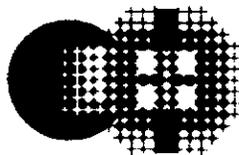


REPORT
of the
INVESTIGATION
into the
MANAGEMENT OF GOVERNMENT CREMATORIA

January 2001



Office of The Ombudsman
Hong Kong

CONTENTS

Legend of Abbreviations

SECTION		Paragraph No.
I	INTRODUCTION	1 - 2
II	DIRECT INVESTIGATION - ITS ANNOUNCEMENT AND AMBIT	3 - 4
III	INVESTIGATION	5
IV	REPORT	6 - 7
V	PROVISION OF CREMATORIUM SERVICES IN HONG KONG	8 - 14
VI	THE CCC INCIDENT AND THE AFTERMATH	15 - 17
VII	REMEDIAL MEASURES INTRODUCED AFTER THE CCC INCIDENT	18 - 20
VIII	FEHD'S RESPONSES AND REACTIONS TO THE ASSESSMENT AND INVESTIGATION	21 - 49
IX	OBSERVATIONS AND FINDINGS	50
X	CONCLUSION	51
XI	RECOMMEDATIONS	52
XII	COMMENTS FROM FOOD AND ENVROMENTAL HYGIENE DEPARTMENT	53 - 54
XIII	FINAL REMARKS	55 - 56

Annexes

Executive Summary

Legend of Abbreviations

FEHD	Food and Environmental Hygiene Department
USD	Urban Services Department
RSD	Regional Services Department
CCC	Cape Collinson Crematorium
DHC	Diamond Hil Crematorium
WHSC	Wo Hop Shek Crematorium
FSC	Fu Shan Crematorium
KCC	Kwai Chung Crematorium
Ch CC	Cheung Chau Crematorium
DIR	Draft Investigation Report
IR	Investigation Report
Para	Paragraph
Paras	Paragraphs
CSB	Civil Service Bureau
C&C	Cemeteries and Crematoria
ICAC	Independent Commission Against Corruption
CCTV	Closed Circuit Television
DFEH	Director of Food and Environmental Hygiene
VR Scheme	Voluntary Retirement Scheme

**REPORT OF INVESTIGATION INTO
THE MANAGEMENT OF GOVERNMENT CREMATORIA**

I. INTRODUCTION

Background

In early 2000, extensive and high-profile media coverage about a series of thefts from coffins at Cape Collinson Crematorium (CCC) gave rise to a huge public outcry and led to an associated ICAC investigation. CCC was managed by the now disbanded Urban Services Department (USD). In the light of public concern, the Office of The Ombudsman (this Office) initiated a preliminary assessment of the administrative issues associated with these incidents to determine whether a formal investigation under section 7(1)(a)(ii) of The Ombudsman Ordinance was warranted. This Office approached the Food and Environmental Hygiene Department (FEHD), which was set up on 1 January 2000 to replace USD and the Regional Services Department (RSD), for background information and preliminary comments about the incidents.

Preliminary Assessment

2. By May 2000, this Office had conducted a preliminary assessment that consisted primarily of three rounds of data collection/collation and site visits to crematorium facilities. The assessment gave this Office an understanding of the management of crematoria and the administrative issues pertaining to the thefts from coffins at CCC. It also served, inter alia, to confirm that the departmental management recognized the need to tighten supervision of front-line staff in all crematoria to prevent a recurrence of incidents similar to the CCC thefts. Indeed, this Office noted that FEHD initiated implementation of a package of remedial measures aimed at enhancing supervision of crematorium staff. However, from FEHD's response to our inquiries which spanned a total

of four months, this Office was not entirely satisfied that

-

- (a) the remedial measures would achieve in full the desired effects; or that
- (b) FEHD had made a frank and full disclosure of actions it had taken to redress management deficiencies revealed by the thefts from coffins at CCC.

II. DIRECT INVESTIGATION - ITS ANNOUNCEMENT AND AMBIT

3. The impression this Office got from the three rounds of correspondence was that FEHD had only made partial disclosures in responding to our inquiries. Closer scrutiny revealed coincidences and inconsistencies that could be calculated moves seeking to lure our investigators into believing that a full range of remedial measures had already been embarked upon by the department when this was not the case. Against this background, The Ombudsman decided, on her own motion, to conduct a full investigation to examine critically the following administrative matters associated with the operation of the crematoria -

- (a) the particulars and extent of the improvement measures introduced, or intended to be introduced since the CCC incident;
- (b) the circumstances and manner in which such measures had been formulated and introduced; and
- (c) the need for further improvement.

4. The Ombudsman informed the Director of Food and Environmental Hygiene (DFEH) of her decision on 5 June 2000 and made a public announcement at a press conference on 21 June 2000.

III. INVESTIGATION

5. This investigation was conducted in accordance with the provisions of The Ombudsman Ordinance. In the course of the investigation, FEHD provided relevant papers and files to this Office for examination. Apart from discussing with and seeking clarifications from FEDH staff on various issues, Investigation Officers also conducted site visits to the CCC and Fu Shan crematorium (FSC) in May 2000.

IV. REPORT

6. The Draft Investigation Report (DIR) was sent on 21 November 2000 to FEDH for comment. Comments were received on 5 December 2000. This final Investigation Report was issued on 5 January 2001.

7. This investigation report contains thirteen sections. **Section I** covers the background leading to the conduct of the DI. **Section II** describes the purposes and ambit of the DI. **Section III** contains a brief description on how this Office conducted the investigation. **Section IV** gives details of the contents contained in the various sections of the report. **Section V** provides an overview on the provisions of crematorium services in Hong Kong. **Section VI** provides a summary of the CCC incident and outlines follow-up actions taken by the parties concerned. **Section VII** describes the remedial measures introduced by FEHD. **Section VIII** highlights the circumstances and manner in which FEDH responded to preliminary inquiries from this Office. **Section IX** contains the observations and findings and **Section X** gives an account of the conclusion made by this Office. The Ombudsman's recommendations arising from the investigation are provided in **Section XI**. Comments from FEHD and final remarks from this Office are provided in **Sections XII** and **XIII** respectively.

V. PROVISION OF CREMATORIUM SERVICES IN HONG KONG

Existing Crematoria

8. FEHD operates a total of six crematoria. They are Cape Collinson Crematorium (CCC) on Hong Kong Island, Diamond Hill Crematorium (DHC) in Kowloon, Wo Hop Shek Crematorium (WHSC) in Fanling, Fu Shan Crematorium (FSC) in Shatin, Kwai Chung Crematorium (KCC) in Kwai Chung and Cheung Chau Crematorium (Ch CC) on Cheung Chau Island. For the years 1997 to 1999, these crematoria handled a total of 24,122, 25,247 and 25,527 cremations respectively (see **Annex I**).

Legal and Administrative Framework for the Operation of Government Crematoria

9. The Public Health and Municipal Services Ordinance (Cap. 132) and Regulations govern the operation and management of Government crematoria and Gardens of Remembrance. Sections 124A to 124H of the Ordinance specify the application procedure for cremation permit, the opening hours of Government crematoria, restriction on cremation of human remains and disposal of ashes after cremation and conduct and behaviour of person in the crematorium etc.

