

RADIO TELEVISION HONG KONG: PROVISION OF PROGRAMMES

Executive Summary

1. Radio Television Hong Kong (RTHK) has four programme areas: (a) radio; (b) public affairs and general television (TV) programme; (c) school education TV (ETV) programme; and (d) new media. According to RTHK's annual Radio Audience Survey, the number of listeners of RTHK radio channels had increased by 14% from 2,949,000 in 2013 to 3,371,000 in 2017. RTHK programmes have also won a number of local and international awards. Moreover, while RTHK provides online and mobile access to its digital platforms and contents around the clock all year round, the total number of output hours for radio, TV and school ETV programmes in 2017-18 were 57,359, 1,409 and 19 respectively. Over 75% of RTHK's programmes are in-house productions. RTHK employs 676 civil service staff, 193 full-time and 417 part-time contract staff, and procures services from various service providers to meet different programme production needs. In 2017-18, RTHK's expenditure was \$1,008.4 million and its income was \$20.7 million. The Commerce and Economic Development Bureau is the policy bureau for radio, public affairs and general TV programme and new media services. The provision of school ETV programmes is under the policy responsibility of the Education Bureau (EDB). The Audit Commission (Audit) has recently conducted a review of RTHK's provision of programmes.

Production of programmes

2. *High percentage of non-civil service contract (NCSC) staff and prolonged employment of some NCSC staff.* NCSC staff are generally temporary staff employed to meet short-term operational needs and ad hoc programme needs. Hiring staff on short-term contract provides a more flexible means for RTHK to respond to changing operational and service needs. However, Audit noted that as at 31 March 2018: (a) the percentage (i.e. 22%) of NCSC staff for RTHK was significantly higher than that for all government bureaux/departments (5.5% as at 30 June 2017); and (b) 63 (34%) of the 188 full-time NCSC staff had been continuously employed for 5 years or more. Of these 63 staff, 28 (44%) had been continuously employed for 10 years or more. The longest period of employment was 18.8 years. It appears that some

Executive Summary

NCSC staff may have been employed to meet recurrent and long-term operational needs (paras. 2.12, 2.14 and 2.15).

3. *Need to improve the process of engaging Category II (Cat II) Service Providers.* Cat II Service Providers are independent contractors or self-employed persons who are engaged for a specific purpose in the production of programmes, for example, artistes, presenters, scriptwriters, translators and technical producers. As at 31 March 2018, there were 81 job titles of Cat II Service Providers. To facilitate internal processing and checking, RTHK stipulated that: (a) the contract request must route through checking staff, preferably seven working days before the engagement, for vetting and checking the particulars against information available in the database before submission to the approval officer; and (b) user section should not allow the engagement of Service Providers to commence before the contract request is approved and the contract is issued. Audit examination of the 65 contract requests initiated in the period from February 2016 to May 2018 revealed that: (a) 39 (60%) requests were submitted to the checking staff less than 7 working days before the engagement, on average only 4 working days before the engagement, ranging from 1 to 6 working days; (b) 1 (2%) request was submitted to the checking staff and approved 22 days and 23 days respectively after the start date of the engagement period; and (c) for another contract, the engagement commenced 27 days before the contract was issued (paras. 2.12, 2.18, 2.20, 2.21 and 2.23).

4. *Need to review acquisition procedures for TV and radio programmes.* RTHK's acquisition procedures of TV and radio programmes are different from the procedures stipulated in the standard government procurement procedures (i.e. Stores and Procurement Regulations – SPR). For each procured TV or radio programme, there is only one supplier. Instead of inviting the supplier to quote a selling price as required by the SPR, RTHK offers a price and then negotiates with the supplier. In December 2015, the Hong Kong Independent Commission Against Corruption (ICAC) completed a review on RTHK's acquisition of TV programmes for digital terrestrial television channels. The ICAC found that RTHK's practice of acquiring programmes could pose a collusion risk of circumventing the controls built in the standard government procurement procedures with a view to favouring a supplier. However, RTHK considered that the acquisition of TV programmes was in the nature of licensing of copyright rather than procurement of stores or services and thus the transactions were not subject to the government procurement regulations. Audit considers that RTHK needs to review the acquisition procedures of TV and radio programmes, including whether the acquisition falls into the definition of

Executive Summary

procurement and is subject to the SPR, seeking advice from the Financial Services and the Treasury Bureau where necessary (paras. 2.31 to 2.34).

