

## **CHAPTER 10**

### **Administration Wing of the Chief Secretary for Administration's Office**

<p><b>Records management work of the Government Records Service</b></p>
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**Audit Commission  
Hong Kong  
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*This audit review was carried out under a set of guidelines tabled in the Provisional Legislative Council by the Chairman of the Public Accounts Committee on 11 February 1998. The guidelines were agreed between the Public Accounts Committee and the Director of Audit and accepted by the Government of the Hong Kong Special Administrative Region.*

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# RECORDS MANAGEMENT WORK OF THE GOVERNMENT RECORDS SERVICE

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## **PART 1: INTRODUCTION**

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

### **Background**

1.2 Records are valuable resources of the Government to support evidence-based decision-making, meet operational and regulatory requirements, and provide accountability. Good records management enhances operational efficiency and effectiveness, minimises costs, provides proper documentation of government policies, decisions and transactions, and ensures proper identification, protection and preservation of records valuable to the Government and the community.

1.3 The Government has put in place administrative arrangements for the management of government records in Hong Kong. The **Director of Administration**, who heads the Administration Wing of the Chief Secretary for Administration's Office, is responsible for developing and implementing the policy for the management of government records, including collecting and making accessible archival records. **Bureaux and departments (B/Ds) are responsible for establishing their records management programmes in accordance with guidelines and requirements issued by the Director of Administration.**

### **Government Records Service**

1.4 The **Government Records Service (GRS)**, established in 1989 under the Administration Wing, is tasked to oversee the overall management of government records and ensure that those having archival value are selected for preservation and public access. The GRS Director, who is responsible to a Deputy Director of Administration, heads the GRS. He is supported by some 85 staff undertaking different types of records management work in four Offices, as follows:

- (a) ***Records Management and Administration Office.*** It is responsible for developing a comprehensive records management system and overseeing its implementation in B/Ds, providing training, advisory and records centre services to B/Ds, and providing administrative services to all units in the GRS;
- (b) ***Public Records Office.*** It is responsible for acquiring government records with archival value, valuable government publications and printed materials, and making them available for public access;

- (c) ***Preservation Service Office.*** It is responsible for preserving and conserving archival records, as well as items held in the GRS's Central Preservation Library for Government Publications. It also provides microfilming services to B/Ds; and
- (d) ***Record Systems Development Office.*** It is responsible for developing a sound foundation to effectively manage electronic records, integrate the appraisal of records with retention planning and preserve electronic records with identified historical value.

An extract of the organisation chart of the Administration Wing (showing the four GRS Offices) is at Appendix A. In 2010-11, the GRS's expenditure was \$33 million.

## **Audit review**

1.5 The Audit Commission (Audit) has recently conducted a review of the records management work of the GRS. The review has focused on the following areas:

- (a) overseeing of records management programmes (PART 2);
- (b) storage and disposal services for inactive records (PART 3);
- (c) management of archival records (PART 4); and
- (d) development of electronic recordkeeping system (PART 5).

As part of the audit work in (a) above, Audit has examined the records management of three selected B/Ds, viz the Fire Services Department (FSD), the Commerce and Economic Development Bureau (CEDB) and the Security Bureau (SB) (Note 1). Audit has found room for improvement in the above areas and has made a number of recommendations to address the issues.

## **Acknowledgement**

1.6 Audit would like to acknowledge with gratitude the full cooperation of the staff of the GRS, the FSD, the CEDB and the SB during the course of the audit review.

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**Note 1:** *The three B/Ds have been selected having regard to: (a) their progress in meeting the mandatory requirements as indicated in the GRS's 2010 survey (see para. 2.22); and (b) the relocation of the CEDB and the SB in 2011.*



## **PART 2: OVERSEEING OF RECORDS MANAGEMENT PROGRAMMES**

2.1 This PART examines the following issues relating to the GRS's overseeing of the implementation of records management programmes in B/Ds:

- (a) requirements on records management programmes (paras. 2.2 to 2.15);
- (b) records management studies (paras. 2.17 to 2.21);
- (c) records management surveys (paras. 2.22 to 2.33); and
- (d) records management reviews (paras. 2.34 to 2.48).

### **Requirements on records management programmes**

2.2 It is the Government's policy to require each bureau or department to establish a records management programme that will:

- (a) make and keep full and accurate records;
- (b) minimise the records management costs;
- (c) provide quality services to users;
- (d) provide necessary security for government information;
- (e) facilitate public access to information; and
- (f) identify, preserve and provide access to archival records.

The detailed requirements are set out in paragraphs 2.3 to 2.8.

### ***Records Management Manual***

2.3 In August 2001, the Director of Administration issued the **Records Management Manual (RMM)** to prescribe the code of practices for establishing records management programmes in B/Ds. The key provisions of the RMM are as follows:

- (a) ***Records creation.*** B/Ds should create records to meet operational, policy, legal and financial purposes. They should identify their business functions and assess their information needs so as to create adequate but not excessive records;

- (b) **Records inventory.** B/Ds should prepare and maintain an inventory of all records, whether active or inactive (Note 2), including file titles, storage locations and other useful information;
- (c) **Records classification.** B/Ds should organise records systematically according to a records classification scheme. For administrative records (Note 3), B/Ds should adopt the standard classification scheme developed by the GRS. For programme records, B/Ds should make reference to the procedures set out by the GRS to establish their classification schemes;
- (d) **Records storage.** B/Ds should store records in such a manner so as to facilitate user access and protect them from unauthorised access, use, disclosure, removal, deterioration, loss or destruction. B/Ds should report any loss or unauthorised destruction of records to the GRS immediately;
- (e) **Records disposal** (Note 4). For administrative records, B/Ds should adopt the set of standard disposal schedules (Note 5) developed by the GRS. For programme records, B/Ds should, in consultation with the GRS, develop disposal schedules having regard to the administrative, operational, fiscal and legal requirements and archival values of the records, and submit them to the GRS for approval. B/Ds should plan to dispose of their time-expired records (Note 6) in a systematic manner;

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**Note 2:** *Active records are those needed to perform current operations and are usually stored near the users. Inactive records are those no longer or rarely required for action or reference.*

**Note 3:** *Records are classified as administrative or programme records. Administrative records are created or received during the course of day-to-day administrative activities that deal with finance, accommodation, procurement and supply, establishment, personnel and other general administrative activities. Programme records are created or received by B/Ds while carrying out their primary functions.*

**Note 4:** *Records disposal refers to the actions taken on inactive records that have little or no values to B/Ds. Records disposal takes the forms of records destruction, records transfer to the GRS for permanent preservation or to the GRS's records centre for temporary storage, records migration to different formats or systems such as microfilming and transfer of records outside government control.*

**Note 5:** *Disposal schedules stipulate the length of time that records should be retained and the forms of disposal (see Note 4).*

**Note 6:** *Time-expired records are inactive records that have been retained for the period specified in the standard disposal schedules (for administrative records) or approved disposal schedules (for programme records). They are ready for disposal.*

- (f) **Records having archival value.** For records appraised by the GRS as having archival value (see para. 4.3), B/Ds should transfer them to the GRS according to the respective disposal schedules. To avoid destroying records having archival value, B/Ds should obtain the GRS's prior agreement before destruction of records; and
- (g) **Protecting vital records.** B/Ds should identify and protect records containing information essential to their continued and effective operation during and after an emergency or disaster.

2.4 The RMM specifies that B/Ds should follow the provisions as far as possible to ensure quality, consistency, accountability, efficiency and cost-effectiveness in the management of government records. They should use the RMM in conjunction with the records management publications issued by the GRS.

#### ***Guideline on the Management of Electronic Mail***

2.5 In October 2001, the Director of Administration issued the Guideline on the Management of Electronic Mail. The Guideline specifies that, unless otherwise agreed with the GRS, B/Ds should use the print-and-file approach for managing their e-mail records (i.e. they should print the e-mail records and put the hard copy in paper files).

#### ***General Circular No. 5/2006***

2.6 In December 2006, the Director of Administration issued General Circular (Note 7) No. 5/2006 "Management of Government Records". The Circular reminds B/Ds of the importance of proper management of government records and draws their attention to the good records management practices specified in the RMM and the GRS records management publications. It also reminds B/Ds to adhere to the Guideline on the Management of Electronic Mail.

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**Note 7:** *General Circulars are issued by the Director of Administration to supplement the General Regulations made with the authority of the Chief Executive of the Hong Kong Special Administrative Region. They have equal application and force to the General Regulations. According to Civil Service Regulation 410, an officer who commits any breach of the instructions contained in a General Circular is liable to dismissal or lesser punishments depending upon the gravity of the case.*

*General Circular No. 2/2009*

2.7 On 22 April 2009, the Director of Administration issued **General Circular No. 2/2009 “Mandatory Records Management Requirements”**. The Circular introduces a number of mandatory records management requirements, in order to demonstrate the Government’s commitment to practise good records management and preserve archival records. It states that it should be read in conjunction with General Circular No. 5/2006.

2.8 Audit notes that the main change brought about by General Circular No. 2/2009 is that some key RMM provisions, as well as the Guideline on the Management of Electronic Mail, are now set as mandatory requirements. The mandatory requirements are to be complied with from 22 April 2009 onwards (Note 8) with three mandatory requirements to be complied with not later than April 2012 (2012 mandatory records management requirements). Table 1 shows the key mandatory requirements.

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**Note 8:** *According to the GRS, the intention of General Circular No. 2/2009 is that B/Ds should take immediate action to comply with all mandatory requirements with effect from 22 April 2009. However, for some requirements (e.g. preparing an accurate records inventory and establishing classification schemes for all programme records) which may involve substantial workload on the part of B/Ds, it is understandable that they may need to take some time to comply with them.*

Table 1

## Key mandatory records management requirements

Mandatory requirement	Previous GRS guidelines (para. no.)
<i>To be complied with from 22 April 2009 onwards</i>	
1. Print-and-file e-mail records	2001 Guideline (para. 2.5)
2. Prepare and maintain an accurate records inventory	RMM (para. 2.3(b))
3. Establish classification schemes for all programme records	RMM (para. 2.3(c))
4. Put in place arrangements to ensure proper custody and storage of records	RMM (para. 2.3(d))
5. Report any loss or unauthorised destruction of records to the GRS immediately and investigate such cases	RMM (para. 2.3(d))
6. Transfer records having archival value to the GRS according to the respective disposal schedules	RMM (para. 2.3(f))
7. Obtain the GRS's prior agreement before destruction of records	RMM (para. 2.3(f))
8. Dispose of time-expired records at least once every two years	N/A (Note 1)
<i>To be complied with not later than April 2012</i>	
9. Adopt the standard classification scheme and disposal schedules developed by the GRS for all administrative records (Note 2)	RMM (para. 2.3(c) and (e))
10. Establish draft disposal schedules for all programme records (Note 3)	RMM (para. 2.3(e))
11. Draw up an action plan to identify and protect vital records	RMM (para. 2.3(g))

Source: General Circular No. 2/2009 "Mandatory Records Management Requirements"

Note 1: According to the RMM, B/Ds should plan to dispose of their time-expired records in a systematic manner (see para. 2.3(e)).

Note 2: For 10 B/Ds not yet covered by the GRS's records management studies (see para. 2.17) as at 22 April 2009, they should comply with this requirement within three years after completion of the studies, instead of April 2012.

Note 3: The GRS will consider the draft disposal schedules and discuss with the bureau or department concerned regarding the proposed retention period and disposal action before approving the schedules.

## **Audit observations and recommendations**

### ***Records creation***

2.9 As mentioned in paragraph 2.3(a), the RMM contains key provisions on the creation of records. However, unlike other key provisions, none of the records creation provisions are set as mandatory requirements in General Circular No. 2/2009. In Audit's view, consideration should be given to setting mandatory requirements on records creation. This will help ensure that B/Ds create adequate but not excessive records.

### ***Application to Independent Commission Against Corruption***

2.10 Audit's examination of GRS records revealed that it had consulted the Independent Commission Against Corruption (ICAC) on the application of mandatory records management requirements in General Circular No. 2/2009 to the ICAC. In March 2009, the ICAC said that:

- (a) it had established its own records management policy and procedures by means of standing orders, having regard to the Government's practices, statutory requirements governing its operation and its unique operational need; and
- (b) its records management policy and procedures were basically in line with the guidelines and practices promulgated by the GRS except that, in view of its being independent, it had its own approving authority for records disposal schedules and records destruction procedures.

2.11 In April 2009, the GRS informed the ICAC that the mandatory records management requirements promulgated in General Circular No. 2/2009 were of equal application and force to the General Regulations. Modification of their application to the ICAC would need a standing order to be made by the Commissioner, ICAC, with the prior approval of the Chief Executive of the Hong Kong Special Administrative Region, in accordance with applicable legal provisions. The GRS asked the ICAC to take necessary action to address the issue.

2.12 Audit noted that, up to September 2011, the issue had not been resolved. As General Circular No. 2/2009 applies to the ICAC unless prior approval has been obtained from the Chief Executive for departure from its application, the GRS and the ICAC need to take appropriate follow-up action in this regard.

### *Audit recommendations*

- 2.13 **Audit has recommended that the Director of Administration should:**
- (a) **consider setting mandatory requirements on the creation of records, with a view to ensuring that B/Ds create adequate but not excessive records; and**
  - (b) **in conjunction with the Commissioner, ICAC, take appropriate follow-up action to ensure that ICAC records are properly managed in accordance with applicable legal and regulatory provisions.**

### **Response from the Administration**

2.14 The **Director of Administration** agrees with the audit recommendations. Regarding the creation of records, she has said that:

- (a) as an established practice, B/Ds will identify their business functions and assess their information needs so as to create and capture adequate but not excessive records to meet operational, policy, legal and financial purposes. The Government has also provided guidelines to B/Ds on what records should be created and kept; and
- (b) the GRS will review the existing guidelines and implement improvements where necessary.