10. Prior to the establishment of FEHD, the Provisional Urban Council through its executive arm, USD, managed CCC and DHC, the two public crematoria in the urban areas. Whereas the Provisional Regional Council, through RSD, managed the remaining four public crematoria, namely WHSC, FSC, KCC and Ch CC.

Responsibilities of Former USD/RSD and the New FEHD

11. With FEHD's establishment on 1 January 2000, the operation and management of crematoria facilities and

cremation services now come under the Cemeteries and Crematoria (C&C) Section of Operations Division 2 of the Environmental and Hygiene Branch of the department. Superintendent (C&C) is the head of the above-mentioned C&C Section with a total of 242 staff. He is assisted by a Chief Health Inspector, and reports to Assistant Director (Operations)2 through Senior Superintendent (Operations)2 in FEHD Headquarters. The C&C Section has three District Offices in Hong Kong, Kowloon and the NT respectively, each headed by a Senior Health Inspector.

12. An organization chart of the C&C Section is at **Annex II**.

Staffing at the Crematoria

13. Apart from clerical officers providing administrative support, crematoria staff consist mainly of Overseers, Senior Foremen/Foremen, Artisans, Gangers, Workmen I and Workmen II. The daily operation of each crematorium, excepting Ch CC, is directly supervised by an Overseer reporting to either a Health Inspector or in his absence, the Senior Overseer in the relevant District Office. A Senior Foreman supervises daily operation at Ch CC, which has a smaller staffing establishment and handles fewer cremations.

The cremation process

14. Apart from Ch CC which opens between 9:00 a.m. and 5:30 p.m., all crematoria open between 9:00 a.m. and 6:00 p.m. throughout the year except Lunar New Year Day, Ching Ming and Chung Yeung Festivals. After performing the last rite in the service hall, the coffin is conveyed to the crematory for cremation, which on average lasts about 2½ hours. Afterwards, Artisans remove the cremated bones from the cremator for sorting and pulverization. Pulverized bones are then deposited into a plastic bag, which in turn is put inside a cloth bag for collection by the applicant or an undertaker acting on his behalf. Using CCC as an example, a flow chart

outlining the cremation process is at **Annex III**.

VI. THE CCC INCIDENTS AND THE AFTERMATH

Background

15. The USD management first received allegations of thefts from coffins in September 1996 from an Artisan deployed at CCC. After a Police investigation lasting seven months from November 1996 to July 1997, the allegations were concluded as unsubstantiated.

16. CSB received further allegations of thefts from coffins and other acts of impropriety, including false claims for overtime allowance by CCC staff, etc. in February 1999, and referred these to the then USD for management action. In response to CSB's referral, USD initiated an internal investigation. On being satisfied that the allegations might be well founded, USD reported the matters to ICAC in March 1999.

Latest Developments

17. ICAC's subsequent investigations implicated a number of serving and former USD employees. At the time of the drafting of this report, some of these cases are still proceeding. So far, one former Artisan was convicted on 18 January 2000 for bribing his supervisor and other theft-related offences and was sentenced to 30 months' imprisonment.

VII. REMEDIAL MEASURES INTRODUCED AFTER THE CCC INCIDENT

Major Improvement Measures

18. In the wake of the CCC arrests, USD's Management reviewed its staff monitoring and supervision arrangements as well as security at the crematoria, particularly CCC. It also

approached ICAC for post-incident advice. As a result of these efforts, the following improvement measures were identified as being needed -

(a) Installation of a Technical Surveillance System

A decision was made to install Closed Circuit Television (CCTV) systems at all crematoria, except Ch CC, which did not have such installations. Working round the clock, the CCTV system would be equipped with surveillance cameras installed at strategic locations to enable Overseers of the crematoria to visually monitor and to videotape the delivery of coffins from the service halls to the cremators. Recorded videotapes would be kept in the Overseers' safes for three months during which period they could be retrieved for viewing and management action by supervisory officers on their routine/surprise inspection visits.

Owing to its very low usage and small physical set up, it was considered not justified to install CCTV at Ch CC because the bereaved family and site supervisory staff could easily view the whole cremation process on site.

The following table shows the relevant dates on which the CCTV system was installed and become operational in the five crematoria -

Name of Crematorium	completion Date	Operational Date	Remarks
Cape Collinson Crematorium (CCC)	28.10.99	28.10.99	ICAC further recommended on 26.11.99 the installation of five additional cameras at the crematory and the Chinese service hall.

			Improvement works to be funded by Architectural Services Department (Arch SD) have yet to be completed.
Diamond Hill (DHC)	15.6.00	16.6.00	The CCTV system has been functioning smoothly since the date of operation.
Wo Hop Shek (WHSC)	24.11.98	25.11.98	The existing CCTV system will be upgraded by installation of an additional camera to cover the pulverization room, and another set of recorder and monitor as back-up. The improvement work, which is originally expected to be completed in August/September 2000 is still in progress.
Fu Shan (FSC)	3.5.00	15.5.00	The CCTV system has been functioning smoothly since the date of operation.
Kwai Chung (KCC)	5.5.00	6.5.00	The CCTV system has been functioning smoothly since the date of operation but action is in hand to install additional CCTV monitors in two new service halls. The new facilities are expected to be commissioned in April 2002.

(b) Strengthening Staff Supervision and Inspection

FEHD informed this Office on 22 February 2000 that in addition to the CCTV installation, staff supervision had also been strengthened as follows -

- (i) Overseers in charge of each crematorium were required to inspect the crematory at least twice a day, once in the morning and in the afternoon. Senior Foremen were required to conduct hourly inspections and to check specifically whether coffins pending cremation had been tampered with. By way of formality, "they are required to sign the inspection book kept in the crematory to confirm their inspections."
- (ii) The Senior Overseer and Health Inspector/Senior Health Inspector in charge of C&C Offices in HK/Kowloon/NT were required to conduct surprise inspections to the crematory and other areas in the crematorium at weekly and bi-weekly intervals respectively. They were also required to randomly view the CCTV videotapes at fixed intervals, and to record in a register details (i.e. the date and time of recording) of the segment of the tape they had viewed.
- (iii) Other senior officers were required to conduct surprise checks to confirm compliance of the above arrangements. They too would view the videotapes kept by the Overseers to check for irregularities.

(c) Need for a Staff Rotation System

Prior to the CCC incidents, USD had no posting policies for common grade staff, such as Artisans, Gangers and Workmen who worked in the two former municipal services departments. These staff could remain in their posts

indefinitely until someone specifically asked for a transfer. To enhance efficiency and to minimize risks of collusion as had happened at CCC, FEHD accepted an ICAC suggestion to review the posting arrangements for crematorium staff. FEHD issued on 24 January 2000 an internal consultation paper entitled "Proposed Posting Arrangements for Artisan, Ganger and Workman grades in FEHD", arguing for the need to rotate common grade staff at regular intervals of three to five years. Staff consultation was planned for between March and April 2000 at the earliest and it was intended to consult all affected frontline staff and their unions before the new arrangements could be finalised. However, the envisaged timing seemed to have conflicted with CSB's introduction of the Voluntary Retirement (VR) Scheme for civil servants as Artisans, Gangers and Workmen were designated VR grades. Another paper entitled "Revised Proposal on Posting Arrangements for the Artisan, Ganger and Workman grades in FEHD" had to be issued on 13 June 2000. In this paper, implementation was planned to take place in August 2000 at the earliest.