5. ***Need to improve Community Involvement Broadcasting Service (CIBS).*** In May 2012, the Finance Committee of Legislative Council (LegCo) approved \$45 million for setting up the Community Involvement Broadcasting Fund (CIBF). The aim of the CIBF is to support and encourage community and ethnic minority organisations and individuals to participate in broadcasting programme production through the CIBS on different themes, such as social services and ethnic minorities (para. 2.37). Audit noted that:

- (a) ***Detailed assessments of Selection Committee not documented.*** A Selection Committee has been established to assess applications for CIBS and CIBF. Audit examined the records for the 6 rounds of applications conducted in the period from 2015-16 to 2017-18 and noted that the Selection Committee only gave an overall score and overall comments on each applicant. Detailed assessments on each of the five selection criteria were not documented. Such detailed assessments would help ensure that the applications were thoroughly assessed on each criterion (paras. 2.41 and 2.42);
- (b) ***Difficulty in submitting programme recordings on time.*** RTHK requires the CIBS participants to submit their programme recordings one month before the scheduled broadcasting date for the first two episodes and two weeks before the scheduled broadcasting date from the third episode onwards, so that RTHK has sufficient time to check the quality of the programmes. Audit examination of the submission of 156 programme recordings for 12 programmes broadcast during the period from April 2015 to April 2018 revealed that: (i) 12 (50%) of the 24 programme recordings for the first two episodes were submitted on average 10 days late (ranging from 1 to 31 days), i.e. submitted on average about 20 days before the scheduled broadcasting dates; and (ii) of the remaining 132 programme recordings for third episodes onwards, 71 (54%) were submitted on average 11 days late (ranging from 1 to 25 days), i.e. submitted on average 3 days before the scheduled broadcasting dates (paras. 2.43 and 2.44);
- (c) ***Delay in submission of post-broadcast reports.*** RTHK requires the CIBS participants to submit the post-broadcast reports (i.e. self-evaluation reports in which the participants give their views on whether the expected

Executive Summary

deliverables of the programmes were achieved, and Limited Assurance Engagement Reports (together with the statements of expenditure) prepared by accredited/registered accounting firms) after the completion of the programme to ensure that the programmes achieved the expected deliverables and the expenditure of the programmes were properly accounted for. The date of submission was specified in the agreements signed between RTHK and the participants. Audit examination of the timeliness of the submission of post-broadcast reports for 12 programmes broadcast from April 2015 to April 2018 revealed that: (i) 7 (58%) of the 12 self-evaluation reports were submitted on average 62 days late (ranging from 1 to 210 days); and (ii) 7 (58%) of the 12 Limited Assurance Engagement Reports were submitted on average 82 days late (ranging from 1 to 213 days) (para. 2.46); and

- (d) ***Low public awareness on CIBS programmes.*** The CIBS programmes are only broadcast on channel Radio 7. According to the results of the 2017 Radio Audience Survey, the listenership and awareness level of Radio 7 were only 2.3% of the population and 2.8% of the respondents, and only 21% of the respondents was aware of the CIBS. The low listenership and awareness level might undermine the effectiveness of the CIBS in encouraging community or ethnic minority involvement in broadcasting (para. 2.53).