2.15 The **Commissioner, ICAC** agrees with the audit recommendation in paragraph 2.13(b). He has said that the ICAC will take appropriate follow-up action to ensure that its records are managed in accordance with applicable legal and regulatory provisions without compromising its independence.

### **Responsibilities of Government Records Service**

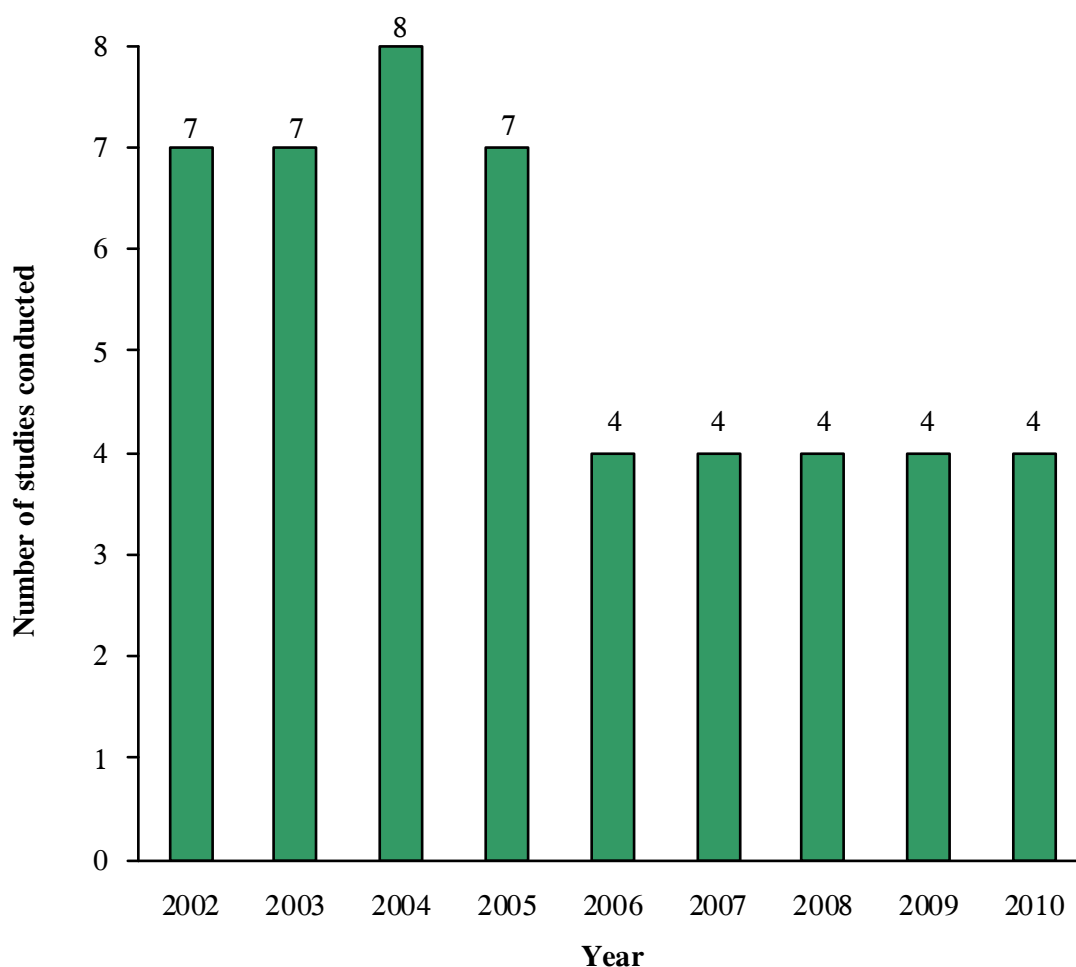
2.16 As mentioned in paragraph 1.4, the GRS is tasked to oversee the overall management of government records and ensure that those having archival value are selected for preservation and public access. To this end, the RMM provides that the GRS may conduct studies, surveys and reviews of records management programmes of B/Ds. Audit's examination of the work of the GRS in this area has revealed that there is room for improvement. Details are set out in paragraphs 2.17 to 2.48.

## Records management studies

2.17 The RMM provides that the GRS may conduct records management studies for B/Ds and give them instructions and advice as considered necessary, so as to ensure accurate and complete documentation, safe retention, and efficient and cost-effective management of records. Figure 1 shows an analysis of the records management studies conducted from 2002 to 2010.

Figure 1

Records management studies  
(2002 to 2010)



Source: GRS records

Remarks: According to the GRS, it reduced the number of studies from seven in 2005 to four in 2006 in order to devote more resources towards the implementation of the electronic recordkeeping system pilot project (see paras. 5.4 and 5.5).



## Audit observations and recommendations

2.18 *Scope of studies.* In all the records management studies conducted between 2002 and 2010, the GRS studied only the classification system for administrative records kept in the General Registry/Headquarters of the B/Ds concerned. According to the GRS, this focused approach aimed to help B/Ds adopt the standard classification scheme for administrative records as soon as possible, so that they could utilise the standard disposal schedules to dispose of such records more efficiently. Audit noted that, because of the limited scope, the studies could not fully achieve the intended objective of ensuring accurate and complete documentation, safe retention, and efficient and cost-effective management of records (see para. 2.17). In Audit's view, the GRS needs to consider expanding the scope of the studies.

2.19 *Implementation of GRS's recommendations.* According to the RMM, B/Ds should implement the GRS's recommendations as far as practicable to improve the management of government records. Audit's examination of the GRS's records management study for the Leisure and Cultural Services Department (LCSD) revealed that:

- (a) in October 2006, after completion of the study, the GRS recommended that the LCSD's General Registry should adopt the standard classification scheme for its administrative records within one year;
- (b) between September 2007 and July 2009, the GRS received from the LCSD's General Registry six quarterly progress reports, indicating that the implementation of the GRS's recommendation would be deferred. There was no documentary evidence that the GRS had taken any follow-up action; and
- (c) as at 31 October 2010, the LCSD's General Registry had not yet completed the classification work (Note 9).

In Audit's view, the value of the GRS's records management studies would diminish if its recommendations for improvement are not promptly taken up by B/Ds for implementation. The GRS needs to review this and similar cases to identify whether there are inadequacies in its follow-up procedures and take appropriate improvement measures.

### *Audit recommendations*

2.20 **Audit has recommended that the Director of Administration should:**

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**Note 9:** *In October 2011, the LCSD informed Audit that the work was completed in February 2011.*

- (a) **consider expanding the scope of records management studies so as to fully achieve the objective of such studies;**
- (b) **review the procedures for following up the B/Ds' implementation of the GRS's recommendations made in records management studies to identify whether there are inadequacies; and**
- (c) **based on the review results in (b) above, take appropriate measures to ensure that B/Ds promptly implement the GRS's recommendations in future to improve their records management.**

### **Response from the Administration**

2.21 The **Director of Administration** agrees with the audit recommendations. She has said that:

- (a) upon completion of the current round of records management studies on the standard classification scheme for administrative records for all B/Ds in 2012, the GRS will conduct future studies in the form of comprehensive records management reviews/audits of individual B/Ds; and
- (b) since 2002, the records management studies have focussed on helping B/Ds to adopt the standard classification scheme for administrative records. To assist B/Ds in this regard, the GRS has issued guidelines and stepped up training. The GRS will further review the procedures for following up the B/Ds' implementation of the GRS's recommendations made in records management studies to ensure that they promptly adopt the scheme.

### **Records management surveys**

#### ***2010 survey***

2.22 The RMM provides that the GRS will from time to time coordinate with B/Ds in conducting service-wide surveys of records and records management practices. After the issue of the RMM in August 2001 and up to July 2010, the GRS did not conduct any service-wide survey. In August 2010, the GRS commenced a service-wide survey (2010 survey), in order to have a better understanding of the current situation relating to records management in the Government and to identify areas for training, assistance or improvement as appropriate. Each of 75 B/Ds was required to complete and return a survey form, providing mainly the following information:

- (a) compliance with the mandatory records management requirements set out in General Circular No. 2/2009; and
- (b) adoption of selected records management best practices (Note 10). The key best practices set out in the survey form include the following:
  - (i) **Reviewing disposal schedules.** Approved disposal schedules should be reviewed at least once every five years to see whether amendments are required in the light of changing circumstances;
  - (ii) **Reviewing old files.** During the regular disposal exercise, files that have been created for over 30 years but still remain open should be reviewed to see whether they should be closed and then disposed of; and
  - (iii) **Storing files having long-term value.** All paper records having long-term value should be stored in a clean environment with round-the-clock control of temperature and relative humidity to ensure that they are properly preserved.

2.23 The survey covered a period of about 18 months (between 22 April 2009 and 31 October 2010). The GRS did not receive all the survey forms until May 2011. As at 30 September 2011, the GRS had not yet issued its 2010 survey report.

#### *Audit's analysis of 2010 survey forms returned by B/Ds*

2.24 **Mandatory requirements.** With effect from 22 April 2009, B/Ds need to comply with eight key mandatory records management requirements (see items 1 to 8 of Table 1 in para. 2.8). According to the survey forms returned by the 75 B/Ds, most of them indicated that they complied with the requirements during the survey period. Details of reported non-compliance are shown at Appendix B. As at 31 October 2010, most of the 75 B/Ds were working to meet the three 2012 mandatory records management requirements (see items 9 to 11 of Table 1 in para. 2.8). Details of their work progress are shown at Appendix C.

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**Note 10:** *According to the GRS, the selected best practices were formulated taking into consideration international standards, the RMM and records management publications issued by the GRS, and observations on B/Ds' records management practices. The GRS has recommended B/Ds to adopt the best practices as far as possible.*

2.25 *Loss or unauthorised destruction of records.* According to the 2010 survey, four departments had cases of loss or unauthorised destruction of records (see item 5 at Appendix B). Their survey forms showed the following details:

- (a) *FSD.* It had one case of unauthorised destruction of 77 books of ambulance journey records (Note 11);
- (b) *Hong Kong Police Force.* It had three cases of loss of a total of one file and 58 file enclosures or minute sheets, and one case of unauthorised destruction of a file;
- (c) *Office of the Telecommunications Authority.* It had one case of unauthorised destruction of a file minute; and
- (d) *Social Welfare Department.* It had two cases of loss of a file or a file minute, and one case of unauthorised destruction of 30 files.

2.26 *Best practices.* Audit's analysis of the 2010 survey forms also revealed that many B/Ds had not fully adopted the best practices mentioned in paragraph 2.22(b), as summarised below:

- (a) 54 B/Ds (72%) had not reviewed their approved disposal schedules at least once every five years;
- (b) 16 B/Ds (21%) had not regularly reviewed files created for over 30 years but still remained open; and
- (c) 54 B/Ds (72%) had not stored records having long-term value in a clean environment with round-the-clock control of temperature and relative humidity.

## **Audit observations and recommendations**

### *Need to conduct service-wide surveys*

2.27 As mentioned in paragraph 2.3, the RMM was issued in August 2001. The GRS did not conduct a service-wide survey until August 2010, after some key RMM provisions

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**Note 11:** *In September 2011, the FSD informed Audit that although the destruction was premature, it had no adverse impact on ambulance service and departmental operation. To prevent recurrence of similar incidents, the FSD has impressed upon the officers concerned the importance of adhering strictly to the prescribed procedures. The FSD has also taken suitable actions against the officers involved and issued a general reminder to all Unit Heads, drawing their attention to the mandatory records management requirements.*

had been set as mandatory requirements (see para. 2.8). The 2010 survey revealed that, as at 31 October 2010 (some nine years after the issue of the RMM), many B/Ds had not yet implemented certain key RMM provisions that have become mandatory requirements since April 2009 (see para. 2.24). In Audit's view, a more timely service-wide survey will help the GRS identify and address common implementation issues at an earlier time.

### *Need to draw up action plan*

2.28 As mentioned in paragraph 2.22, one of the objectives of conducting the 2010 survey was to identify areas for training, assistance or improvement as appropriate. Audit's analysis of the survey forms has revealed the following issues requiring the GRS's attention:

- (a) ***Mandatory requirements.*** Regarding the non-compliance with the mandatory requirements (see para. 2.24), the GRS needs to provide the B/Ds concerned with necessary advice, training and assistance to help them comply with all the requirements as soon as possible. On 15 August 2011, the GRS took action to address part of the monitoring issue, by issuing a memorandum to B/Ds requiring them to submit quarterly progress reports on the implementation of the three 2012 mandatory records management requirements;
- (b) ***Loss or unauthorised destruction of records.*** Regarding the loss or unauthorised destruction of records (see para. 2.25), the GRS needs to ascertain whether the B/Ds concerned have implemented satisfactory improvement measures to prevent recurrence, evaluate whether there are common control weaknesses and provide B/Ds with appropriate advice; and
- (c) ***Best practices.*** Regarding the best practices (see para. 2.26), the GRS needs to find out the reasons why many B/Ds had not fully adopted them and take measures to improve the situation, including considering whether any of them should be set as mandatory requirements.

In Audit's view, the GRS needs to draw up an action plan to address the above issues and any other issues identified from the 2010 survey.