FEHD's latest position as revealed to this Office on 7 July 2000 was such that although committed to implementing a rotation system, the department would only be in a better position to firm-up an implementation time-table sometime in early 2001. This contradicted FEHD's earlier advice given to this Office on 8 April 2000 that the proposals could be implement in the fourth quarter of the 2000 at the earliest.

Issue of Relevant Guidelines

19. This Office was advised that apart from enhancing the department's supervisory control mechanisms, FEHD had also taken the following steps to ensure compliance with procedures

by staff of the C & C Section -

- (a) **An Operational Manual for Dead Disposal Services** was issued in December 1999 for observance by C&C staff. Briefings were also conducted to explain the contents of the Operational Manual to the C&C staff. The Operational Manual came into effect from 1 January 2000, replacing circulars and guidelines issued by the former USD and RSD.
- (b) Specific guidelines governing the conduct of supervisory inspections of the crematory and on the need to carry out checks on the CCTV surveillance videotapes were issued on 3 January 2000. Subsequently, it was revealed that this was only issued to CCC staff.
- (c) An identical set of guidelines was re-issued on 29 March 2000, this time to all crematoria staff.
- (d) FEHD introduced a **Task Master Scheme** to define more accurately the supervisory accountability of each work stream in the C&C Section.

A Summary of Improvement Measures

20. A summary setting out the major improvement measures adopted by FEHD following the CCC incident is at **Annex IV**.

VIII. FEHD'S RESPONSES AND REACTIONS TO THE ASSESSMENT/INVESTIGATION

Focus of this DI

21. As explained in paras. 2 and 3 above, this DI focuses not only on the remedial measures introduced by FEHD since the CCC incidents but also the manner in which these measures had

been formulated and implemented. To demonstrate why this Office felt that FEHD had not made a full and frank disclosure of the information requested during the preliminary assessment stage, we shall in this section try to -

- (a) explain the line of inquiry adopted in each round of questioning and the reasons therefor;
- (b) analyze the answers given by the department and to highlight their implications; and
- (c) pinpoint inconsistencies and "co-incidences" which led us to believe that the department intended, or at least hoped, that our investigators would gain the impression that a full range of remedial measures had already been embarked upon when this was not the case.

22. Apart from the usual telephonic communications and discussions as well as site inspections, there was a total of five rounds of formal questioning conducted in writing. The first three rounds were raised during the preliminary assessment stage. The fourth coincided with the declaration of the DI, and was followed by a fifth and final round.

First Round of Questions

23. The first round of questions, issued on 21 January 2000, sought general background/preliminary information on -

- (a) the mode of operation of the cremation process, related staff control and supervisory mechanisms, administrative as well as legal frameworks for the operation of six Government crematoria; and
- (b) improvement measures that had been introduced/implemented to prevent the recurrence of CCC incidents.

24. FEHD was given three calendar weeks to reply by 11 February 2000. On 8 February 2000, the department requested a week's extension of the deadline as it needed more time to complete its research for the information requested. On 18 February 2000, FEHD requested a second extension so that its Director could approve the draft reply for issue. FEHD's reply was eventually received on 22 February 2000.

25. Given that the reply had taken over a month to prepare, the information and comments provided were not as comprehensive or detailed as one might expect. Nevertheless, it did on the whole cover the major points raised by this Office and provided background information on the chain of events leading to ICAC's arrest of former and serving members of CCC staff (see paras.15 to 17 above).

26. FEHD used this reply to highlight its enhanced supervisory system designed to prevent the recurrence of CCC type incidents. These included -

- (a) adopting ICAC's advice to extend the CCTV surveillance system, already installed in WHSC (reportedly since November 1998) and CCC (since October 1999), to the other three crematoria in DHC, FSC (in Shatin) and KCC. (Notes: The CCTV system was subsequently installed and become operational on 6.5.2000 in KCC, on 15.5.200 in FSC and 16.6.200 in DHC);
- (b) increased inspection of the six crematoria, particularly the one on Ch CC, where no CCTV system had been installed. This entails twice-daily inspection by the Overseer i/c, hourly inspections by the Senior Foremen, and weekly or bi-weekly surprise visits by other senior FEHD officers from the Cemeteries and Crematoria Section;
- (c) random inspections of CCTV tapes and other surprise checks by relevant FEHD officials; and

(d) after reviewing the department's posting policy for common grade staff working in crematoria, FEHD claimed to "have started a regular posting programme for" the Artisan, Ganger and Workman grades. (Source: FEHD memo dated 22 February 2000).

Second Round of Questions

27. This Office issued a second round of questions on 29 February 2000. FEHD was requested to elaborate on the administrative and technical details of the CCTV project, inspection/surprise visit procedures and the staff rotation programme and to provide copies of inspection/visit records for the six crematoria covering a period of the immediately past 12 months.

28. As FEHD claimed to have taken some of these actions, it should not have been difficult to provide the necessary answers. It was therefore asked to reply by 14 March 2000. On 10 March 2000, a FEHD officer phoned to request a one-week postponement of "deadline", claiming that more time was needed to dig up the necessary information from its files.

29. FEHD's reply, received on 21 March 2000, contained a number of factual inaccuracies, as detailed below.

(a) Posters/Notices

30. After the arrests, ICAC visited CCC and verbally recommended the exhibition of posters and notices in booking offices to discourage families of the deceased from placing valuable property in coffins. This was seen as a means of preventing thefts from coffins. In its reply of 21 March 2000, in the context of following up on management advice given by ICAC, FEHD claimed to have complied with this advice and provided a poster and a pamphlet to illustrate what it had done.

31. The notice was issued on 1 December 1999 and was entitled "Respect the Dead and Protect the Environment" (Notes: See **Annex V**). It appealed to bereaved families to protect the environment by choosing coffins which burn more easily and cleanly, and not to place metal ornaments inside coffins. As its name suggested, this notice was prompted by environmental protection considerations. Contrary to FEHD's suggestion, it had nothing to do with preventing "malpractice". However one stretches one's imagination, it would be difficult to associate the poster with tightening security at crematoria to prevent thefts from coffins!

(b) CCTV Surveillance System

32. In its reply of 22 February 2000, FEHD outlined what it had done to tighten "supervisory and control mechanism" within the department (see para.26 above). This Office therefore asked to see its instructions to staff on this matter. In its reply of 21 March 2000, FEHD further explained the operation of the CCTV system, its 24-hour surveillance capability, the positioning of cameras, technical back up for the system as well as the procedures governing the storage and inspections of videotapes. The department also provided a copy of a circular from its C&C Section on "procedures laid down for compliance in operating and manning the CCTV system as well as supervising the crematory staff". The circular specifically "covers the frequencies of visits/inspections, keeping of the video tapes and counter checks of the video-tapes by supervisory staff." The procedure clearly included the keeping of Inspection Registers at all crematoria for inspecting officers to record the details of their inspections and visits. A copy of this circular dated 3 January 2000 is at **Annex VI**.