6. ***Commissioning of TV programmes.*** Since 2000, RTHK has introduced a scheme for commissioning private production houses to produce TV programmes. Programme commissioning provides an open platform for independent producers to exhibit their creativity. In each round of application, a Selection Board is set up to assess applications for each category of commissioned programmes. After commissioning, the contractors are required to submit production materials in different production stages and an audited report to account for their expenditures (paras. 2.56 to 2.58). Audit noted that:

- (a) ***Delay in submission of production materials and audited reports.*** Audit reviewed 15 programmes completed in the period from July 2016 to April 2018 and noted that: (i) all the 15 programmes had delays in submission of production materials (averaging 2 months, ranging from 4 days to 5.8 months). As a result of delay in different production stages, the completion of programmes were delayed (averaging 2.2 months, ranging from 4 days to 5.7 months); and (ii) audited reports for 13 (87%) of the

Executive Summary

15 programmes were submitted late (averaging 2.9 months of delay, ranging from 2 days to 6.1 months) (paras. 2.60 and 2.61);

- (b) *Need to collect audience views on commissioned programmes.* RTHK did not collect audience views on the satisfaction rate of commissioned programmes and areas for improvement. Such audience views would be very useful as a reference for the Selection Board in assessing the track records of the programme directors in future applications (para. 2.64); and
- (c) *Need to explore the feasibility of increasing output hours of commissioned programmes.* Audit analysed the number of output hours of commissioned programmes for the period from 2013-14 to 2017-18 and noted that the number of output hours of commissioned programmes per year was very small, ranging from 21 to 33 hours, making up only 1.5% to 3.5% of the total output hours of TV programmes (para. 2.66).

Broadcasting of programmes and new media services

7. *Need to enrich the programmes of TV 31 and TV 32.* Channel TV 31 is the flagship channel of RTHK, which offers diversified programmes, aiming to cater to the needs of audience from all walks of life. Channel TV 32 is a live event channel, which covers LegCo meetings, important local press conferences, international news, international sports news and local sports events. Analysis of the broadcasting hours for 2017-18 revealed that: (a) the number of first-run programme hours for TV 31 (1,409 hours) and TV 32 (2,073 hours) only represented 20.3% and 33.4% respectively of the operating hours, or 16.1% and 23.7% respectively of the total broadcasting hours; (b) the number of broadcasting hours of re-run programmes for TV 31 increased by 107% from 2,358 hours in 2014-15 to 4,877 hours in 2017-18. As RTHK had not formulated strategies on selecting re-run programmes, no guidelines were promulgated on the selection of programmes for re-run and the proportion of broadcasting hours for re-run programmes; (c) TV 31 had non-operating hours as high as 1,825 hours, representing 20.8% of its broadcasting hours; and (d) during non-operating hours for TV 31 and TV 32, miscellaneous contents comprising fillers (such as “TV Journey”, photo gallery and news feeds), on-air promotions and Announcements of Public Interest were broadcast. In addition, for TV 32, miscellaneous contents were also broadcast during operating hours when there were no live events. For TV 31 and TV 32, 20.8% and 53.1% respectively of their broadcasting hours were used to broadcast miscellaneous contents. The large number

Executive Summary

of broadcasting hours of miscellaneous contents is a cause for concern as this may reduce the attractiveness of the channels to audience (para. 3.4).

8. ***Basis of price determination and negotiation process not documented for content licensing.*** According to the Content Licensing Guidelines, when a potential licensee approaches RTHK for certain content, the Programme and Content Management team will offer a price. Audit examined 15 licence contracts signed in the period from 2015-16 to 2017-18 and found that: (a) for all the 15 contracts, the basis of determining the offer price was not documented; (b) for 6 (40%) contracts, the negotiation process with potential licensees were not documented; and (c) the prices for 12 (80%) contracts were on the lower side of the price ranges and close to the minimum of the price ranges set. Although the minimum prices had been set, there were no guidelines on how the offer price to potential licensees should be determined. This may lead to offer prices that were on the lower side (paras. 3.12 to 3.14).