### *Need to conduct follow-up surveys*

2.29 The 2010 survey revealed that, as at 31 October 2010, some B/Ds had not complied with certain mandatory records management requirements that were effective from 22 April 2009. In particular, seven departments had not prepared and maintained an accurate records inventory and nine departments had not established classification schemes for all programme records (see items 2 and 3 of Appendix B). Audit made follow-up

enquiries with the departments concerned. The audit findings as at 30 June 2011 are summarised below:

- (a) ***Prepare and maintain an accurate records inventory.*** Four departments had complied with this requirement. The remaining three departments had their target completion dates set on or before 30 April 2012; and
- (b) ***Establish classification schemes for all programme records.*** One department had complied with this requirement. The remaining eight departments had their target completion dates set on or before 31 December 2012.

The 2010 survey also revealed that, as at 31 October 2010, most of the B/Ds had yet to meet the three 2012 mandatory records management requirements (see Appendix C).

2.30 In Audit's view, the GRS needs to conduct follow-up surveys to obtain updated information for monitoring B/Ds' compliance with all the mandatory requirements. In this connection, particular attention should be given to the two requirements on records disposal, i.e. "Transfer records having archival value to the GRS according to the respective disposal schedules" and "Disposal of time-expired records at least once every two years" (see items 6 and 8 of Appendix B). Currently, compliance with these two requirements cannot be properly assessed because most of the B/Ds have not yet established disposal schedules for all their records (see items 1 and 2 of Appendix C). Should the results of the follow-up surveys indicate that the problem of non-compliance with the mandatory requirements persists, the GRS may need to consider taking more stringent measures (including, for example, requesting the relevant B/Ds to consider taking disciplinary proceedings against the staff concerned).

2.31 As B/Ds have primary responsibilities for complying with the mandatory records management requirements on an ongoing basis, the GRS should consider (after completion of the follow-up surveys) requiring B/Ds to conduct regular self-assessments in this regard and submit compliance reports to the GRS.

### ***Audit recommendations***

2.32 **Audit has recommended that the Director of Administration should:**

- (a) **conduct service-wide surveys at appropriate times after promulgating major records management policies and practices so that any common implementation issues can be identified and addressed in a timely manner;**

- (b) **draw up an action plan to address the issues identified in the 2010 survey (including the non-compliance by some B/Ds with the mandatory records management requirements, the loss or unauthorised destruction of records by four departments and many B/Ds not adopting some best practices);**
- (c) **conduct follow-up surveys to monitor B/Ds' compliance with the mandatory records management requirements set out in General Circular No. 2/2009 (particularly those concerning records disposal);**
- (d) **based on the results of the follow-up surveys in (c) above, consider taking more stringent measures (see para. 2.30) in warranted cases; and**
- (e) **consider requiring B/Ds to conduct regular self-assessments of their compliance with the mandatory records management requirements and submit compliance reports to the GRS.**

### **Response from the Administration**

2.33 The **Director of Administration** agrees with the audit recommendations. She has said that the GRS:

- (a) recognises the need to conduct service-wide surveys at appropriate times. The GRS conducted a service-wide survey in the second half of 2010 after promulgation of the mandatory records management requirements. The GRS plans to conduct the next service-wide survey in the second half of 2012; and
- (b) has drawn up an action plan to address the issues identified in the 2010 survey. The salient points are as follows:
  - (i) issuing a report on the 2010 survey to B/Ds by the end of October 2011 and drawing the attention of individual B/Ds to those recommendations which concern them specifically for their follow-up actions;
  - (ii) monitoring closely the progress of implementation of the 2012 mandatory records management requirements through quarterly returns; and
  - (iii) conducting the next service-wide survey in the second half of 2012 to monitor B/Ds' compliance with the mandatory requirements, adoption of best practices and implementation of the recommendations in the 2010 survey, and to identify areas requiring improvements.

## Records management reviews

2.34 *No reviews conducted by GRS.* The RMM provides that, where circumstances warrant, the GRS will review the records management function of B/Ds to ensure compliance with the records management policies, procedures, directives and disposal authorities. According to its records, the GRS has not conducted any such review since the issue of the RMM in August 2001.

2.35 *Audit's review of three B/Ds.* Audit selected the FSD, the CEDB and the SB (see para. 1.5) for reviewing whether there was room for improvement in their records management. In the review, Audit also examined their progress in meeting the mandatory records management requirements (against their plans as stated in their returns to the GRS's 2010 survey). The review findings are set out in paragraphs 2.36 to 2.40.

## Audit observations and recommendations

### *Fire Services Department*

2.36 The review findings on the FSD as at April 2011 are summarised below:

- (a) *Administrative records.* The FSD had classified 40% of its administrative records according to the standard classification scheme, which fell short of the planned 100% (as indicated in its return to the GRS's 2010 survey);
- (b) *Files created for over 30 years.* The FSD had not reviewed 48,000 files created for over 30 years (see para. 2.22(b)(ii)). They included 17,700 files created for 40 to 49 years and 1,900 files for 50 years or more; and
- (c) *Personal data.* The GRS's guidelines require recruitment records to be destroyed one to five years after related actions are completed (Note 12). Audit's sample check revealed that the Appointment Registry of the FSD had disposed of 353 recruitment files in five disposal exercises from 2006 to 2010, but it had not destroyed 87 recruitment files that had been closed for over 10 years, contrary to the GRS's guidelines.

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**Note 12:** *According to the Personal Data (Privacy) Ordinance (Cap. 486) and the code of practice issued by the Privacy Commissioner for Personal Data, an employer should not retain the personal data of a former employee longer than seven years unless there is a subsisting reason that obliges the employer to do so.*



The GRS's standard classification scheme (see (a) above) aims to help B/Ds achieve a higher efficiency and accuracy in organising common administrative records and in disposing of such records in accordance with the standard disposal schedules. Audit is concerned that as at April 2011, the FSD was behind schedule in adopting the standard classification scheme and disposal schedules. The FSD needs to step up efforts to ensure that this mandatory requirement will be complied with by April 2012. For files created for over 30 years, the FSD needs to regularly review them to see whether they should be closed and then disposed of. In addition, the FSD needs to ensure that records of personal data are properly disposed of in accordance with the GRS's guidelines and legislation.

### *Commerce and Economic Development Bureau*

2.37 The review findings on the CEDB as at April 2011 (and up to 15 August 2011 for (e) below) are summarised as follows:

- (a) **Administrative records.** The CEDB had classified 9% of its administrative records according to the standard classification scheme, which fell short of the planned 50%;
- (b) **Programme records.** The CEDB had established disposal schedules for 1% of its programme records, which fell short of the planned 6%;
- (c) **Files created for over 30 years.** The CEDB had not reviewed 1,427 files created for over 30 years. They included 371 files created for 40 to 49 years and 91 files for 50 years or more;
- (d) **Personal data.** The GRS's guidelines require personal and staff report files to be destroyed one year after the officer has left the service and related actions have been completed. Audit's sample check of the personal and staff report files kept in two CEDB registries revealed that the CEDB had kept the personal files and/or staff report files of 13 former staff for more than seven years since they left the service, contrary to the GRS's guidelines; and
- (e) **Missing records.** According to the mandatory records management requirements, B/Ds should report any loss or unauthorised destruction of records to the GRS **immediately** and investigate such cases, including identifying the circumstances leading to the loss or unauthorised destruction, reconstructing the records where necessary and taking steps to prevent recurrence. B/Ds should report the findings and actions to the GRS within three months. In June 2011, Audit sample checked the records inventory lists in two CEDB registries and found that, in one registry, seven files had been recorded by CEDB staff as missing. Audit noted that, up to 15 August 2011, the CEDB had not reported the missing files to the GRS.

In Audit's view, the CEDB needs to step up efforts to ensure that the mandatory requirements mentioned in (a) and (b) above are complied with, regularly review files created for over 30 years, and ensure that records of personal data are properly disposed of. Moreover, the CEDB needs to report any loss or unauthorised destruction of records to the GRS immediately and investigate such cases in accordance with the mandatory records management requirements.

### *Security Bureau*

2.38 Audit found that, as at April 2011, the SB had not reviewed 1,040 files created for over 30 years except once in late 2010 in connection with the GRS's 2010 survey. They included 96 files created for 40 to 49 years and 38 files for 50 years or more. In Audit's view, the SB needs to regularly review files created for over 30 years.

### *Need to conduct records management reviews*

2.39 In Audit's view, the GRS needs to conduct records management reviews of individual B/Ds to ensure their compliance with the mandatory records management requirements and provide them with specific advice, training and assistance as appropriate.

2.40 In conducting records management reviews, the GRS needs to pay attention to records disposal. As stated in the RMM, permanent retention of records in B/Ds is usually valid only when required by legislation. It is therefore important for B/Ds to establish disposal schedules (see para. 2.37(b) and items 1 and 2 of Appendix C) to ensure systematic planning and orderly implementation of records disposal, including transfers of records having archival value to the GRS for permanent preservation. Regular disposal of records facilitates easy retrieval of records in active use, and minimises costs for maintaining and storing records.

### *Audit recommendations*

2.41 **Audit has recommended that the Director of Administration should:**

- (a) **conduct records management reviews of individual B/Ds to ensure their compliance with the mandatory records management requirements and provide them with specific advice, training and assistance as appropriate; and**

- (b) in conducting such reviews in (a) above, pay particular attention to whether B/Ds have regularly disposed of their records in accordance with the disposal schedules, including transfers of records having archival value to the GRS for permanent preservation.

2.42 **Audit has recommended that the Director of Fire Services should:**

- (a) step up efforts to ensure that the mandatory records management requirement mentioned in paragraph 2.36(a) is complied with, seeking advice and assistance from the GRS where necessary;
- (b) regularly review files created for over 30 years to see whether they should be closed and then disposed of; and
- (c) ensure that records of personal data are properly disposed of in accordance with the GRS's guidelines and legislation.

2.43 **Audit has recommended that the Secretary for Commerce and Economic Development should:**

- (a) step up efforts to ensure that the mandatory records management requirements mentioned in paragraph 2.37(a) and (b) are complied with, seeking advice and assistance from the GRS where necessary;
- (b) regularly review files created for over 30 years to see whether they should be closed and then disposed of;
- (c) ensure that records of personal data are properly disposed of in accordance with the GRS's guidelines and legislation; and
- (d) report any loss or unauthorised destruction of records to the GRS immediately and investigate such cases in accordance with the mandatory records management requirements.

2.44 **Audit has recommended that the Secretary for Security should regularly review files created for over 30 years to see whether they should be closed and then disposed of.**

## Response from the Administration

2.45 The **Director of Administration** agrees with the audit recommendations in paragraph 2.41. She has said that upon completion of the current round of records management studies for all B/Ds in 2012 (see para. 2.21(a)), the GRS will conduct comprehensive records management reviews/audits of individual B/Ds.

2.46 The **Director of Fire Services** agrees with the audit recommendations in paragraph 2.42. He has said that:

- (a) *Administrative records.* As at 31 August 2011, the FSD had reclassified about 90% of its administrative records in accordance with the GRS's standard classification scheme. The FSD is confident that the work will be completed well before April 2012;
- (b) *Files created for over 30 years.* The FSD has stepped up efforts to review its records created for over 30 years and will arrange for their disposal, where appropriate, as soon as possible; and
- (c) *Personal data.* The 87 recruitment files not yet destroyed carry materials with reference value and need to be carefully reviewed before disposal. The review has been completed and action is in hand to dispose of those without retention value as soon as possible.

2.47 The **Secretary for Commerce and Economic Development** agrees with the audit recommendations in paragraph 2.43. He has said that:

- (a) *Administrative records.* Based on the present progress, the CEDB aims to complete the implementation of the standard classification scheme for its administrative records before April 2012;
- (b) *Programme records.* The CEDB is working on the disposal schedules for its programme records and aims to complete the whole exercise before the deadline of April 2012;
- (c) *Files created for over 30 years.* The CEDB will complete reviewing the files created for over 30 years by April 2012;

- (d) *Personal data.* The CEDB has obtained approval from the GRS to dispose of the personal files and/or staff report files of five former staff and has taken action to deal with the other cases; and
- (e) *Missing records.* The CEDB reported the seven missing files to the GRS in end August 2011 after search action had been completed.

2.48 The **Secretary for Security** agrees with the audit recommendation in paragraph 2.44. He has said that the SB has completed an initial review on the files created for over 30 years. Upon the GRS's approval of the proposed draft disposal schedules for its programme files, the SB will conduct regular reviews accordingly.

## **PART 3: STORAGE AND DISPOSAL SERVICES FOR INACTIVE RECORDS**

3.1 This PART examines the following services for inactive records provided by the GRS:

- (a) storage and disposal of inactive records (paras. 3.3 to 3.23); and
- (b) microfilming of inactive records (paras. 3.24 to 3.28).

### **Inactive records**

3.2 According to the RMM, inactive records are those no longer or rarely required for action or reference. The GRS has advised B/Ds to define when records are considered inactive by specifying a clear criterion (e.g. “action completed” or “after termination of a contract”) in the relevant disposal schedules.

### **Storage and disposal of inactive records**

#### *GRS’s records centre*

3.3 According to the GRS’s guidelines, to minimise storage and maintenance costs, inactive records should be stored off-site in low rental premises before final disposal. In this connection, the GRS operates a centralised records centre (Note 13) in Tuen Mun with a total floor area of 15,900 square metres to provide intermediate storage for the inactive records of B/Ds. The records centre has a storage capacity of 120,400 linear metres (Note 14 — see Photographs 1 and 2).