33. On this latter occasion, FEHD informed us that the circular of 3 January 2000 was only issued to CCC staff. This clearly contradicted the general tone of its earlier reply of 22 February 2000, which gave the impression that the

instructions was one for crematoria staff generally and not just for compliance by CCC.

(c) Inspection Records/Registers

34. In its reply of 22 February 2000, FEHD outlined its enhanced supervisory mechanism which included the viewing of CCTV videotapes by the Overseer of each crematorium and the Senior Overseer, Health Inspector and/or Senior Health Inspector of the C&C Section. The officer should then "**record in a register** the segment of the tape (viewed), giving the date and time of recording they have checked in order to deter against any malpractice." To verify this, this Office asked to see the inspection records for the preceding 12 months.

35. We were then told by FEHD's reply of 21 March 2000 that no such "register" in fact existed. Only CCC started an Inspection Register as from 14 October 1999. FEHD explained that prior to 14 October 1999, when supervisors made surprise inspections to CCC, they signed on the staff attendance book. FEHD gave no reasons why the new practice was introduced on 14 October 1999. One could only surmise that this was prompted by the ICAC arrests made approximately two weeks afterwards.

36. As regards the other five crematoria, we note that written instructions on having Inspection Registers were first issued on **29 March 2000** by means of a circular that was identical to the 3 January 2000 circular issued to CCC staff. This Office had some misgivings about the timing and the manner of the issue of this circular and wondered if this had been prompted by our request to see written instructions. Furthermore, our suspicions were fuelled by the fact that contrary to normal government practice, neither circular bore any file reference or circular numbering. This made it impossible to verify whether preparation of the circulars had in fact pre-dated the request for production made by this Office as was claimed by the department.

37. In any event, scrutiny of the staff attendance book and the Inspection Register at CCC suggested that -

- (a) entries in most cases consisted of a single word "normal". They did not contain information as required by the circular of 3 January 2000;
- (b) there was an obvious lack of a standardised format for the Registers in terms of designs and inspection details to be entered. (Notes: In fact practice varied significantly from one crematoria to another); and
- (c) the haphazard way of implementing the inspection register, coupled with the earlier observation on the "co-incidence" of the timing of implementation, gave rise to a doubt in our minds that these were products of some makeshift arrangements introduced in an unusually hasty manner.

Staff Rotation Scheme

38. In its memorandum of 22 February 2000, FEHD stated unequivocally that since the CCC incident, "we have since reviewed our posting policy and **have started** a regular posting programme for" the common grades of Artisans, Gangers and Workmen, including those working in the crematoria (para. 26(d)). We therefore sought details on when the new policy became effective and the number and rank/grade of staff who had been posted under the new arrangements. To our surprise, FEHD informed us that **"The front line managers are being consulted on the feasibility of arranging postings for Artisans and Workmen at regular intervals of three to five years."** We were given no details on the scope, duration and the methodology of the consultation exercise. More importantly, no attempt was made to explain the stark contradiction to the department's position as stated in its earlier memorandum.

Third round of Questions

39. This Office issued a third round of questions on 25 March 2000. This time, we concentrated on two specific matters only, namely arrangements relating to the Inspection Registers and Staff Rotation Scheme. We sought to clarify the inconsistencies identified and requested FEHD to respond by 10 April 2000.

40. FEHD replied on 8 April 2000, to the following effect -

Staff Rotation Scheme

- (a) FEHD advised that staff consultation was still progressing. The estimated implementation date would be sometime in the fourth quarter of 2000 at the earliest. A consultation paper, entitled "Proposed Posting Arrangements for Artisan, Ganger and Workman Grades in FEHD", was issued on **24 January 2000** to Branch/Division/District managers who were invited to provide comments "from the operation and administration points of view" within a month (Notes: See para. 18(c) above). Affected staff, staff unions, and the Departmental Consultative Committee had yet to be briefed, and this was scheduled for March to April 2000. This information directly contradicts FEHD's previous statement made in its memo dated **22 February 2000** that the new posting scheme had already been started, (see para.26(d) above).

Inspection Registers and Related Records

- (b) FEHD's reply on this matter contained a few statements that revealed further discrepancies from the claims and statements it had previously made. These and our comments thereon are outlined below -

- (i) FEHD now confirmed that no formal Inspector Register had been introduced to CCC until 14 October 1999 when allegations of thefts from coffins had already then been published in local newspapers. Prior to that date, inspections and surprise visits had been conducted but details were not recorded and inspecting officers were required to file a report after their visits on any irregularities discovered. In this connection, FEHD inexplicably sought to maintain that according to its records, no irregularity about CCC had been reported before 14 October 1999.

This statement has to be **inaccurate**. In its memorandum of 22 February 2000, FEHD informed this Office that an Artisan first made allegations of theft to the then USD management as early as 1996. This was followed by allegations made to CSB in 1999, thereby triggering off USD's own internal investigation and a subsequent full criminal investigation by ICAC. (Notes: See paras. 15 and 16 above).

- (ii) Instead of explaining why Inspection Registers were not simultaneously introduced to the other five crematoria as it was introduced in CCC on 14 October 1999, FEHD sought to attribute the reason to the different design of CCC. It tried to explain that in CCC, the entrance to the cremator was not within public view, whereas at the other crematoria, members of the bereaved families could readily witness the feeding of the coffins into the cremators through glass panels or door openings. FEHD

therefore considered that the chances of coffin theft going undetected at these five crematoria would be remote.

(iii) FEHD further claimed that upon its establishment on 1 January 2000, it had reviewed the practices and procedures relating to cemeteries and crematoria matters. The review was completed in February 2000. CCC was then the only crematorium which kept an Inspection Register, and the Superintendent of the C&C Section identified this as a good management tool for all crematoria. He therefore **gave verbal instructions on 10 March 2000** requiring the immediate expansion of such a practice to the other five crematoria. We note that on this same day, FEHD asked this Office for an extension of "deadline" for providing, inter alia, **"copies of the relevant inspection records conducted in the past 12 months by the Overseer i/c and Senior Foremen of each crematorium as well as those of the surprise inspections conducted in the same period by the Senior Overseer, officers of the Health Inspectorate and other senior FEHD officials"** (see para.28 above).

(iv) FEHD further claimed that the Superintendent subsequently decided to reinforce his verbal instructions by issuing a circular on 29 March 2000, some 19 days afterwards. In itself, the date of 29 March 2000 had no significance. But given the history of coincidences, we could not help noticing that this was four days after the issue of our memorandum of 25 March 2000 containing the third round of questions. (See para.39 above).

- (v) We asked specifically whether other crematoria (other than CCC) also used Staff Attendance Books to record inspection visits by senior officers. FEHD claimed this practice had also been adopted in the DHC prior to introduction of the formal Inspections Registers. As regards the four RSD-managed crematoria located in the NT, the department claimed that such visits had been recorded in another type of documentation tool known as the Occurrence Books (OBs).