9. ***Decreasing number of licensing contracts/licensees and licensing income and need to step up promotion on content licensing.*** RTHK's objectives of content licensing were to: (a) enhance audience reach; (b) strengthen RTHK's corporate branding; (c) promote networking, enhance creativity and cultural exchange; (d) maximise the cost-efficiency of public money spent; and (e) generate revenue. Audit analysed the number of licensing contracts and the number of licensees from January 2013 to June 2018 and noted that: (a) income generated from content licensing totalled only \$2.3 million in 2017-18; (b) the number of licensing contracts decreased by 65% from 92 in 2013 to 32 in 2017; (c) the number of licensees decreased by 45% from 51 in 2013 to 28 in 2017; and (d) for the six months from January to June 2018, the number of licensing contracts and number of licensees were only 10 and 6 respectively. Despite the decrease in licensing contracts and licensees, RTHK did not formulate any plans or carry out any promotion activities on content licensing, with a view to enhancing audience reach, strengthening RTHK's corporate branding and generating revenue (paras. 3.8, 3.9, 3.15 and 3.18).

10. ***Decreasing trend of daily page view of RTHK website.*** The RTHK website "rthk.hk" provides 24-hour multimedia news and programmes, and podcast service of selected programmes. Audit examined the usage of "rthk.hk" website and noted that in view of the change in users' habit towards more frequent use of mobile applications: (a) the daily page views of the "rthk.hk" website decreased by 45% from 5.1 million in April 2015 to 2.8 million in June 2018; (b) RTHK did not meet the

Executive Summary

performance target on daily page view of “rthk.hk” from 2015-16 to 2017-18; and (c) for the years from 2014 to 2018, the usage of RTHK website was in general decreasing (paras. 3.22 to 3.24).

11. ***Need to boost the usage of new media services.*** RTHK has taken measures to boost the usage and improve the quality of new media services. However, Public Opinion Survey 2018 indicated that the percentage of respondents who had accessed RTHK contents through new media platforms was low (i.e. 27.6%). Of the respondents who had accessed the RTHK contents through new media platforms, while the majority of the respondents accessed the RTHK contents through social media and SmartTV, only 24.2% and 18.4% of the respondents used mobile applications and RTHK website respectively to access RTHK programmes (paras. 3.25 and 3.26).

Evaluation of programmes and other administrative issues

12. ***Procurement of service for TV Appreciation Index (TVAI) Surveys and Radio Audience Surveys.*** RTHK conducts appreciation and audience surveys to measure the performance of its TV and radio programmes periodically (para. 4.2). Audit noted the following:

- (a) ***One and same service provider for many years.*** Audit analysed the results of the five procurement exercises for TVAI Surveys for the years 2009 to 2018 and five procurement exercises for Radio Audience Surveys for the years 2010 to 2017 and noted that only one and the same service provider (Service Provider A) submitted an offer in each and every of the ten procurement exercises. Service Provider A was awarded the contract for TVAI Surveys or Radio Audience Surveys in every of the ten procurement exercises (para. 4.4); and
- (b) ***Need to consider relaxing the mandatory requirements on the service providers in order not to render them overly restrictive.*** RTHK imposed two mandatory requirements in selecting service providers for the TVAI Surveys in the procurement exercises conducted in 2015 and 2017. Audit noted that: (i) 3 of the 6 service providers invited in 2015 and 2 of the 6 service providers in 2017 became unqualified due to their failure to meet the mandatory requirement of having established in Hong Kong for at least fifteen years before the quotation closing date; and (ii) all service providers

Executive Summary

other than Service Provider A became unqualified due to their failure to meet the mandatory requirement of having relevant experience in conducting appreciation survey of broadcasting media in Hong Kong for at least twenty surveys in the last ten years before quotation closing date (paras. 4.10 and 4.11).