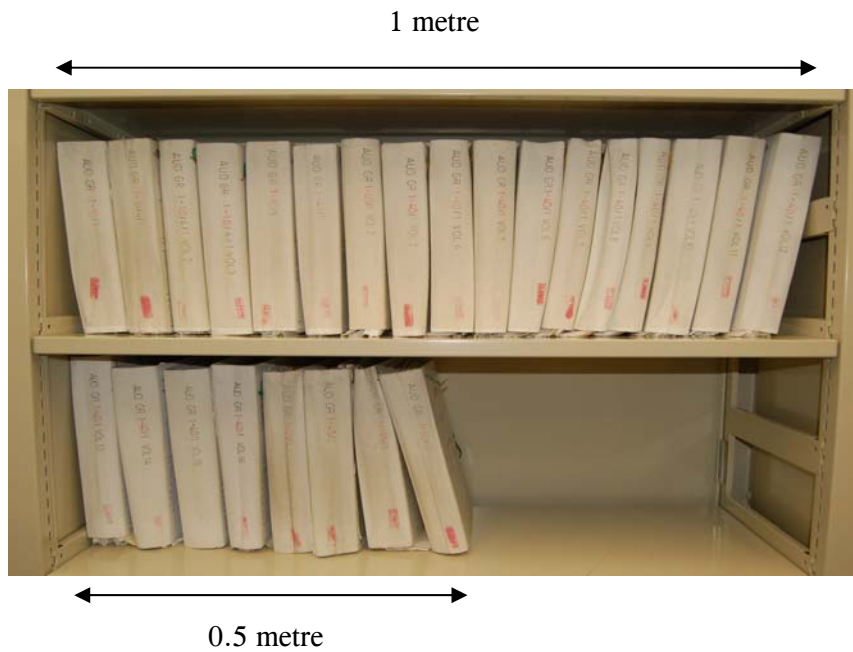
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**Note 13:** *The records centre is accommodated in two buildings, namely: (a) an 12-storey government building which provides a total floor area of 8,900 square metres; and (b) a private industrial building in which the GRS has rented two and a half floors with a total floor area of 7,000 square metres. The annual rent is \$7.5 million.*

**Note 14:** *Linear metre is the unit of measurement of records. When records are stored vertically on shelves or in drawers, they are measured along the horizontal axis. Where records are stored horizontally, they are measured along the vertical axis.*

**Photograph 1**

**Measurement of records stored vertically**



Records quantity  
= (1 + 0.5) linear metres  
= 1.5 linear metres

Source: Photograph taken by Audit on 25 August 2011

**Photograph 2**

**Measurement of records stored horizontally**



Records quantity  
= (0.5 × 3) linear metres  
= 1.5 linear metres

Source: Photograph taken by Audit on 25 August 2011

### *Storage arrangements*

3.4 The GRS accepts inactive records with a retention period of over a year for intermediate storage in the records centre. To transfer inactive records to the records centre, B/Ds should contact the GRS to reserve storage space. They should provide a transfer list showing details of the inactive records for future retrieval and disposal. Records to be transferred should be packed in standard carton boxes with labels and marks for better records protection and easy handling.

3.5 Besides maintaining and safeguarding the deposited inactive records, the GRS also provides reference and retrieval services for B/Ds. The records centre services are provided free of charge to B/Ds (Note 15).

### *Disposal arrangements*

3.6 ***Disposal schedules.*** As a prerequisite for transferring inactive records to the records centre for storage, B/Ds must draw up disposal schedules with the concurrence of the GRS specifying the retention period of the records and the forms of disposal (see Note 5 to para. 2.3(e)). This arrangement facilitates the orderly disposal of records after the appropriate retention period. It also helps the GRS reserve preliminary storage space for the impending transfer and make future space allocation plans. The GRS does not encourage B/Ds to prescribe more than seven years' intermediate storage of inactive records in its records centre. This is to avoid records deposited in the centre being neglected for an unreasonably long period of time. The B/Ds may consider seeking the GRS assistance to microfilm records which have to be retained for more than seven years to save storage space.

3.7 ***Disposal procedures.*** One month prior to the expiry of the prescribed retention period, the GRS will send a memorandum to the B/Ds concerned listing those records eligible for disposal. The B/Ds should, after consulting their records users, confirm with the GRS if such records can be disposed of as scheduled. Upon receipt of the confirmation of the B/Ds, the GRS will take records disposal action accordingly. According to the RMM, if the B/Ds do not respond in three months after the records are due for disposal, the GRS reserves the right to destroy such records. However, in practice, the GRS will issue reminders to the B/Ds for taking follow-up action.

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**Note 15:** *Charges are however levied on trading fund departments on a full-cost recovery basis.*



### *Audit examination*

3.8 As mentioned in paragraph 3.3, the records centre has a storage capacity of 120,400 linear metres. Audit examination has revealed that there is room for improvement in the management of records kept in the records centre for better utilising the storage capacity (see paras. 3.9 to 3.23).

### **Audit observations and recommendations**

#### *Disposal of overdue records*

3.9 According to the GRS's guidelines, B/Ds should arrange timely disposal of records stored in the records centre in accordance with the disposal schedules. Based on a survey in 2005, the GRS found that about 6,710 linear metres (representing 6% of the total capacity of the records centre) of records were overdue for disposal. The GRS then decided to take measures to address the problem, including:

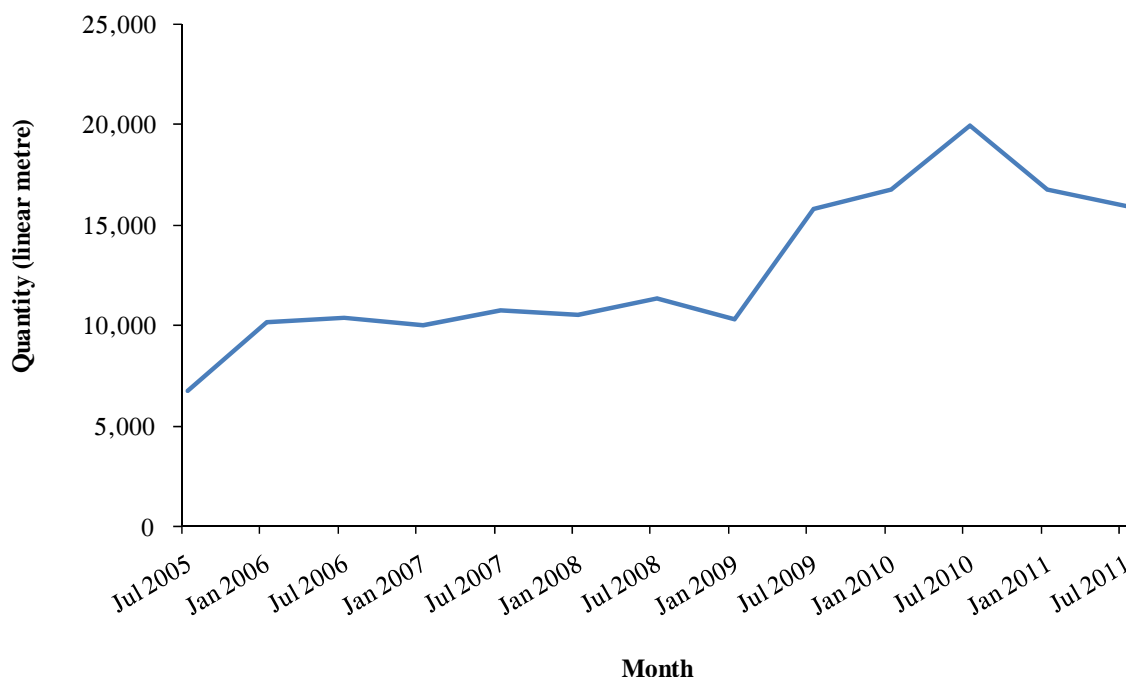
- (a) requesting the Departmental Records Managers (Note 16) of the B/Ds concerned to follow up with their subject officers those records overdue for disposal for one year or more. For this purpose, the GRS would provide the Departmental Records Managers with a list of such records and thereafter send reminders to them on a quarterly or half-yearly basis (depending on resources availability);
- (b) if the B/Ds still failed to respond after repeated action under (a) above, rejecting their new requests for storage of records;
- (c) for cases which remained outstanding for years, invoking the RMM provision to destroy the records in question (see para. 3.7); and
- (d) requiring B/Ds to provide detailed justifications for requesting an extension of the records retention period. For a request made on the grounds that the final disposal action had to be reviewed, the GRS would normally grant an extension of not more than one year.

3.10 Based on the GRS's statistics up to July 2011, the quantities of records overdue for disposal had grown significantly since 2005 (see Figure 2). At the time of Audit's field work in April 2011, there were 17,450 linear metres of records (relating to 465 records deposits) overdue for disposal. Of the 465 records deposits, Audit found that 11 (2%) had been overdue for disposal for 9 to 14 years.

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**Note 16:** *According to the RMM, B/Ds are required to appoint Departmental Records Managers for overseeing their records management programmes and coordinating with the GRS and other B/Ds in records management matters.*

**Figure 2**  
**Records overdue for disposal**



Source: GRS records

3.11 In June 2011, Audit further examined the GRS's follow-up action on a sample of 160 deposits of records which had been overdue for disposal for three years or more. Audit has found that there is room for improvement, as follows:

- (a) **List of records overdue for disposal.** There were 101 cases whereby the GRS had not provided the Departmental Records Managers of the B/Ds concerned with a list of records which were overdue for disposal for one year or more for taking follow-up action (see para. 3.9(a)). In addition, there were 38 cases for which the GRS had not issued reminders on a quarterly or half-yearly basis. Reminders were only issued after a lapse of seven months to five years; and
- (b) **No disposal action taken after obtaining consent.** There were nine cases whereby the GRS had not taken disposal action after obtaining the departments' consent to do so. In two of the nine cases, the consent was obtained in 2000 (some 10 years ago).

3.12 In Audit's view, the GRS needs to take additional measures to encourage B/Ds to take timely action on their records stored in the records centre in accordance with their disposal schedules. Consideration should also be given to invoking the RMM provision to destroy records overdue for disposal in warranted cases. Moreover, the GRS needs to remind its staff to follow up on records overdue for disposal in accordance with the laid-down procedures and promptly dispose of those for which B/Ds' consent has been obtained.

#### ***Records without disposal schedules***

3.13 In 1990, the GRS issued guidelines requiring B/Ds to draw up disposal schedules for records to be transferred to the records centre for storage. However, the GRS identified during the 2005 survey (see para. 3.9) that from 1983 to 2002, there were three cases of transfer of records without disposal schedules to the centre. Audit's examination revealed that some of these records had subsequently been disposed of or retrieved. However, as of July 2011, there were still 15,115 linear metres of records without disposal schedules in storage in the centre.

3.14 Given the considerable space (15,115 linear metres or 13% of total storage capacity) taken up by these records and that they had been stored in the records centre for 9 to 28 years, the GRS needs to urge the departments concerned to finalise their disposal schedules. Moreover, the GRS needs to review whether there are similar cases of transfer of records without disposal schedules to the records centre and, based on the review results, consider the need for tightening control in this regard.

#### ***Vacated space not put into use***

3.15 In the course of records examination, Audit found that there were four cases whereby the departments concerned had during 2003 to 2011 destroyed or retrieved their records (totalling 332 linear metres) deposited in the records centre. However, up to June 2011, the GRS register still showed that the storage space was taken up and hence not made available for space allocation. The GRS needs to implement procedures to ensure that vacated storage space is promptly put into use.

#### ***Statutory requirement on employment-related personal data***

3.16 According to the code of practice issued by the Privacy Commissioner for Personal Data under the Personal Data (Privacy) Ordinance, an employer should not retain the personal data of a former employee longer than seven years unless there is a subsisting reason that obliges the employer to do so (see Note 12 to para. 2.36(c)).

3.17 In examining the records mentioned in paragraph 3.11, Audit noted that there were 53 boxes (18 linear metres) of personal records of the Department of Justice (DoJ)'s former employees deposited in the records centre. According to the approved disposal schedule, these records were due for review by the DoJ between 1997 and 2003 before disposal. On three occasions between 1999 and 2007, the DoJ informed the GRS that the review was in progress. However, as of June 2011, no disposal action had been taken on such records. Given that these personal records had been retained for more than seven years, the GRS needs to urge the DoJ to complete the review with a view to finalising their disposal action.

*Difficulties in retrieving inactive records for disposal*

3.18 To facilitate the retrieval of records for disposal and easy handling, inactive records should be packed appropriately according to their nature and length of retention before transfer to the records centre. However, Audit found a case (Case 1) whereby records were not properly packed leading to difficulties in their retrieval for disposal.

**Case 1****Difficulties in retrieving records for disposal**

1. From 1999 to 2004, the Education Bureau (EDB) transferred five batches of about 154,000 teacher registration records (totalling 208 linear metres) to the records centre for storage. According to the disposal schedule, these records would be destroyed when the teachers concerned reach the age of 75. As the records were not packed by teachers' age groups, there would be difficulties in retrieving relevant records for disposal when they are due. In the event, these records have been scheduled for disposal in the year when the youngest teacher in each batch reaches the age of 75 (i.e. between 2044 and 2061).

2. Based on the EDB's analysis of the teachers' age distribution in these records, about 148,000 (or 96%) of the teachers were aged 35 or above (at the times of the records transfer). Taking those aged 35 as an example, Audit found that their records would be retained longer than necessary by 5 to 17 years.

3. Audit noted that:

(a) since 2006, the EDB had packed the teachers' records by age groups before transferring to the records centre for storage. For previous records not sorted by age groups, the EDB indicated in 2006 that it would try to sort them to facilitate future disposal. However, up to June 2011, no further action had been taken; and

(b) since March 2009, the GRS had laid down a requirement in the "Records Transfer Request Form" that each deposit of records transferred to the records centre should only have one disposal date according to the respective disposal schedule.