Fourth round of Questions

41. Our fourth round of questions was issued on 5 June 2000, when the DI was declared. FEHD sought two extensions from the original 26 June 2000 deadline, to 3 July 2000 and 10 July 2000 respectively. The reason for the extensions sought was for consultations with senior officers in FEHD. FEHD eventually replied on 7 July 2000 by providing comments and/or explanations to the following matters -

- (a) the lack of proper file references or circular numberings on the circulars issued by C&C Section (para.36).
- (b) the haphazard design, content and format of Inspection Registers being adopted at the different crematoria (para. 37(b)); and
- (c) what action had been taken by FEHD in connection with the Staff Rotation Scheme to justify its claim in the memorandum of 22 February 2000 that it had "started a regular posting programme for" the Artisan, Ganger and Workman grades (see para. 26(d) above).

42. In response, FEHD admitted that it would have been good

administrative practice to adopt a reference and/or numbering system for its circulars and written instructions issued to staff for compliance. It would also be desirable to standardize the design, format and contents of the Inspection Registers. It accordingly undertook to take appropriate remedial measures on these two matters.

43. In addition, the department provided an update on the operation of the CCTV Surveillance System and its associated administrative arrangements, including that of maintaining a separate register to record tape movements, inspections and disposal. FEHD's response is summarized below.

The Proposed Staff Rotation Scheme

44. In response to our persistent request for explanation on the discrepancy regarding the commencement of the staff rotation scheme, FEHD attributed this to "some misunderstanding". It attempted to explain that when **"all the seven Artisans in CCC were replaced by staff redeployed from other crematoria following the ICAC arrest on 26-27 October 1999. We regard this as a start of the posting programme"**. It offered to apologize if it had caused confusion and led us to believe that the Staff Rotation Scheme had been implemented. (See FEHD's previous position at paras. 26(d), 38 and 40(a)).

45. This Office does not find this explanation convincing:

(a) The memorandum of 22 February 2000 stated clearly that **"we have since reviewed our posting policy and have started a regular posting programme"**. These plain wordings left no room for alternative interpretation or misunderstanding.

(b) Furthermore, the consultation paper entitled "Proposed Posting Arrangements for Artisan, Ganger and Workmen Grades in FEHD" was only issued by FEHD

on 24 January 2000 (paras. 18(C) and 40(a) above). This shows that the so called "posting arrangements" were merely proposals as at 24 January 2000.

- (c) When FEHD redeployed staff to CCC to replace the seven Artisans who had been arrested by ICAC, it was merely acting to cover an emergency situation. By any stretch of the imagination, this could not be described as the **commencement** of a "**posting programme**".

46. This Office therefore thinks that it defies logic for FEHD to claim suddenly, after months of correspondence, on 7 July 2000 that the so-called "posting programme" had already started in October 1999! We do not wish to speculate on FEHD's reason for claiming what it did in its reply of 22 February 2000. It could have been a mistake. It could equally have been, as this Office believed, a calculated move seeking to lure our investigators into believing that a full range of remedial measures had already been embarked upon by the department when this was not the case.

Register for Viewing of CCTV Surveillance Tapes

47. On the maintenance of a separate register to record movements, inspections and disposal of the CCTV surveillance tapes (a matter which had hitherto not been adequately commented on by FEHD), FEHD confirmed that it had introduced a separate register for viewing of tapes from surveillance cameras installed in the crematoria as follows -

<i>Name of crematorium</i>	<i>Commencement date of the Inspection Registers for viewing of videotapes of CCTV</i>	<i>Installation date of CCTV System</i>
CCC	28.12.1999	28.10.1999

<i>DHC</i>	16.6.2000	15.6.2000
<i>FSC</i>	15.5.2000	3.5.2000
<i>KCC</i>	6.5.2000	5.5.2000
<i>WHSC</i>	17.5.2000	24.11.1998

48. On this matter, FEHD admitted that there had been delays in introducing a separate register for WHSC and attributed the delay to an unexpected high demand for cremations at WHSC during the period of March to early May 2000. According to the department, the cremators at WHSC operated almost incessantly for a total of 53 days during the period. Recording of the cremation process was done round the clock during the period. The Senior Health Inspector in-charge of C&C Service in NT did not consider it appropriate to stop the recording to facilitate viewing of the videotapes by the Senior Foreman/Overseer. For this reason, a formal tape inspection register was not implemented in WHSC until mid-May 2000. This Office does not consider this to be a satisfactory explanation for the delay, bearing in mind that the CCTV cameras had been installed in WHSC since November 1998.

Fifth round of Questions

49. The fifth round of questions were sent on 1 August 2000 and FEHD replied on 14 August 2000. The primary objective of this final round was to ask FEHD to keep this Office informed of future developments of the CCC case(s).

IX. OBSERVATIONS AND FINDINGS

50. Having studied the information, including relevant reports, papers and file records provided by FEHD, this Office

has the following observations and findings -

- (a) There were serious administrative deficiencies in the supervision of crematorium operations. The thefts from coffins at CCC resulted largely from syndicated crimes that were made possible by supervisory deficiencies at the crematorium.
- (b) No credible inspection system existed in CCC before 14 October 1999 or in the other crematoria before 10 March 2000. An inspection system would help to deter acts of impropriety by crematorium staff or would at least have made it more difficult for collusion on corrupt practices on an appreciable scale.
- (c) Given that the then USD management received allegations of thefts from coffins as early as 1996, this Office considered that this should have prompted those in charge of the C&C Section to tighten supervision of the crematoria and to formalize the inspection system. This had not happened.
- (d) The department's remedial actions seemed to have been made in response to public concern triggered by ICAC's arrests of CCC staff. However, even then, introduction of enhanced supervisory measures seemed only to apply to CCC alone. No consideration appeared to have been given to the desirability of extending such measures to the other crematoria. This was evidenced by the timing and the manner in which the Inspections Register was implemented first at CCC in October 1999, and then only extended to the other crematoria in March 2000 (see para. 40(b)(i) and(iii)).
- (e) We have serious misgivings about FEHD's conflicting

claims regarding actions it had taken on the Staff Rotation Scheme. Given FEHD's unequivocal claim in its memorandum of 22 February 2000 that such scheme had **started** as early as October 1999, we find the gerrymandering in the department's subsequent replies totally unconvincing (see paras. 18(c), 26 (d), 38, 40(a) and 44 to 46 above). The so-called Staff Rotation Scheme remains no more than a proposal even today. In this regard, we note that there has been no substantive progress in implementing the Scheme. So far, the only things that had been done were production of the following consultation papers -

- (i) A paper entitled the "Proposed Posting Arrangement for Artisans, Gangers and Workmen grade in FEHD" dated 24 January 2000; and
- (ii) A paper entitled the "Revised Proposed Posting Arrangement for Artisans, Gangers and Workmen grade in FEHD" on 13 June 2000.

FEHD now admits in its reply of 7 July 2000 that **"We are monitoring staff's mood and would be in a better position to draw up a firm timetable for implementation in early 2001"**.

- (f) In the past year, transfers among crematoria staff had taken place for operational reasons, as had happened in the case of the seven Artisans at CCC who were interdicted from duty for suspected involvement in the thefts from coffins and had to be replaced. As a matter of fact, these are redeployment arrangements necessitated by circumstances and are not part of any Staff Rotation Scheme as FEHD would have us believe. (Paras. 44 to 46 above).