13. ***Evaluation of TV programmes.*** RTHK evaluates the performance of its TV programmes through the appreciation index and TV ratings (para. 4.15). Audit noted the following:

- (a) ***Need to review the strategy for the coverage of programmes in TVAI Surveys.*** Audit noted that: (i) all acquired programmes had not been selected for TVAI Surveys; and (ii) the percentage of different programmes surveyed decreased from 77% in 2015 to 66% in 2017. This may have an effect on the usefulness of the survey results (paras. 4.18 and 4.19);
- (b) ***Low awareness level and low appreciation index of some TV programmes.*** The results of the TVAI Survey 2017 revealed that of the 9 RTHK programmes in the Top 20 List (i.e. list of 20 programmes with highest appreciation index score), the awareness level of 5 (56%) were below the average awareness level of 17.1% of all 223 programmes. Of the 53 RTHK programmes surveyed: (i) 40 (75%) were below the average awareness level of 17.1% (ranging from 1.5% to 15.8%) among all TV channels; (ii) 16 (30%) were below the average appreciation index of 66.83 (ranging from 59.56 to 66.71) among all TV channels; and (iii) 14 (26%) were below both the average awareness level of 17.1% and the average appreciation index of 66.83 (para. 4.22);
- (c) ***Low TV ratings.*** The TV ratings reports for RTHK Channels TV 31/31A for the period from January to June 2018 revealed that the average TV rating of TV 31/31A was low. Each score of TV rating represents around 64,000 viewers. The average rating for TV 31/31A for the six-month period was 0.1 (i.e. 6,400 viewers), ranging from less than 0.05 (i.e. fewer than 3,200 viewers) to 2.2 (i.e. 140,800 viewers). Audit analysis of six RTHK programmes which had also been broadcast on the free channel of a commercial TV operator for at least three months in the period from January to June 2018 revealed that the TV ratings of these six programmes when broadcast on RTHK Channels TV 31/31A were much

Executive Summary

lower than those when the same programmes were broadcast on the free channel of a commercial TV operator (paras. 4.24 and 4.27);

- (d) ***No viewership indicators for RTHK TV channels and programmes.*** RTHK uses the appreciation index as one of the performance indicators of its TV programmes. In the Controlling Officer's Report (COR), RTHK reported the average appreciation score and the number of RTHK programmes on the Top 20 List. However, both indicators do not measure the number of people who have watched the TV programmes. Audit noted that RTHK had reported in the COR the average viewership of prime-time programmes on free-to-air channels of other TV operators as a performance indicator, but the average viewership of RTHK's TV channels and the programmes broadcast on its channels was not reported in the COR. Therefore, the public could not get information on the popularity of RTHK's TV channels and programmes from the COR (paras. 4.30 and 4.31); and
- (e) ***No target appreciation index and target awareness level set.*** RTHK does not set targets of appreciation index or awareness level for its programmes. Given that RTHK has its own TV channels since 2014, RTHK may consider setting targets/benchmarks for both appreciation index and awareness level of its programmes in order to facilitate more meaningful evaluation of its programmes (para. 4.32).

14. ***Evaluation of radio programmes.*** According to the 2017 Radio Audience Survey, RTHK had a total number of listeners of 3,371,000 for its seven radio channels. RTHK evaluates its radio channels and programmes using the results of the annual Survey such as listenership of radio channels and appreciation index of radio channels (paras. 4.35 and 4.37). Audit noted the following:

- (a) ***Number of listeners of some radio channels decreased.*** The number of listeners in four of the seven channels decreased. In particular, the number of listeners in Radio 6 and 7 decreased by 57% and 33% from 181,000 and 232,000 in 2013 to 78,000 and 155,000 in 2017 respectively (para. 4.37);
- (b) ***Appreciation index and awareness level decreased for some radio channels.*** Audit analysed the results of Radio Audience Survey from 2013 to 2017 and noted that: (i) for 4 channels, namely Radio 2, 5, 6 and 7, their scores in appreciation index decreased. The decreases ranged from 0.01

Executive Summary

(from 6.97 to 6.96) to 0.53 (from 6.83 to 6.3); and (ii) for 6 channels, namely Radio 2, 3, 4, 5, 6 and 7, their awareness levels decreased. The decreases ranged from 0.4 percentage point (from 7.6% to 7.2%) to 4.1 percentage points (from 37% to 32.9%) (para. 4.38);