Source: GRS records

3.19 In Audit's view, the GRS needs to urge the EDB to take follow-up action on those teachers' records not sorted by age groups. There is also a need to monitor, on an ongoing basis, B/Ds' compliance with the 2009 requirement that each deposit of records transferred to the records centre should only have one disposal date.

#### *Meeting service demand*

3.20 In 2009, the GRS increased the storage capacity of the records centre from 118,300 to 120,400 linear metres by improving the layout of its storage area. As of June 2011, about 96% of the storage capacity was utilised. In response to Audit's enquiry on future expansion plan of the records centre, the GRS in August 2011 said that:

- (a) the records centre still had an unused capacity of 4,800 linear metres which was sufficient to meet all the requests for intermediate storage in hand, totalling 4,565 linear metres; and
- (b) the 2010 survey (see para. 2.22) showed that on average 7,800 linear metres of records a year (from 2011 to 2013) would be transferred to the records centre. Given that the records centre disposed of on average 10,000 linear metres of records a year (from 2006 to 2010), the space released would be sufficient to meet short-term demand.

3.21 As the utilisation of the records centre is approaching its capacity limit, Audit considers it necessary for the GRS to urgently address the various records management issues highlighted in paragraphs 3.9 to 3.19 so as to release storage space for meeting service demand. Meanwhile, the GRS needs to keep the available capacity under regular review so that any demand for additional storage space can be provided in good time.

#### *Audit recommendations*

3.22 **Audit has recommended that the Director of Administration should:**

##### *Disposal of overdue records*

- (a) **take additional measures to encourage B/Ds to take timely action on their records stored in the records centre in accordance with their disposal schedules;**
- (b) **remind GRS staff to follow up on records overdue for disposal in accordance with the laid-down procedures and promptly dispose of those for which B/Ds' consent has been obtained;**

*Records without disposal schedules*

- (c) review whether there are cases of transfer of records without disposal schedules to the records centre (similar to those mentioned in paragraph 3.13) and, based on the review results, consider the need for tightening control in this regard;
- (d) for the three identified cases of records without disposal schedules in paragraph 3.13, urge the departments concerned to finalise their disposal schedules;

*Vacated space not put into use*

- (e) implement procedures to ensure that vacated storage space is promptly put into use;

*Statutory requirement on employment-related personal data*

- (f) urge the DoJ to complete the review of the personal records mentioned in paragraph 3.17;

*Difficulties in retrieving inactive records for disposal*

- (g) urge the Secretary for Education to take follow-up action on the teachers' records kept at the records centre which are not sorted by age groups;
- (h) monitor, on an ongoing basis, B/Ds' compliance with the 2009 requirement that each deposit of records transferred to the records centre should only have one disposal date; and

*Meeting service demand*

- (i) keep the available capacity of the records centre under regular review to ensure that any demand for additional storage space can be provided in good time.

## Response from the Administration

3.23 The **Director of Administration** agrees with the audit recommendations. She has said that:

### *Disposal of overdue records*

- (a) the GRS has been taking measures to monitor B/Ds' timely disposal of their records stored in the records centre. To this end, the records centre has since mid-2008 adopted a new case records classification scheme for keeping records relating to each records deposit separately to facilitate management of individual deposits, including more efficient handling of B/Ds' overdue records. The GRS will explore and take further measures to encourage B/Ds to take timely disposal action on their records stored in the records centre;
- (b) GRS staff have been reminded to follow up on records overdue for disposal. As an established practice, they are required to bring up overdue cases every three months for follow-up action. The GRS has also introduced a records disposal check form since March 2008 to streamline the disposal process and to ensure timely and accurate disposal of records;

### *Records without disposal schedules*

- (c) the GRS will review whether there are other cases of transfer of records to the records centre without disposal schedules. From 2003 onwards, transfer of records without disposal schedules to the records centre is not allowed. To strengthen the control in this regard, since March 2009, B/Ds have been required to indicate clearly in the "Records Transfer Request Form" (see para. 3(b) of Case 1 in para. 3.18) the relevant disposal schedule for each deposit of records to be transferred to the records centre;
- (d) for the three identified cases (see para. 3.13), the GRS has been in contact with the departments concerned. In September 2011, one of them submitted the disposal schedule for 1,115 linear metres of records. The GRS will closely monitor the progress of their submission of disposal schedules for the remaining records;

### *Vacated space not put into use*

- (e) the GRS has implemented procedures to ensure that vacated storage space is promptly put into use. Specifically, one of the items in the records disposal check form (see (b) above) requires records centre staff to update the relevant storage space records to release storage space after destruction of records. If



B/Ds wish to retrieve records kept in the records centre permanently, they are requested to indicate in the records retrieval form so that the records centre can release the storage space as appropriate. The GRS will closely monitor the situation and introduce improvement measures as appropriate;

***Statutory requirement on employment-related personal data***

- (f) the GRS has followed up with the DoJ on the personal records mentioned in paragraph 3.17; and

***Difficulties in retrieving inactive records for disposal***

- (g) the GRS is liaising with the EDB to re-pack the deposits concerned for timely disposal of the records (Note 17).

**Microfilming of inactive records**

3.24 According to the GRS, microfilming is a modern proven technology for records management with the following advantages:

- (a) microfilm can save up to 95% of the space occupied by paper records;
- (b) microfilm has a long life expectancy (up to 500 years) if it is produced, handled and stored properly; and
- (c) microfilm is admissible as court evidence if the filming, processing and disposal of the original records are properly conducted.

3.25 Since 1997, the GRS has provided B/Ds with comprehensive microfilming services including coordination of records disposal, filming, processing, duplication, delivery and storage of microfilm. Instead of storing inactive records off-site in the records centre, B/Ds may request the GRS to microfilm them before destruction. The GRS accepts requests from B/Ds for microfilming inactive records which have to be retained for not less than seven years in order to save storage space.

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**Note 17:** *In September 2011, the EDB informed Audit that it would work with the GRS to sort the outstanding records by age groups.*

## **Audit observations and recommendations**

3.26 In the 2005 survey (see para. 3.9), the GRS found that there were about 640 linear metres of inactive records in the records centre pending microfilming. In July 2011, the GRS informed Audit that the backlog had been cleared. As of June 2011, the GRS was processing two requests for microfilming of 2,068 linear metres of records. According to the GRS, microfilming requests are processed flexibly and new requests would still be entertained depending on the urgency and the progress of document preparation work of the requesting B/Ds. However, the following operational data show that there is a need for reviewing the capacity of the GRS microfilming service:

- (a) for the year 2010-11, the throughput of the GRS microfilming service was 470 linear metres of records. On this basis, the GRS microfilming service would be fully occupied with the work in hand (2,068 linear metres) at least for the coming three years. As such, there would unlikely be any spare capacity to cope with new demand that may arise during these years; and
- (b) of the microfilming service throughput in 2010-11, 98.6% was related to microfilming inactive records for B/Ds and only 1.4% was preservation microfilming for archival records and library items. In fact, as part of the GRS preservation strategies of 2002, there was a need for microfilming archival records and library items (see paras. 4.15 and 4.16(c)). As of March 2011, a total of 463,000 archival records and 31,410 library items might be considered for microfilming or digitisation having regard to the preservation needs of these items, users' demand, and intellectual property rights and personal data privacy considerations.

## ***Audit recommendations***

3.27 **Audit has recommended that the Director of Administration should:**

- (a) **review the overall demand for the GRS microfilming services of inactive records, archival records and library items; and**
- (b) **based on the review results in (a) above, determine the short-term and long-term measures in meeting the service demand.**

## Response from the Administration

3.28 The **Director of Administration** agrees with the audit recommendations. She has said that:

- (a) the GRS will review the overall demand for microfilming services of inactive records by conducting regular surveys on the needs of all B/Ds. As in the service-wide records management survey conducted in 2010, the GRS will request B/Ds to provide information on their demand for microfilming services of inactive records in future surveys; and
- (b) for microfilming services of archival records and library items, the GRS will conduct a comprehensive condition survey on these collections (see para. 4.19(b)). It will review and estimate the overall demand for preservation microfilming of archival records and library items having regard to the results of this condition survey.

## **PART 4: MANAGEMENT OF ARCHIVAL RECORDS**

4.1 This PART examines the following issues relating to the GRS's management of archival records:

- (a) appraisal of records for permanent retention (paras. 4.3 to 4.13);
- (b) preservation of archival records (paras. 4.14 to 4.19);
- (c) safe custody of archival records (paras. 4.20 to 4.25);
- (d) provision of reference and research services for the public (paras. 4.26 to 4.30);  
and
- (e) access to archival records (paras. 4.31 to 4.36).

### **Archival records**

4.2 According to the RMM, archival records are documents and materials created or received and accumulated by a person or organisation in the course of conducting affairs, and are preserved because of their continuing or permanent value. The GRS is responsible for selecting, acquiring and preserving archival records of the Government, and providing public access to these records. From 2006 to 2010, the GRS acquired a total of 188,779 records from 53 B/Ds for keeping as archival records, comprising 185,994 unclassified records and 2,785 classified records. As of June 2011, the GRS had a total of 1.04 million accessioned archival records.

### **Appraisal of records for permanent retention**

4.3 It is the Government's established policy to identify and preserve records of historical value for the people of Hong Kong. Pursuant to this policy, the Public Records Office of the GRS carries out records appraisal to determine what records have archival value and should be retained permanently, and what records may be destroyed. The GRS has laid down the following requirements relating to records appraisal:

- (a) ***GRS's approval of disposal schedule.*** B/Ds are required to plan ahead the disposal of their records through the preparation of draft disposal schedules for approval by the GRS. Upon receipt of the draft disposal schedules, the Public Records Office will conduct records appraisal and lay down requirements on the final disposal action. For records with archival value or potential archival value, the B/Ds concerned are required (in the approved disposal schedules) to transfer them to the Public Records Office for permanent retention or appraisal after the expiry of the stipulated retention period;

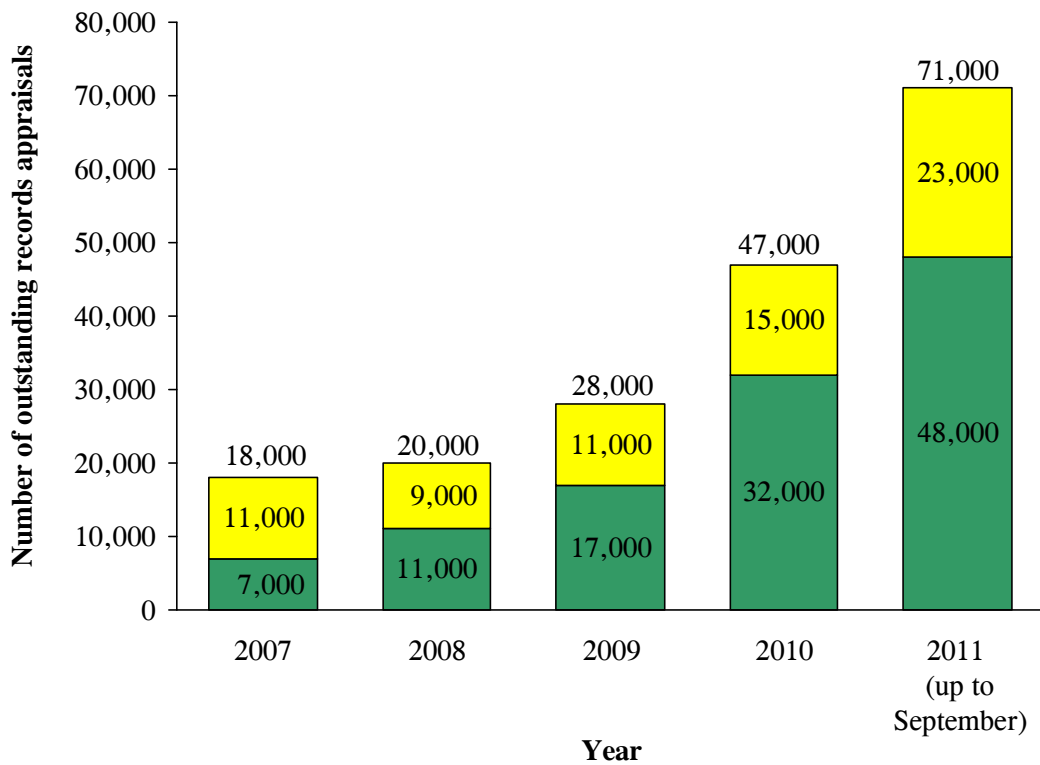
- (b) ***GRS's prior agreement for records destruction.*** B/Ds are required to obtain the GRS's prior agreement before they destroy any government records. For records with an approved disposal schedule, the B/Ds concerned should seek the GRS's endorsement to proceed with the approved disposal action after the expiry of the stipulated retention period. This is to guard against any premature destruction of records. For records without an approved disposal schedule, the Public Records Office will examine the list of records proposed to be destroyed (paper appraisal) and, if necessary, the physical records (physical appraisal) to appraise their archival value. The Public Records Office may endorse the destruction of all or some of the records and request transfer of those with archival value for permanent retention; and
- (c) ***Records reaching 30 years old.*** All records reaching 30 years old should be appraised by the GRS to determine whether or not they possess archival value for permanent retention.