- (g) With regard to the circumstances surrounding the introduction of formal registers in the crematoria, we note that with effect from 9 June 2000 FEHD introduced a standard format for all the six crematoria. This measure (paras. 41 and 42 above) was introduced after our Investigation Offices visited the CCC and FSC on 2 May 2000 (para. 5 above) and in the wake of the declaration of the investigation in which the need for a standardised format was formally raised (para.4 above). While we do not rule out the possibility that this was again just another co-incidence, we are inclined to believe that this illustrates The Ombudsman's role as a "change agent".
- (h) We also have serious misgivings about the reason FEHD gave in its reply of 7 July 2000 for the delay in implementing a separate register at WHSC to record the view of CCTV videotapes by supervisory staff (See paras. 18(a), 47 and 48). FEHD attributed the reason for not doing so until 17 May 2000 to the high demand for cremation at WHSC for the period of March to early May in 2000 (para. 48 above). As the CCTV surveillance system had been installed in WHSC since November 1998, we reject FEHD's excuse as being rather lame.
- (i) Overall, this Office considers that FEHD's management response to the CCC thefts from coffins had not been as well planned or executed as one might expect. Throughout our investigation, the C&C Section appeared to have responded in a knee-jerk fashion. Although it tried hard to give an impression that a series of improvement measures had been undertaken to remedy deficiencies identified by the CCC incidents, close scrutiny revealed that this was not so. Whatever improvement measures it

had introduced, such had been done in an ad hoc manner. It was only when confronted by specific questions on their applicability to other crematoria, that FEHD took action to apply such improvement measures to the latter. The crisis management capability of FEHD, as demonstrated by the C&C Section through the CCC incidents and post-incident management, would appear to need strengthening.

- (j) We recognize that despite the new FEHD organizational structure introduced since 1 January 2000, the district setup and staffing had remained unchanged. Many of FEHD's management problems today, including those on crematorium operation, have been inherited from its two predecessors, namely USD and RSD. We do not under-estimate the magnitude of the task facing FEHD's senior management, given the wide range of departmental activities that require rationalization and coordination as a result of the amalgamation of USD and RSD.

- (k) In the foregoing paragraphs, we have pointed out various incidents of inconsistencies and contradiction in FEHD's replies to our inquiry. We have no evidence, nor do we wish to believe, that the department had tried to mislead our investigators. If FEHD's proffered excuse that all these were results of "misunderstanding" were to have any validity, then at the very least, these discrepancies reveal a serious lack of effective communication within the department. However one views the department's actions, they can hardly be held up as examples of good and proper administration.

X. CONCLUSION

51. Based on the preceding observations and findings, The Ombudsman has come to the following conclusion -

- (a) Since the CCC incident, over a period of many months, FEHD had improvement measures aimed at preventing the recurrence of similar malpractices. These included, amongst others things, installation of CCTVs and the introduction of registers to keep track of any problems identified in the course of the operation of the crematoria. (Paras. 18 to 20).
- (b) Despite these, there is room for further improvement in the management of crematoria as a whole. For example, the introduction of the proposed Staff Rotation System is a case in point (Para. 50(e)).
- (c) There were indications that some of the improvement measures had been made in response to specific inquiries from this Office (Paras. 50(d), (g) and (i)).
- (d) There were too many co-incidences and inconsistencies in the sequence of administrative actions FEHD claimed to have taken (Para. 50(i)). The recurrence of such "co-incidence" aroused our suspicions that there were attempts to lure this Office into believing that the department had undertake more remedial measures than was the case.

XI. RECOMMENDATIONS

52. In concluding this investigation, The Ombudsman has made the following recommendations for the consideration of FEHD -

- (i) **Strengthening Monitoring Mechanisms and Control Measures**

- (i) To devise comprehensive monitoring mechanisms and control measures to facilitate the implementation of the various improvements measures (Paras. 50(a), (d), (e) and 51(a) and (b)).
- (ii) To draw up expeditiously a specific timetable to firm up the necessary details for the implementation of a Staff Rotation Scheme in order to reduce staff's exposure to corruption practices (Para. 51 (b)). Where appropriate, to expedite the implementation of the various recommendations contained in the comprehensive review completed by FEHD in February 2000 and also the post-CCC incident management advice given by the ICAC (Paras. 18 to 20, 26 and 50(e)).
- (iii) To continue to review the design, format and contents of the Inspection Registers for use by all crematoria staff to record tape movements and inspections (Paras. 34, 36, 41 to 42 and 50(b)).
- (iv) To continue to consolidate and incorporate all relevant updated guidelines on inspections to crematoria and checking of tapes of CCTV into the Operational Manual to facilitate internal reference by the staff concerned (Paras. 19, 41 to 42 and 50(b), (g)).

(ii) Staff Awareness and Communication

- (v) To consider inculcating a positive culture among staff concerned so as to encourage frank and uninhibited reporting by staff and to prompt rectification by the management in

any case of mal-administration or potential mal-administration identified in the course of the operation of the crematoria (Paras. 50(a), (b), (c), (d) and (i)).

- (vi) To further consider ways and means to strengthen staff supervision and enhance communication among staff responsible for the operation of the crematoria through inspections and staff meetings (Para. 50(d), (i) and (k)).
- (vii) To increase the awareness of staff on the need for proper handling of information requested by this Office to ensure accuracy of the information so provided and to issue specific guidelines for compliance (Paras. 50(k) and 51(c) and (d)).
- (viii) To continue to exercise closer supervision on and to enhance the supervisory accountability of the crematoria staff (Paras. 18(b), 50(a) to (d) and (i)).
- (ix) To conduct regular management reviews of the operation of the crematoria with a view to making continued improvement in their services to the public (Paras. 40(b)(iii), 50(k) and 51(a) and (b)).

XII. COMMENTS RECEIVED FROM FEHD

Overall Comments

53. In response to our invitation to comment on the DIR, FEHD expressed its appreciation to The Ombudsman's recognition and understanding about management problems faced by the

senior management of the department, many of which had been inherited from the former municipal services departments. The department further indicated that it shared The Ombudsman's concern about her serious misgivings and some of the observations and comments in Part IX above. In this connection, while indicating no objections to our observations and recommendations contained in paras. 50 and 51 above, FEHD sought to offer the following comments on the result of this investigation -

- (a) Since the setting up of FEHD on 1 January 2000, the senior management of FEHD had spared no efforts in cultivating a positive and proactive management culture. FEHD had promulgated new vision, mission and values of the Department. A copy is at **Annex VII**.
- (b) FEHD had always acted in good faith and with due diligence when handling The Ombudsman's enquiries and complaints. The department had been conscientious in striving for improvement and urged its staff to take a practical, responsive and pro-active attitude towards suggestions and complaints. It was most unfortunate that The Ombudsman was under the impression that the C&C Section had responded in a knee-jerk fashion and had attempted to lure The Ombudsman into believing that the Department had undertaken more remedial measures than was the case. (Notes: Paras. 50(i) and 51(d) above).
- (c) Given the wide range of departmental activities and the number of staff, FEHD, like The Ombudsman, recognised the importance of good and proper administration including the crisis management capability. FEHD had been working hard to raise staff's awareness, alertness and ability to handle crises. This however would take time. FEHD assured

The Ombudsman that it was now the department's standing practice to prepare contingency plan and arrangements in anticipation of emergency of problems and crisis.