- (c) ***Need to include the share of total listening time per channel as performance indicator.*** The Radio Audience Survey also provides information on the share of total listening time and the average daily listening time per audience per radio channel. For example, the share of total listening time of Radio 1 was 33.5% in 2017 whereas the average daily listening time per audience was 3.2 hours in the same year. The service provider of the Radio Audience Survey stated in the survey report that the share of total listening time might reflect a more comprehensive and accurate picture on the audienceship than the number of listeners because it took into account both the number of listeners and the duration of listening time per audience. RTHK may consider including the share of total listening time per channel as a performance indicator and report it in the COR (paras. 4.40 and 4.41); and
- (d) ***No qualitative indicators for radio services.*** RTHK uses only the quantitative performance indicators, namely the number of listeners and the audience reach per channel for measuring the performance of its radio services. Audit notes that the annual Radio Audience Survey also covers appreciation index of radio channels, which indicates how well the audience appreciate the radio channels, but it is not reported in the COR. Furthermore, in the Radio Audience Survey, RTHK collects appreciation index at channel level, but not at programme level. In the absence of such information at programme level, RTHK is unable to monitor the quality of individual radio programmes and take appropriate follow-up action to improve their quality (paras. 4.42 and 4.43).
15. ***Evaluation of school ETV programmes.*** RTHK produces school ETV programmes for the EDB (para.4.46). Audit noted the following:
- (a) ***Small number of school ETV programmes watched.*** In the period from 2004-05 to 2015-16, the average number of school ETV programmes watched by each class for kindergartens and secondary schools decreased by 66% from 13.1 to 4.4 and by 38% from 9.6 to 6 respectively. The average number of school ETV programmes watched by each class for

Executive Summary

kindergartens and secondary schools were significantly lower than that for primary schools which stood at 71.0 in 2015-16. In 2015-16, the average numbers for kindergartens and secondary schools were 4.4 and 6 programmes respectively. They were much lower than that (71 programmes) for primary schools (para. 4.50);

- (b) ***Need to enhance staff productivity.*** Audit analysed the indicator of the number of school ETV programmes per programme staff for the period from 2002-03 to 2017-18 and found that: (i) the number of programmes per programme staff dropped by 26% from 11.9 in 2002-03 to 8.8 in 2017-18; and (ii) no targets were set for assessing the staff productivity for school ETV programmes (para. 4.53);

- (c) ***High production cost of school ETV programmes.*** Audit noted that: (i) the cost per hour of school ETV programme increased significantly by 105% from \$0.77 million in 2008-09 to \$1.58 million in 2017-18; and (ii) the school ETV programmes were much costlier when compared with public affairs and general TV programmes. In 2017-18, the cost per hour for school ETV programmes (\$1.58 million) was 4.79 times that of public affairs and general TV programmes (\$0.33 million) (paras. 4.56 and 4.58);

- (d) ***Need to explore the possibility of increasing the scale of commissioning of school ETV programme productions.*** In its review on the school ETV service carried out in 2003, the Standing Committee on the Development of the ETV Service advised the EDB and RTHK to work on an outsourcing strategy to progressively increase the proportion of outsourced programme production from 5% in 2004 to not less than 50% in the long term. However, the EDB and RTHK had not formulated any commissioning strategy or drawn up any definite plan for commissioning the production of school ETV programmes (para. 4.60); and

- (e) ***Need to conduct comprehensive review on RTHK's production of school ETV programmes.*** In view of the audit observations on small number of programmes watched resulting from the change in the viewing mode, decreasing staff productivity and high production cost of the school ETV programmes, Audit considers that the EDB and RTHK need to conduct a comprehensive review on RTHK's production of school ETV programmes to determine the way forward and the improvement measures (para. 4.62).