## **Audit observations and recommendations**

### ***Backlog of records appraisals***

4.4 From 2007 to 2010, the GRS completed on average 102,000 records appraisals each year. However, this fell short of the number of records requiring appraisal during this period. As shown in Figure 3, the number of outstanding appraisals increased from 18,000 in 2007, by 53,000 (294%), to 71,000 in September 2011. At the time of Audit's field work in June 2011, there were 59,000 outstanding appraisals relating to 570 requests from B/Ds for records destruction. For 20% of the outstanding appraisals, the B/Ds had submitted their requests for records destruction for more than two years.

**Figure 3**  
**Backlog of records appraisals**



Legend: ■ Physical appraisals (see para. 4.3(b))  
■ Paper appraisals (see para. 4.3(b))

Source: *GRS records*

4.5 In Audit’s view, the GRS needs to take effective measures to clear the backlog of records appraisals so that inactive records can be disposed of in a timely manner.

***Transfer of records to GRS for appraisal***

4.6 ***Records proposed to be destroyed.*** Of the 570 records destruction requests pending GRS appraisal as at June 2011 (see para. 4.4), 6 had been outstanding for six years or more. In two of these six cases, Audit found delays in transferring the records to the GRS for appraisal, as follows:

- (a) ***Home Affairs Department.*** In April 2007, the GRS requested the Department to transfer 374 records for physical appraisal. Despite the GRS's repeated reminders, as of June 2011, the Department had transferred only 83 records to the GRS (Note 18); and
- (b) ***Civil Aviation Department.*** In September 2005, the GRS requested the Department to transfer 45 records for physical appraisal. In 2008, the GRS issued repeated reminders to the Department. In September 2009 (four years later), the Department forwarded the 45 records to the GRS.

4.7 ***Time-expired records.*** According to General Circular No. 2/2009, it is a mandatory requirement that B/Ds should transfer time-expired records to the GRS for appraising their archival value if so required in the disposal schedule (see para. 4.3(a)). If there are valid reasons to defer the transfer by more than two years, they should be endorsed by a directorate officer of the B/Ds concerned. In the course of records examination, Audit found that there were instances of non-compliance with the mandatory requirement, as follows:

- (a) four B/Ds had not released time-expired records deposited in the records centre (totalling nine records deposits) to the GRS for appraisal despite repeated reminders issued by the GRS. According to their disposal schedules, these records should have been released to the GRS between 1997 and 2006;
- (b) up to June 2011, for four of the nine records deposits, the EDB, the Judiciary Administration, and the Trade and Industry Department had not provided reasons for not transferring the records (Note 19); and
- (c) for the remaining five records deposits, the SB informed the GRS in June 2011 that it was reviewing the disposal action of these records but the endorsement of such deferment by a directorate officer was not provided (Note 20).

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**Note 18:** *In September 2011, the Home Affairs Department informed Audit that it would expedite the transfer of all outstanding records to the GRS.*

**Note 19:** *In September 2011, the EDB and the Judiciary Administration informed Audit that they would review the records concerned before passing them to the GRS for appraisal.*

**Note 20:** *In September 2011, the SB informed Audit that it had recently responded to the GRS for all the records by either confirming their transfer or providing the required endorsement.*

4.8 It is the Government's established policy to identify and preserve records of historical value for the people of Hong Kong. The GRS's work in implementing this policy would be adversely affected if there is a long delay in transferring records for its appraisal. In Audit's view, there is an urgent need to follow up the delay cases as mentioned in paragraphs 4.6 and 4.7 with the B/Ds concerned at an appropriate senior level. Audit also notes that while it is a mandatory requirement for B/Ds to seek the GRS's approval for destruction of records, there is no provision stipulating that they should transfer such records to the GRS promptly for appraisal. The delay cases indicate a need to consider laying down such a mandatory requirement. There is also a need to monitor the compliance with the laid-down requirement for timely transfer of records to the GRS for appraisal and take more stringent measures if warranted by circumstances (e.g. to consider requesting the relevant B/Ds to take disciplinary proceedings against the staff concerned).

#### *Appraisal of records reaching 30 years old*

4.9 As mentioned in paragraph 4.3(c), all records reaching 30 years old should be appraised by the GRS to determine whether or not they possess archival value for permanent retention. Based on the 2010 survey (see para. 2.22), as of October 2010, 64 B/Ds were still in the process of preparing disposal schedules of their records (i.e. the archival value of these records had not been appraised — see para. 4.3(a)). About 84% (54) of them also indicated that they had records over 30 years old. There is a need to monitor the progress of these B/Ds in meeting the deadline of April 2012 (see para. 2.24) for submitting draft disposal schedules, and remind those missing the deadline to forward records over 30 years old for GRS appraisal.

#### *Destruction of records before appraisal*

4.10 Audit's examination of the GRS records revealed that in 2006 and 2007, with the consent of the two departments concerned, the records centre destroyed their time-expired records (totalling 2,815). However, according to their disposal schedules, these records should have been appraised by the Public Records Office before destruction. With a view to preventing recurrence of similar problem, since March 2008, the GRS has strengthened internal controls by requiring two staff to check that there is no outstanding appraisal action on records to be destroyed. Audit considers that the GRS needs to monitor the operation of the enhanced internal controls on an ongoing basis.

4.11 For one of the above two cases, Audit noted that the GRS had prepared microfilm images of the records before destruction. However, the Public Records Office had not made use of the microfilm images to appraise their archival value. The Public Records Office needs to take follow-up action in this regard.



*Audit recommendations*

4.12 **Audit has recommended that the Director of Administration should:**

*Backlog of records appraisals*

- (a) **take effective measures to clear the backlog of records appraisals;**

*Transfer of records to GRS for appraisal*

- (b) **urgently follow up with the B/Ds concerned at an appropriate senior level the cases of delay in transferring to the GRS records requiring appraisals mentioned in paragraphs 4.6 and 4.7;**
- (c) **consider setting mandatory requirements for the prompt transfer by B/Ds of records to the GRS for its appraisal;**
- (d) **monitor B/Ds' compliance with the requirements in (c) above and consider taking more stringent measures if warranted by circumstances;**

*Appraisal of records reaching 30 years old*

- (e) **monitor the progress of B/Ds in meeting the deadline for submitting draft disposal schedules, and remind those missing the deadline to forward records over 30 years old to the GRS for appraisal;**

*Destruction of records before appraisal*

- (f) **ensure that the GRS monitors, on an ongoing basis, the operation of the enhanced internal controls to prevent destruction of records before their archival value has been appraised; and**
- (g) **remind the Public Records Office to appraise the archival value of the microfilm records mentioned in paragraph 4.11.**

**Response from the Administration**

4.13 **The Director of Administration** agrees with the audit recommendations. She has said that:

***Backlog of records appraisals***

- (a) the GRS will redeploy resources to clear the backlog of records appraisals;

***Transfer of records to GRS for appraisal***

- (b) the GRS has followed up with the B/Ds concerned the cases of delay in transferring to it records requiring appraisals and will closely monitor the progress;
- (c) the mandatory records management requirements promulgated in 2009 require B/Ds to, among other things, establish draft disposal schedules for all their programme records and dispose of time-expired records at least once every two years. Full compliance with these two requirements will facilitate the transfer by B/Ds of records to the GRS for appraisal. The GRS will closely monitor the effectiveness of these requirements and, if necessary, consider the need for setting additional mandatory requirements for transfer of records by B/Ds to the GRS for appraisal;

***Appraisal of records reaching 30 years old***

- (d) to facilitate monitoring of their progress in meeting the stipulated submission date of draft disposal schedules, since August 2011, B/Ds have been requested to submit quarterly reports to the GRS;

***Destruction of records before appraisal***

- (e) since March 2008, the GRS has introduced a records disposal check form to enhance internal controls on the disposal process for records kept in the records centre. The GRS will continue to monitor the operation of the enhanced internal controls; and
- (f) the Public Records Office has started to appraise the archival value of the microfilm records mentioned in paragraph 4.11 and will complete the appraisal in October 2011.

## Preservation of archival records

4.14 The GRS is the central repository for the permanent archives of the Government. Its archival facilities are mainly housed in the 11-storey purpose-built Hong Kong Public Records Building in Kwun Tong (Note 21 — Photograph 3). Besides the archival holdings (see Photograph 4), the building also houses the Central Preservation Library for Government Publications, which contains selected government publications, reports and printed materials on Hong Kong. The building was constructed and equipped to meet international standards for the preservation and storage of the archival and library holdings.

**Photograph 3**

### Hong Kong Public Records Building



*Source: Photograph taken by Audit on 7 September 2011*

**Note 21:** *Some floors of the building are used by other operational offices of the GRS. The GRS also stores some archival records and library collections in the archival repositories of its records centre (see para. 3.3).*

**Photograph 4**  
**Archival holdings**



*Source: Photograph taken by Audit on 11 March 2011*

***Preservation strategies of 2002***

4.15 In 2002, the GRS commissioned a conservation adviser to conduct a condition survey of its archival and library holdings. The survey found that about 30% of 1,600 selected items were in a deteriorated condition. Based on the findings, the adviser proposed preservation strategies to prevent and retard any further deterioration of the archival and library holdings.

**Audit observations and recommendations**

4.16 Audit has examined the implementation of the 2002 preservation strategies and found that there is room for improvement as follows:

- (a) ***Preservation on a routine basis.*** This strategy was to create conditions optimal for preservation of the archival and library holdings to prevent damage. This involved good housekeeping practices. However, other than some rules for accessing the repositories of the archival and library holdings, the GRS has not promulgated comprehensive guidelines (on their handling, transport and storage) for its staff to follow;

- (b) **Conservation.** According to the preservation strategies, conservation treatment of the deteriorated items to retard further deterioration could only be carried out by staff with professional skills and knowledge. It was a time-consuming process and should be carried out according to a priority list based on the relative archival value, frequency of use and degree of degradation. However, the GRS has not prepared such a list to guide its conservation work;
- (c) **Substitution.** As part of the preservation strategies, the GRS should provide microfilm or digital images of the archival records and library collections for public inspection unless there were special reasons to access the original documents. As of March 2011, the GRS had microfilmed/digitised 567,000 archival records and 8,590 library items. There were still 463,000 archival records and 31,410 library items which might be considered for microfilming or digitisation (see para. 3.26(b)). There is room for the GRS to expedite action in this regard;
- (d) **Condition survey.** One of the preservation strategies was to carry out condition survey as an ongoing project since every item of archival and library holdings had to be examined. However, the GRS has not carried out any condition survey since 2002. Audit's physical check of some non-paper archival records in June 2011 detected strong acid smell, suggesting that their condition might have deteriorated. Upon Audit enquiries, the GRS said that it decided in 2009 to conduct a comprehensive collection condition survey and would embark on the survey in 2011 after completing the planning work currently in progress; and
- (e) **Insect control.** In accordance with the preservation strategies, insect control had to be carried out on an ongoing basis and all new archival records and library items should be fumigated before they were deposited in repositories. However, in 2010-11, the GRS did not fumigate any such records/items.

4.17 In Audit's view, the GRS needs to take measures to ensure that the 2002 strategies for the preservation of the archival and library holdings are properly implemented.

#### ***Audit recommendations***

4.18 **Audit has recommended that the Director of Administration should take measures to ensure that the 2002 strategies for the preservation of archival and library holdings are properly implemented. In particular, she should urge the GRS to:**

- (a) **issue guidelines to remind its staff to follow good practices in preservation work;**

- (b) **prepare a priority list for conducting conservation treatment of deteriorated items;**
- (c) **expedite the production of microfilm or digital images of the archival records and library items for public inspection;**
- (d) **conduct condition survey on the archival and library holdings on a regular basis; and**
- (e) **carry out insect control (such as fumigation of new archival records and library items) on an ongoing basis.**

### **Response from the Administration**

4.19 The **Director of Administration** agrees with the audit recommendations. She has said that:

- (a) the GRS has issued to its staff guidelines on accessing the repositories. The Preservation Service Office conducted two workshops in 2010 and 2011 for the GRS staff concerned on the proper handling and preservation of archival records. To strengthen the guidance for staff in other areas, a set of comprehensive guidelines covering proper handling, transport and storage of archival records and library items will be issued to remind GRS staff of good practices in preservation work. In addition, the Preservation Service Office will conduct workshops for new staff who are expected to handle archival records on the good practices;
- (b) a priority list for conducting conservation treatment of deteriorated items will be one of the outcomes from a comprehensive collection condition survey which the GRS will embark in October 2011;
- (c) over the years, the GRS has made steady efforts to produce microfilm or digital images of the archival records and library items. As of June 2011, about 54% of the GRS's total archival and library holdings had been microfilmed or digitised. The GRS will continue to plan for such microfilming and digitisation work based on criteria commonly adopted by overseas archives/libraries, including physical condition of the items, users' demand or frequency of use of the items, copyright constraints involved and personal data privacy considerations;
- (d) the GRS appreciates the need to conduct regular condition surveys on its holdings. As mentioned in (b) above, it will embark on another condition survey in October 2011; and

- (e) since 2002, the GRS has been undertaking an integrated pest management programme, which is a holistic approach to pest management decision-making, to monitor the activity level of pest (including insects, fungi and rodents) in all archive repositories. As part of the programme, all incoming archival records will be inspected for signs of active pest infestation, with infested records and records with high risk of pest infestation treated by fumigation to eradicate the pest. The GRS will continue to monitor the effectiveness of the programme including the insect control function.

### **Safe custody of archival records**

4.20 According to the RMM, B/Ds should systematically transfer their archival records to the control of the GRS in accordance with the approved schedules. Custody and ownership of the transferred archival records are rested with the GRS. As of June 2011, the GRS stored and cared for over 1.04 million accessioned archival records.