- (d) FEHD accepted that a more comprehensive review should have been initiated earlier with a view to putting in place similar precautionary measures in the remaining five crematoria. However, owing to an unexpected high demand for cremation service in January, the department had concentrated its efforts on providing additional cremation sessions and in planning for longer-term improvement works and new projects.

- (e) FEHD noted The Ombudsman's misgiving about delay in implementing the Staff Rotation Scheme. FEHD never intended to mislead The Ombudsman: the management was committed to rotate frontline staff on a regular basis. However, given the tense management-staff relationship since the setting up of the department, it must be very careful in implementing this new initiative. Furthermore, the Voluntary Retirement Scheme would result in the eventual exit and posting of a large number of frontline staff including those working in the crematoria within the next three years. The Ombudsman might be aware that nine staff associations had formed a united front since early November 2000. FEHD must seek the understanding and support of the staff associations on its rotation scheme before implementation.

- (f) FEHD apologized for the delay in providing information in response to the five rounds of questions and would ensure timely response in future.

Comments on Specific Issues

54. In addition to the above, the department also offered further comments on two specific issues as follows -

Inconsistencies between the supervisory system in Cape Collinson Crematorium (CCC) and other government crematoria

- (a) When the incidents of theft in CCC first came to light in October 1999, only CCC and DHC were under the management of the then USD. The other four government crematoria in the New Territories, namely, Ch CC, FSC, KCC, and WHSC, were under the management of the then RSD.
- (b) When the ICAC in late 1999 made recommendations on remedial measures, including the inspection registers and staff rotation scheme, to prevent thefts in CCC, they were targetted at CCC. The then RSD was not informed of such recommendations and did not introduce the inspection register arrangement.
- (c) With the establishment of FEHD on 1 January 2000, the operation and management of crematoria facilities and cremation services came under the C&C Section of Operations Division 2 of the Environmental Hygiene Branch of FEHD. Since its inception, C&C Section began to align the operational guidelines and procedures of the then USD and that of the then RSD, including those concerning management of government crematoria.
- (d) When FEHD first took up the management of crematoria in January 2000, it was faced with an unusually high demand for cremation sessions. In order to cope with the situation, FEHD immediately initiated an overall review of the cremation services,

targetting at the more urgent issues such as improvement services for the cremation booking, identifying the new office accommodation for the congested Canton Road Cremation Booking Office, overall planning strategy to replace the aged cremators and planning of a two-shift cremation during the next peak season. During the review period, FEHD admitted that it was not able to implement earlier the realignment of the inspection registers and updating of guidelines to all crematoria staff as it was then of the view that it had basically addressed the likelihood of thefts in all government crematoria. It was only after the completion of the review in February 2000 that FEHD could re-focus and re-direct its resources to the realignment of the inspection registers and issuing/updating of guidelines to all crematoria staff in early March 2000.

- (e) In the course of the investigation, The Ombudsman had also raised a number of issues. FEHD had taken the opportunity to include in its improvement measures areas identified by the department itself or highlighted during the investigation.
- (f) This also explained the apparent co-incidence, which FEHD had reacted in an impromptu manner. It was never the intention of FEHD to mislead investigators of The Ombudsman nor were there attempts on the part of FEHD to lure The Ombudsman into believing that FEHD had undertaken more remedial measures than was the case (paras. 50(i) and (k) and 51(d) above).
- (g) FEHD appreciated The Ombudsman's role as a "change agent" (para. 50(g) above) and was committed to continue to regularly review and where necessary to enhance its management of government crematoria,

particularly on aspects such as staff supervision and supervision accountability, security of the crematoria, issuance and updating of specific guidelines and instruction (para. 50(a), (b), (c) and (d) above).

Staff Rotation Scheme

- (h) With regard to the matters raised by The Ombudsman in paragraphs 46 and 50(e) above, FEHD would like to reassure that it had no intention of misleading investigators of The Ombudsman's Office about the position of its proposed Staff Rotation Scheme, and that it was genuinely the department's aim to devise a regular posting schedule, which was workable and acceptable to both line managers and staff concerned.

- (i) Given the magnitude of the proposed Staff Rotation Scheme (which involved the regular posting of some 7000 staff members distributed over 20 districts and a number of other sections/offices) and the likely impact it might have on the workload of frontline management as well as the operation of their sections/offices, FEHD considered that if the proposal was not supported and accepted by line managers and staff affected, there would be great difficulties in implementing the proposal. For this reason, a consultation paper was drawn up in January 2000, following which the department circulated the proposal to line managers between February and March 2000 to obtain their comments from the operations point of view.

- (j) FEHD's original intention was that after obtaining the views of line managers, it would arrange for a series of consultation and briefing sessions for affected staff, staff unions, and the Departmental

Consultative Committee around March to April 2000. In this regard, it was a bit behind schedule, since the consultation with line managers was only completed in March 2000. The views so obtained were subsequently examined, and options and alternatives were explored and compared. FEHD then worked out a much scaled down proposal, and a revised consultation paper was made ready in June 2000. FEHD would like to point out that it would have proceeded to the stage of staff consultation if not for the implementation of the Voluntary Retirement (VR) Scheme which was announced by the Civil Service Bureau at that time. Hence, although it appeared that the Staff Rotation Scheme remained a "proposal" at the present stage as mentioned in paragraph 50(e) above, FEHD had in fact been working towards the goal of devising a practicable staff rotation programme.

- (k) The comment made by The Ombudsman as carried in paragraph 18(c) above indicated that FEHD's reply of 7 July 2000 to The Ombudsman regarding the expected implementation date for the Staff Rotation Scheme had conflicted with information provided in the department's earlier reply of 8 April 2000. On this point, FEHD would like to supplement that when it prepared the reply of 8 April 2000, the Government had not yet announced the VR Scheme. However, when it prepared the reply of 7 July 2000, the introduction of the VR Scheme had been announced (at end of June 2000), and the department expected that the Scheme might generate quite a large scale movement of staff between offices/sections. Therefore, FEHD then considered it prudent at that time to take into consideration of how the VR Scheme would be implemented in the department, the impact of the VR Scheme on inter-section postings and the views of the staff unions before launching any regular posting programme on top of the redeployment

necessitated by the VR Scheme. For this reason, FEHD informed The Ombudsman on 7 July 2000 that it would be more appropriate for the proposed regular posting programme to be firmed up and implemented only when the staff deployment situation relating to the VR Scheme would become clearer by early 2001. As such, the difference in the expected timing for implementing the Staff Rotation Scheme as provided in the department's replies of 8 April 2000 and 7 July 2000 respectively was due to the announcement of the VR Scheme at end of June 2000.

- (1) As it turned out, the number of VR applications received from staff of this department (over 3300, including over 2000 from members of the Artisan, Ganger and Workman grades) far exceeds what FEHD could possibly expect when it prepared its reply of 7 July 2000. As about one-third of FEHD's Artisan, Gangers, and Workmen have submitted a VR application, and its programme of release of these VR applicants would be phased over 2001-03, many staff postings between sections/offices would be generated in the next three years and the situation would be very complicated. In the circumstances, FEHD considered it necessary to review and reconsider whether it was appropriate to start any regular posting programme for the Artisan, Ganger, and Workmen grades at the same time as implementation of the VR Scheme and if so, the best arrangement of implementation.