Executive Summary

16. *Performance evaluation reports not provided to Board of Advisors and Annual Report not prepared.* It was stipulated in the Charter of RTHK that the Board of Advisors should receive reports on the performance evaluation of RTHK and RTHK's compliance with performance evaluation indicators, and advise the Director of Broadcasting on the adoption of appropriate performance evaluation indicators and ways to improve service delivery. Audit noted that no performance evaluation report including evaluating the actual performance against the performance targets had been submitted to the Board of Advisors. Moreover, it was stipulated in the Charter of RTHK that RTHK should produce an Annual Report for public inspection no later than six months after the conclusion of the year reported on. However, RTHK did not prepare the Annual Report, contrary to the requirement of the Charter (paras. 4.67, 4.70 to 4.72).

Audit recommendations

17. Audit recommendations are made in the respective sections of this Audit Report. Only the key ones are highlighted in this Executive Summary. Audit has *recommended* that the Director of Broadcasting should:

Production of programmes

- (a) review whether the existing NCSC staff are employed in line with the Government's policy on the employment of NCSC staff (para. 2.25(a));
- (b) ensure that the engagements of Cat II Service Providers commence only after the contract requests are approved and the contracts are issued (para. 2.25(c));
- (c) review the acquisition procedures of TV and radio programmes and, where necessary, seek advice from the Secretary for Financial Services and the Treasury (para. 2.35(b));
- (d) take measures to ensure the timely submission of the programme recordings, self-evaluation reports and Limited Assurance Engagement Reports by the CIBS participants (para. 2.54(b));
- (e) step up promotion on the CIBS to the community and ethnic minority organisations and individuals (para. 2.54(f));

Executive Summary

- (f) **take measures to ensure that the commissioned contractors submit production materials and audited reports, and complete the commissioned programmes in a timely manner (para. 2.68(a));**

Broadcasting of programmes and new media services

- (g) **endeavour to enrich the TV programmes, including exploring ways to increase the output hours of TV programmes, increasing the first-run programme hours, devising a strategy for re-run programmes, reducing the non-operating hours for TV 31 and exploring ways to enrich the miscellaneous contents (para. 3.6);**
- (h) **set guidelines on how to determine the offer price to potential licensees and take action to promote content licensing (para. 3.19(a) and (d));**
- (i) **keep in view the usage of the RTHK website and take measures to boost the usage and improve the quality of the new media platforms (para. 3.27(a) and (c));**

Evaluation of programmes and other administrative issues

- (j) **revisit the need for the mandatory requirements imposed on the service providers for the TVAI Surveys and the Radio Audience Surveys (para. 4.13(e));**
- (k) **take measures to improve the awareness level and the appreciation index of RTHK's TV programmes (para. 4.33(c));**
- (l) **take measures to address the issue of lower TV ratings of RTHK TV programmes broadcast on RTHK channels than the ratings of the same programmes broadcast on a commercial channel (para. 4.33(e));**
- (m) **take measures to improve the appreciation index and awareness level of RTHK's radio channels (para. 4.44(b));**

Executive Summary

- (n) take appropriate actions to address the problem of decreasing staff productivity in terms of programmes per programme staff, and consider setting targets to assess the staff productivity for school ETV programmes (para. 4.63(a) and (b));
- (o) take appropriate actions to contain the high production cost per hour for school ETV programmes (para. 4.63(c));
- (p) submit the reports on performance evaluation of RTHK and the RTHK's compliance with performance evaluation indicators to the Board of Advisors on a regular basis as required by the Charter of RTHK (para. 4.73(a)); and
- (q) prepare an Annual Report for public inspection as required by the Charter of RTHK (para. 4.73(b)).

18. Audit has also *recommended* that the Secretary for Education and the Director of Broadcasting should, taking into account the audit observations, conduct a comprehensive review on RTHK's production of school ETV programmes to determine the way forward and the improvement measures (para. 4.64(b)).

Response from the Government

19. The Director of Broadcasting and the Secretary for Education agree with the audit recommendations.