 2] + [(e) × 1]	32	32
<b>(C) Work not performed based on contract requirements</b>		
(h) Number of washes not performed = (c) – (g)	12	12
(i) Percentage of washes not performed = $\frac{(h)}{(c)} \times 100\%$	27%	27%

## 2. Shatin District

### (A) Contract requirements

- (a) Number of service locations = 43  
(comprising 32 roads/streets, 9 footbridges  
and 2 public transport interchanges)
- (b) Frequency of washes required:  
Once weekly for each location
- (c) Total number of washes per week  
= (a) × (b) = 43

	Week ended 12.10.2002	Week ended 26.10.2002
<b>(B) Actual work done</b>		
(d) Number of service locations washed once weekly	26	31
(e) Number of washes performed weekly = (d) × (b)	26	31
(f) Number of washes not performed = (c) – (e)	17	12
<b>(C) Percentage of work not performed based on contract requirements</b>		
(g) = $\frac{(f)}{(c)} \times 100\%$	40%	28%

Source: FEHD's records

**Acronyms and abbreviations**

CHI	Chief Health Inspector
CM	Contract Management
CMIS	Complaints Management Information System
COR	Controlling Officer' s Report
DEHS	District Environmental Hygiene Superintendent
EHB	Environmental Hygiene Branch
EPD	Environmental Protection Department
FCS	Foreman Cleansing Section
FEHD	Food and Environmental Hygiene Department
HI(CM)	Health Inspector (Contract Management)
IGR Contracts	Intensive street washing and gum removal services Contracts
MSU	Management Services Unit
Ops 1	Operations Division 1
Ops 2	Operations Division 2
Ops 3	Operations Division 3
PDACMS	Personal digital assistant contract management system
QAS	Quality Assurance Section
RCP	Refuse collection point
RCT	Refuse collection team
SF(CM)	Senior Foreman (Contract Management)
SHI	Senior Health Inspector
SS	Senior Superintendent