### **Audit observations and recommendations**

#### *Need to conduct periodical stocktaking*

4.21 The archival records of the GRS, dated from the mid-19th century to the present, are rich and often unique information resources. According to overseas practice guidelines for managing archives, an annual stocktaking of archival records will help establish which items are missing, and identify any problems, including mould growth, insect infestation and defective labels. However, the GRS has not conducted stocktaking of its archival records. For collections in the Central Preservation Library for Government Publications, the GRS has only checked items purchased by it and cost \$1,000 or more once a year. As each archival record/library item has historical value of its own, Audit considers that the GRS needs to conduct periodical stocktaking of all its collections.

#### *Need to review the arrangements of lending archival records to B/Ds*

4.22 There may be occasions when B/Ds need to refer to archival records after transfer to the GRS. Upon request, the GRS allows the B/Ds concerned to inspect these records in the Public Records Office or borrow them from the Office. Before 2009, the GRS did not specify a return date for the archival records on loan. With a view to minimising the risk of damage and maximising public access to archival records, the GRS has revised the loan procedures since November 2009 such that the period of loan is three months or less in normal cases. Endorsement of a directorate officer of the requisitioning B/Ds is required if the aggregate loan period is more than three months. The GRS has also asked the B/Ds which had borrowed archival records prior to November 2009 to return them within three months. However, as of June 2011, there were 438 archival records kept

by five departments (Note 22) for more than three months but for which the required endorsements of their directorate officers had not been provided. Of these 438 records, 236 (54%) had been kept by the departments concerned for more than 1 year (up to 23 years in one case).

4.23 According to statistics kept by the GRS, as of May 2011, there were a total of 391 reported losses of archival records while on loan to six B/Ds. The statistics highlighted the risk of loss of archival records under the present lending arrangement. In Audit's view, the GRS needs to review the feasibility of providing microfilm or digital images (where available) of the archival records for B/Ds' reference unless they have compelling reasons to borrow the original documents (i.e. similar to the arrangements adopted for meeting the public requests for accessing archival records — see para. 4.16(c)). The GRS also needs to urge the departments concerned to return the overdue archival records mentioned in paragraph 4.22 without further delay.

#### *Audit recommendations*

- 4.24 **Audit has recommended that the Director of Administration should:**
- (a) **require GRS staff to conduct periodical stocktaking of archival and library holdings;**
  - (b) **review the arrangements of lending archival records to B/Ds, including exploring the feasibility of providing microfilm or digital images of the archival records for B/Ds' reference; and**
  - (c) **urge the departments concerned to return the overdue archival records mentioned in paragraph 4.22 without further delay.**

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

4.25 The **Director of Administration** agrees with the audit recommendations. She has said that the GRS:

- (a) will explore how best to conduct stocktaking of its archival records and library holdings with a view to minimising the impact on services to the public;

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**Note 22:** *In August and September 2011, two of the five departments returned all their borrowed records (totalling 5) to the GRS.*



- (b) has kept the arrangements of lending archival records to B/Ds under review. Following a review in 2009, the GRS has implemented tightened measures to improve the various arrangements. Since then, there has been no report on missing of loaned archival records. The GRS has reviewed again the arrangements in August 2011 and will implement further improvement measures (Note 23); and
- (c) has urged the departments concerned on a quarterly basis to return the loaned archival records mentioned in paragraph 4.22. The GRS will consider additional measures to ensure the return of these overdue archival records.

### **Provision of reference and research services for the public**

4.26 The Public Records Office is open to the public on weekdays except public holidays. It has a finding aids area and a search room equipped with computers to facilitate access to its extensive archival and library holdings. Besides visiting the Public Records Office, the public may access the online catalogue of its archival and library holdings on the GRS website. About 17,000 digitised archival and library items are available for online access. The Public Records Office also conducts simple research for overseas inquirers.

### **Audit observations and recommendations**

#### *Accessioning of archival records*

4.27 Accessioning is the process of registering and arranging the archival records before they are made available for public inspection. In April 2008, there was a backlog of 340,000 archival records pending accessioning. The GRS then decided to arrange these records into different priority groups and carry out accessioning work accordingly. Up to June 2011, the GRS had reduced the backlog of un-accessioned archival records to 280,000. However, Audit noted that from 2008 to 2010, the GRS on average completed accessioning of 30,000 archival records each year. At this rate, it would take more than nine years to clear the backlog. The GRS needs to make greater efforts to speed up the accessioning work (e.g. considering contracting out some of the work).

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**Note 23:** *On 21 October 2011, the Director of Administration issued a memorandum to B/Ds announcing that with immediate effect, the loan period for overnight loan of archival records would be restricted to a maximum of five months in a year in order to protect the archival records.*

### *Accessing problem of some non-paper archival records*

4.28 As of March 2011, the GRS had about 213,000 non-paper archival records. They included records in various storage formats such as VHS tapes, magnetic audio tapes and films. At present, the GRS does not have the playback machines for the public and GRS staff to read/view some of these records (e.g. audio tapes and films). As a result, immediate access to 29 such records is not available (Note 24). In Audit's view, there is a need to consider migrating records in obsolete storage formats to suitable ones to facilitate their retrieval.

### *Audit recommendations*

4.29 **Audit has recommended that the Director of Administration should:**

- (a) **make greater efforts to clear the backlog of archival records pending accessioning; and**
- (b) **consider migrating archival records in obsolete storage formats to suitable ones to facilitate their retrieval.**

### **Response from the Administration**

4.30 The **Director of Administration** agrees with the audit recommendations. She has said that the GRS has:

- (a) drawn up an action plan to clear the backlog of archival records pending accessioning and will closely monitor the progress; and
- (b) migrated some archival records in obsolete formats to accessible formats. The collection condition survey mentioned in paragraph 4.19(b) will provide a basis for mapping out a strategy to digitise archival records.

### **Access to archival records**

4.31 According to the Public Records (Access) Rules 1996, made by the Administration, the following archival records shall be made available for public inspection unless they contain information the disclosure of which would not be in the public interest:

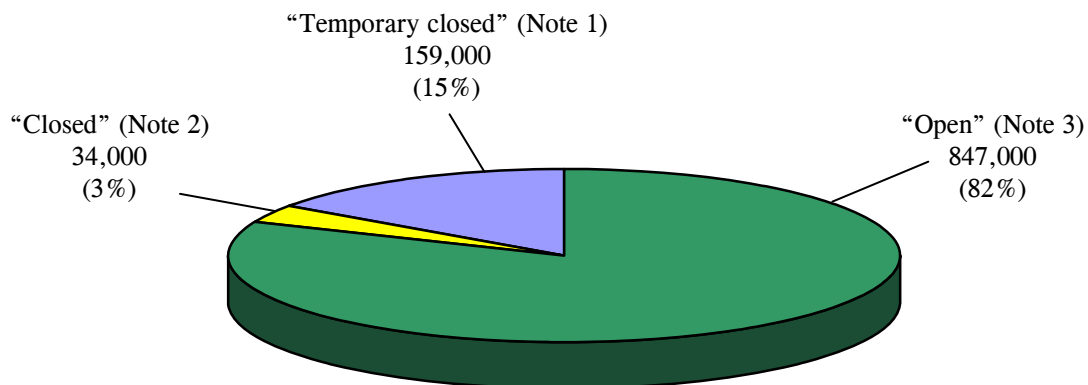
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**Note 24:** *The GRS has made arrangements with the Hong Kong Film Archive for GRS staff or members of the public to use the Archive's viewers and playback machines for accessing these records.*

- (a) records which have been in existence for 30 years or more; or
- (b) records whose contents have been published or otherwise wholly disclosed to the public.

4.32 Pursuant to these rules, the GRS would release unclassified archival records for public access when they reach 30 years old. For classified archival records, the GRS would consult the records creating B/Ds to determine their access status. The GRS may also release unclassified records less than 30 years old for public inspection upon request and subject to the agreement of the records creating B/Ds. Figure 4 shows the access status of the 1.04 million accessioned archival records as at June 2011.

**Figure 4**  
**Access status of 1.04 million archival records**  
**(June 2011)**



Source: GRS records

Note 1: Most of the “temporary closed” records contained personal data and required a review of their access status.

Note 2: “Closed” archival records comprised: (a) classified records less than 30 years old; (b) those over 30 years old but contained information the disclosure of which would not be in the public interest; and (c) those with access status not yet confirmed by B/Ds (see para. 4.33).

Note 3: “Open” archival records comprised: (a) classified records over 30 years old available for public inspection; and (b) unclassified records (those less than 30 years old may only be released for public inspection upon request and subject to the agreement of the records creating B/Ds — see para. 4.32).

## Audit observations and recommendations

4.33 Since 1999, the GRS has conducted annual reviews to identify classified archival records which had been created for 30 years and consult the B/Ds concerned on whether such records should be made available for public inspection. From 1999 to 2010, the GRS identified 6,231 such records. As at June 2011, the GRS had obtained B/Ds' confirmations on the access status for 4,467 (72%) of them. However, there were 1,137 records with access status not yet confirmed by 18 B/Ds (Note 25). In addition, there were 627 records created by some former B/Ds (Note 26) for which the GRS had yet to ascertain the current B/Ds responsible for confirming their access status. The GRS needs to expedite action in this regard.

4.34 Audit noted that the GRS normally requested B/Ds to confirm the access status of the records identified in its annual reviews within 2 to 11 months from the date of its call circulars. While the RMM requires B/Ds to fully cooperate with the GRS in its annual review, it is not a mandatory requirement that B/Ds should confirm the access status of classified archival records in a timely manner. For 432 of the 1,764 (1,137 plus 627) records mentioned in paragraph 4.33, the GRS sought B/Ds' confirmation of their access status in 1999 and 2000, i.e. more than 10 years ago. These long outstanding cases indicate a need to lay down mandatory requirements in this regard to enable the GRS to properly implement the Public Records (Access) Rules. The GRS also needs to urgently follow up these long outstanding cases with the B/Ds concerned at an appropriate senior level and monitor their compliance with the laid-down requirements. Where circumstances warrant, consideration should be given to taking more stringent measures (see para. 4.8).

### *Audit recommendations*

- 4.35 **Audit has recommended that the Director of Administration should:**
- (a) **expedite action on ascertaining the current B/Ds responsible for confirming the access status of the 627 archival records created by some former B/Ds;**
  - (b) **set mandatory requirements specifying that B/Ds should confirm the access status of classified archival records within a reasonable time after they reach 30 years old;**

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**Note 25:** *During August to October 2011, 10 of the 18 B/Ds confirmed with the GRS the access status for a total of 218 of these records.*

**Note 26:** *Over the years, there had been a number of reorganisations of B/Ds and changes in their policy responsibilities.*

- (c) **urgently follow up the long outstanding cases mentioned in paragraph 4.34 with the B/Ds concerned at an appropriate senior level; and**
- (d) **monitor B/Ds' compliance with the requirements in (b) above and consider taking more stringent measures where warranted by circumstances.**

### **Response from the Administration**

4.36 The **Director of Administration** agrees with the audit recommendations. She has said that:

- (a) to assist B/Ds in taking forward review exercises on the access status of classified archival records, the GRS has implemented some improvement measures recently, including requesting Departmental Records Managers to coordinate the review exercises in their B/Ds and advancing the annual review exercise before the records reach 30 years old. These measures will help ensure that such reviews can be completed in a more coordinated and timely manner. The GRS will continue to monitor the effectiveness of the improvement measures and, if necessary, consider the need for setting the proposed mandatory requirements; and
- (b) the GRS took follow-up actions with the B/Ds concerned in September 2011 regarding the long outstanding cases mentioned in paragraph 4.34. The GRS will closely monitor the progress.

## **PART 5: DEVELOPMENT OF ELECTRONIC RECORDKEEPING SYSTEM**

5.1 This PART examines issues relating to the development of an electronic recordkeeping system (ERKS — Note 27) for managing government records in an “unstructured” computing environment (Note 28).

### **Benefits of electronic recordkeeping system**

5.2 With the increasing use of electronic means to conduct government business, more and more government records have been created and received in electronic form. In 2001, an Electronic Records Management Working Group (ERMWG) was established to develop policy, strategies, and standards for the effective management of electronic records, including studying the feasibility and implications of developing a properly designed ERKS. The ERMWG was chaired by a Deputy Director of Administration, with members from the GRS, the Efficiency Unit (EU), and the Office of the Government Chief Information Officer (OGCIO).

5.3 According to the GRS, having regard to the experience in overseas jurisdictions, implementing an ERKS in B/Ds would bring substantial tangible and intangible benefits, including the following:

- (a) enhanced operational efficiency and reduced cost for storing records;
- (b) improved organisational compliance with legal and regulatory requirements;
- (c) better governance and greater accountability;
- (d) better management of records; and
- (e) better preservation of corporate and community memory.

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**Note 27:** *An ERKS is an information/computer system with the necessary records management capabilities designed to electronically collect, organise, classify and control the creation, storage, retrieval, distribution, maintenance and use, disposal and preservation of records.*

**Note 28:** *An unstructured computing environment is one where business processes and workflow are not well-defined and the user has relative autonomy over what information is created, sent and stored (e.g. e-mails and attachments). In contrast, a structured computing environment refers to a “systems” environment where work processes and business rules have been well defined and data collected are structured. These computer systems are usually operated by B/Ds to meet their business needs. Examples include the various computerised tax systems of the Inland Revenue Department.*

## Pilot project

5.4 In 2002, the ERMWG accepted a consultant's recommendations to initiate an ERKS pilot project to provide a foundation for establishing a feasible and sustainable electronic records management strategy and a government-wide implementation programme. The pilot project comprised the following two phases:

- (a) **Phase I.** In October 2003, a few offices of five departments commenced to test use two ERKSs for one month, with a view to finalising the system scope and specifications; and
- (b) **Phase II.** Based on the Phase I findings, another ERKS was procured from the market for a one-year pilot run. In October 2005, a contractor was engaged to implement the pilot run in some offices of two departments, after customising the ERKS to meet the functional requirements. According to the original schedule, the pilot run should commence in September 2006. However, owing to certain software changes suggested by the contractor, the commencement date of the pilot run was deferred to September 2007. The pilot run ended in September 2008.

5.5 In October 2009, the GRS, the EU and the OGCI O completed a post-implementation review of the pilot project. The review identified the need for further work to address issues relating to the implementation of an ERKS in the Government, including the following:

- (a) **Records management standards.** Records management standards on metadata (Note 29), and on import, export and transfer of records with associated metadata and audit trails from one ERKS to another, needed to be developed;
- (b) **Functional requirements.** The functional requirements of an ERKS needed to be refined in the light of the latest international standards and the implementation experience of the pilot project (see para. 5.7);
- (c) **Confidential records.** Solutions to manage confidential records and records with digital signatures needed to be developed and tested; and
- (d) **Preservation of electronic records.** Strategies and technical solutions for long-term preservation of electronic records needed to be studied.

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**Note 29:** *In the context of records management, metadata are data that describe the content, context and structure of records and their management through time. An example is the record's title.*

## Recent developments

5.6 Under the 2008 Digital 21 Strategy (Note 30), electronic information management (EIM — Note 31) is one of the Government's key initiatives. In February 2009, an Electronic Information Management Steering Group (EIMSG) was established, taking over the work of the ERMWG, to steer the government-wide strategy and implementation of EIM. Members of the EIMSG included the Government Chief Information Officer (Convener), the Director of Administration, the GRS Director and the Head, EU.

5.7 Between February and October 2010, a consultancy study on EIM was conducted to make recommendations on further development and implementation of EIM, including an ERKS, across the Government. On 3 May 2011, on the basis of the study and as endorsed by the EIMSG, the Government Chief Information Officer issued a circular to promulgate a strategy and a framework for implementing EIM in B/Ds. On the same date, the GRS issued a set of ERKS functional requirements for compliance by B/Ds in developing or adopting an ERKS. According to the strategy and the framework:

- (a) B/Ds should take forward electronic records management as an integral part of the EIM initiative and adopt an ERKS to drive electronic records management in the Government; and
- (b) the ERKS functional requirements developed by the GRS form part of the mandatory requirements that B/Ds should observe in implementing EIM.

5.8 An EIM Programme Management Office, consisting of members from the OGCIO, the GRS and the EU, is responsible for overseeing the progress of implementing EIM in B/Ds and providing advisory support to them on strategy development and implementation. The OGCIO will provide overall programme support and technical advisory support. The EU will provide consultancy service in terms of knowledge management, change management and business process re-engineering. On records management, the GRS will provide advisory support and facilitation to assist B/Ds in implementing an ERKS.

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**Note 30:** *The Digital 21 Strategy is the blueprint for the development of information and communications technology in Hong Kong. Since its first release in 1998, the Strategy has been updated regularly to take account of advances in technology and the changing needs of the community.*

**Note 31:** *EIM refers to the management of information throughout its life cycle by electronic means.*



## Audit observations and recommendations

5.9 Audit noted that the GRS, together with the EU and the OGCIO, started to study the use of an ERKS for the effective management of electronic records some 10 years ago in 2001. However, as mentioned in paragraph 5.5, there is still a need for further work to address issues relating to the implementation of an ERKS in the Government. While such further work was identified in October 2009, only the work on refining the functional requirements was completed in May 2011. The work on other issues was still at different stages of planning and development as summarised below:

- (a) **Records management standards.** In December 2010, the GRS planned to complete the development of the records management standards on metadata by mid-2011, and those on import, export and transfer of records by late 2011. In May 2011, the GRS deferred the planned completion dates to late 2011 and the first quarter of 2012 respectively;
- (b) **Confidential records.** In May 2011, the GRS indicated that it would, in collaboration with the OGCIO, enhance the ERKS functionality so as to manage confidential records and records with digital signatures. The system functionality for managing confidential records would be delivered by December 2012 for use by one bureau; and
- (c) **Preservation of electronic records.** According to the GRS's plan, it would conduct a preliminary study in August 2012 to define the scope of work and determine the expertise required of consultants. Based on the preliminary study results and with the assistance of consultants, it would commence a comprehensive study by the end of 2013, with a view to completing the development of strategies and solutions for long-term preservation of electronic records by December 2014.

5.10 As mentioned in paragraph 5.3, implementing an ERKS in B/Ds would bring substantial tangible and intangible benefits. In Audit's view, the GRS needs to step up efforts to address the issues and provide adequate support to B/Ds to facilitate their early implementation of an ERKS.

### *Audit recommendations*

5.11 **Audit has recommended that the Director of Administration should, in collaboration with the Government Chief Information Officer and the Head, EU:**

- (a) **step up efforts to address the issues relating to the implementation of an ERKS in B/Ds; and**

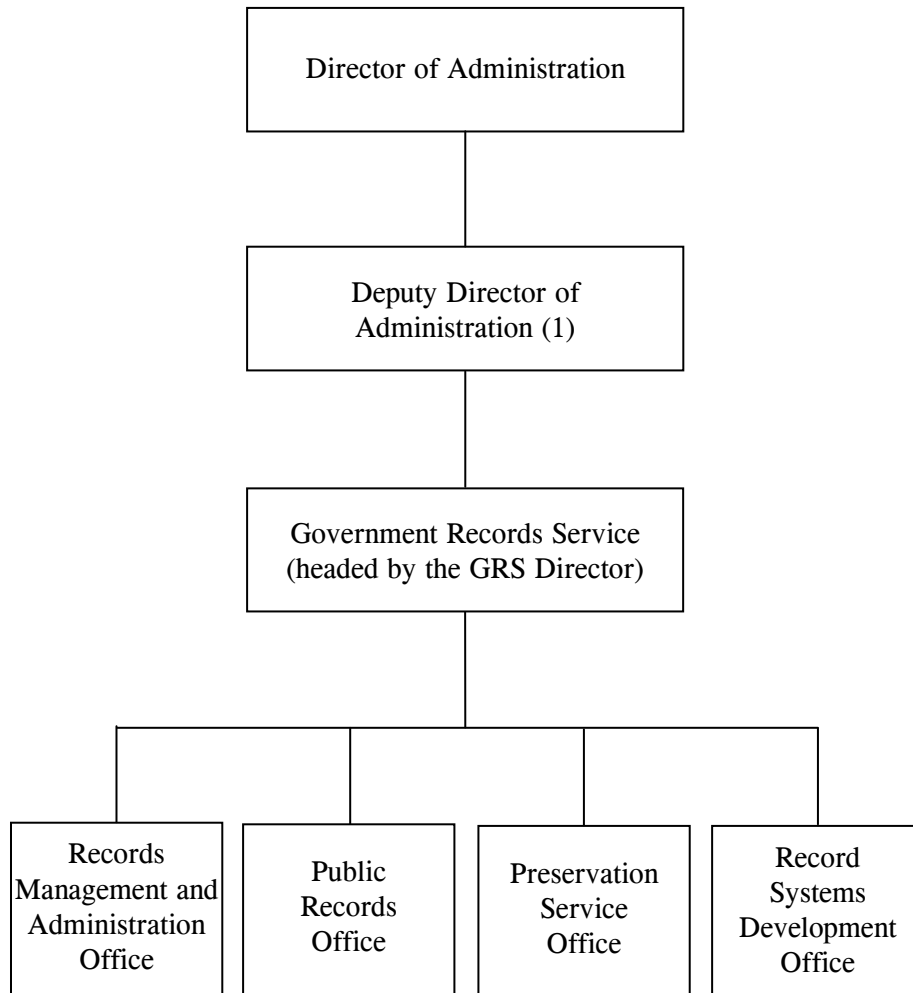
- (b) **provide adequate support to B/Ds to facilitate their early implementation of an ERKS.**

### **Response from the Administration**

5.12 The **Director of Administration** agrees with the audit recommendations. She has said that the Administration Wing, the OGCIO and the EU have been taking measures to prepare for and support implementation of an ERKS across the Government. Specifically:

- (a) a pilot project on an ERKS had been conducted and a post-implementation review was completed in October 2009 (see paras. 5.4 and 5.5);
- (b) in June 2010, the EU launched an enterprise information management system for its own operations. This incorporates an ERKS complying with the functional requirements established by the GRS;
- (c) following the promulgation of the Government's EIM strategy in May 2011 (see para. 5.7), briefings have been given for senior management, Departmental Records Managers and heads of information technology management units within the Government and for the industry sector. These were designed to build understanding of the strategy and accelerate action across the Government to implement an ERKS as part of the business system development programme; and
- (d) to facilitate B/Ds' early implementation of an ERKS:
  - (i) the GRS is in the process of developing detailed guidelines and good practices to help B/Ds initiate, plan and successfully implement an ERKS. The GRS will provide proper training to Departmental Records Managers and their deputies to assist them in planning and implementing an ERKS;
  - (ii) when providing consultancy services to B/Ds to help develop their organisational EIM strategies, the EU will give special attention to their development or adoption of an ERKS; and
  - (iii) the OGCIO EIM Project Team is in the process of developing common shared EIM services, including ERKS services, as an implementation option to help B/Ds reduce costs and time in their EIM implementation. The target is to have eight B/Ds subscribing to the services by mid-2014 and to extend the services incrementally.

**Administration Wing  
Organisation chart (extract)  
(30 June 2011)**



*Source: GRS records*

**Appendix B**  
(paras. 2.24, 2.25,  
2.29 and 2.30 refer)

**Non-compliance with key mandatory records management requirements  
(22 April 2009 to 31 October 2010)**

Requirement	Non-compliance
1. Print-and-file e-mail records	Three B/Ds indicated in their survey forms that they were aware of some non-compliance cases
2. Prepare and maintain an accurate records inventory	Two departments did not give a target completion date and five departments had their target completion dates set between December 2010 and December 2011
3. Establish classification schemes for all programme records	Five departments did not give a target completion date and four departments had their target completion dates set between June 2011 and December 2012
4. Put in place arrangements to ensure proper custody and storage of records	Four departments had cases of loss or unauthorised destruction of records (see para. 2.25) and all of them had delays in reporting to the GRS
5. Report any loss or unauthorised destruction of records to the GRS immediately and investigate such cases	
6. Transfer records having archival value to the GRS according to the respective disposal schedules	Not applicable (Note)
7. Obtain the GRS's prior agreement before destruction of records	See item 5
8. Dispose of time-expired records at least once every two years	Not applicable (Note)

*Source: Audit's analysis of survey forms returned by B/Ds to GRS*

*Note: The compliance with these two requirements cannot be properly assessed because most of the B/Ds have not yet established disposal schedules for all their records. Their compliance should more appropriately be assessed after the B/Ds have done so.*

**Progress in meeting three mandatory  
records management requirements with a compliance deadline of April 2012  
(31 October 2010)**

Requirement	Work progress	
1. Adopt the standard classification scheme and disposal schedules developed by the GRS for all administrative records	<b>Percentage of administrative records classified according to the standard classification scheme</b>	<b>Number of B/Ds</b>
	100 %	27 (36 %)
	51 % – 99 %	18 (24 %) (Note 1)
	1 % – 50 %	9 (12 %) (Note 2)
	0 %	21 (28 %) (Note 3)
	<b>Total</b>	<b>75 (100%)</b>
2. Establish draft disposal schedules for all programme records	<b>Percentage of programme records covered by draft disposal schedules</b>	<b>Number of B/Ds</b>
	100 %	11 (15 %)
	51 % – 99 %	19 (25 %)
	1 % – 50 %	42 (56 %)
	0 %	3 (4 %)
	<b>Total</b>	<b>75 (100%)</b>
3. Draw up an action plan to identify and protect vital records	<ul style="list-style-type: none"> <li>• 10 B/Ds (13 %) had drawn up a plan</li> <li>• 9 B/Ds (12 %) were drawing up a plan</li> <li>• 56 B/Ds (75 %) had not commenced action</li> </ul>	

Source: Audit's analysis of survey forms returned by B/Ds to GRS

Note 1: For one bureau, the compliance deadline is December 2012 (instead of April 2012), i.e. three years after completion of the GRS's records management study in December 2009 (see Note 2 to Table 1 in para. 2.8).

Note 2: For one bureau, the GRS had not yet conducted the records management study as at August 2011. Its compliance deadline would be three years after completion of the study (instead of April 2012).

Note 3: For seven B/Ds, their compliance deadlines are between July 2012 and August 2014, having regard to their respective completion dates of the GRS's records management studies (see Note 1 above). For one bureau, the GRS had not yet conducted the study as at August 2011 (see Note 2 above).

## Appendix D

### Acronyms and abbreviations

Audit	Audit Commission
B/Ds	Bureaux and departments
CEDB	Commerce and Economic Development Bureau
DoJ	Department of Justice
EDB	Education Bureau
EIM	Electronic information management
EIMSG	Electronic Information Management Steering Group
ERKS	Electronic recordkeeping system
ERMWG	Electronic Records Management Working Group
EU	Efficiency Unit
FSD	Fire Services Department
GRS	Government Records Service
ICAC	Independent Commission Against Corruption
LCSD	Leisure and Cultural Services Department
OGCIO	Office of the Government Chief Information Officer
RMM	Records Management Manual
SB	Security Bureau