- (m) FEHD undertook to carry out the review mentioned in paragraph (1) above in February 2001 and to complete it in about two months' time.

XIII. FINAL REMARKS

55. This Office notes the comments from FEHD and wishes to

respond to the main issues as follows -

- (a) We note that FEHD has not chosen to comment on all of the incidents of factual inconsistencies and "coincidences" as identified by this Office in the course of our investigation. For instance, FEHD has not sought to provide further direct, specific and satisfactory explanations on those incidents relating to and surrounding -
 - (i) the claim that it did issue an effective public notice on 1 December 1999 with the aim of preventing malpractices connected with thefts from coffins (Para. 31);
 - (ii) our misgiving as to the circumstances under which the two circular letters, with different dates but identical contents, were issued to the crematoria staff concerned (Para. 33);
 - (iii) whether the introduction of an Inspection Register with effect from 14 October 1999 in CCC had, indeed, as we suspect, been prompted by the relevant ICAC arrests (Para. 35);
 - (iv) the haphazard way of implementing the Inspection Registers and the makeshift manners of their introduction (Paras. 36 and 37);
 - (v) its claim that no irregularity whatsoever about CCC had been reported before 14 October 1999 (Para. 40(b)(i)); and
 - (vi) the delay in introducing a separate register for viewing CCTV surveillance tapes in WHSC.
- (b) We accept FEHD's explanations given in regard to the

"unexpected" circumstances leading to its being compelled to defer the implementation of the Staff Rotation Scheme (Notes: Paras 53(e) and 54(h) to (l)). We are, nevertheless, still puzzled by FEHD's unequivocal claim in its memorandum of 22 February 2000 that such a scheme had by then already "**started**"; and its assertion that "it regarded the replacement of the seven Artisan in CCC by staff redeployed from other crematoria following the ICAC arrest on 26-27 October 1999 as a start of the posting programme".

- (c) We draw comfort from the assurance given by FEHD that they have always acted in good faith, handled The Ombudsman's enquiries and complaints with due diligence and that they had never intended to mislead The Ombudsman (paras. 51(d) and 53(e) and 54(f)).
- (d) Despite FEHD's assurance given in response to the specific recommendation at para. 52 (b)(vii) (as contained in **Annex VIII**) that "it (FEHD) has been providing accurate information to The Ombudsman", we stand by our observations relating to the incidents enumerated at para. 55(b). On the strength of circumstantial evidence unearthed in this investigation, we maintain that FEHD had, in fact, failed to provide us with "accurate" information in our inquiries, whatever its intention or motivation might have been.
- (e) We accept that FEHD's legacy from its two predecessors had not been a perfect and problem-free set-up insofar as the crematoria services were concerned. We are encouraged to note that FEHD has taken actions to implement the recommendations as mentioned in para. 52 above. A gist of the progress of implementation of the recommendations is at **Annex VIII**.

56. The Ombudsman would like to be kept informed by FEHD of any further progress made on the implementation of the recommendations contained in this IR. Finally, The Ombudsman would like to express her appreciation to the co-operation and assistance rendered by FEHD throughout the course of this direct investigation.

.....

Office of The Ombudsman

File Ref: OMB/WP/14/I S.F.81

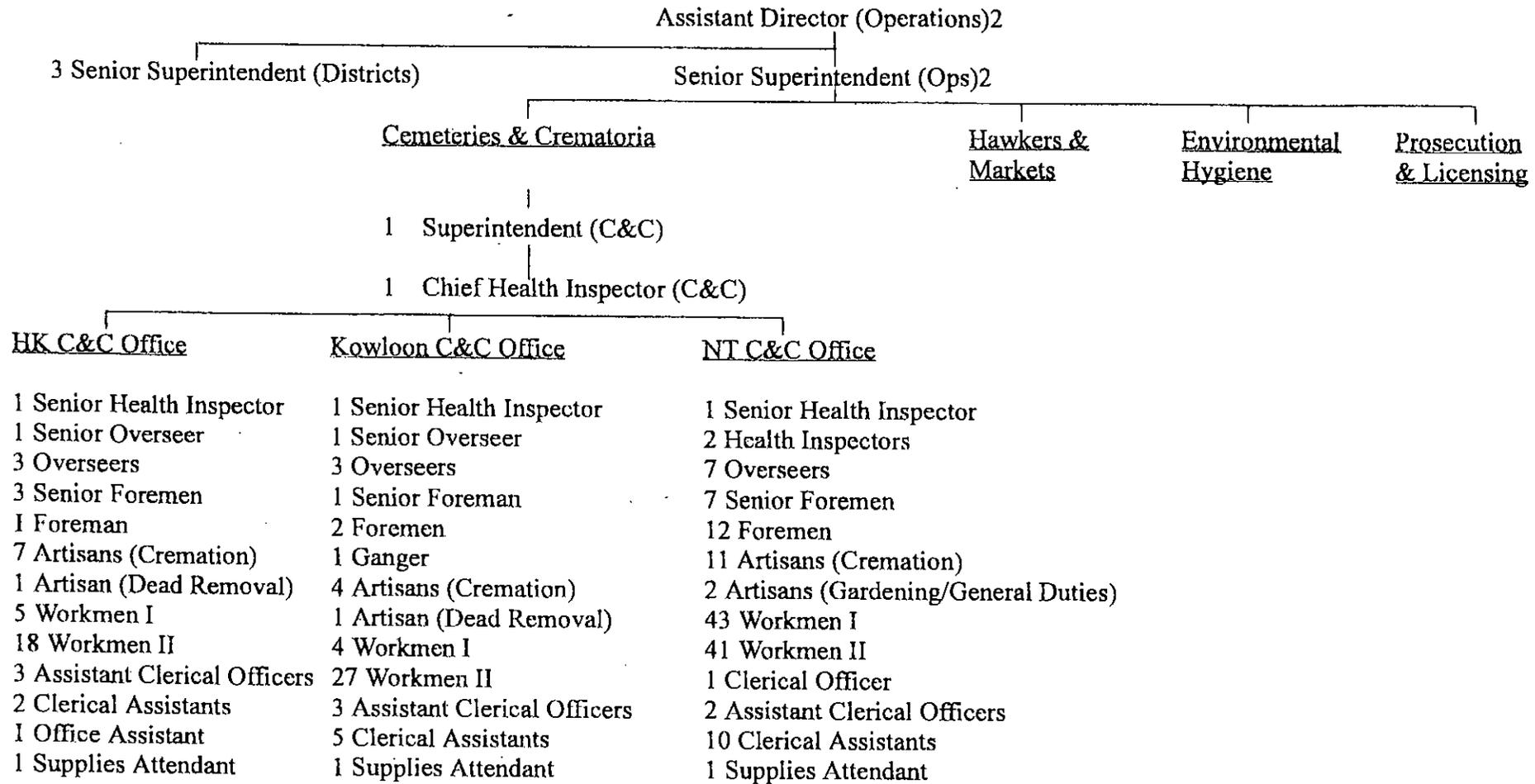
January 2001

ANNEXES

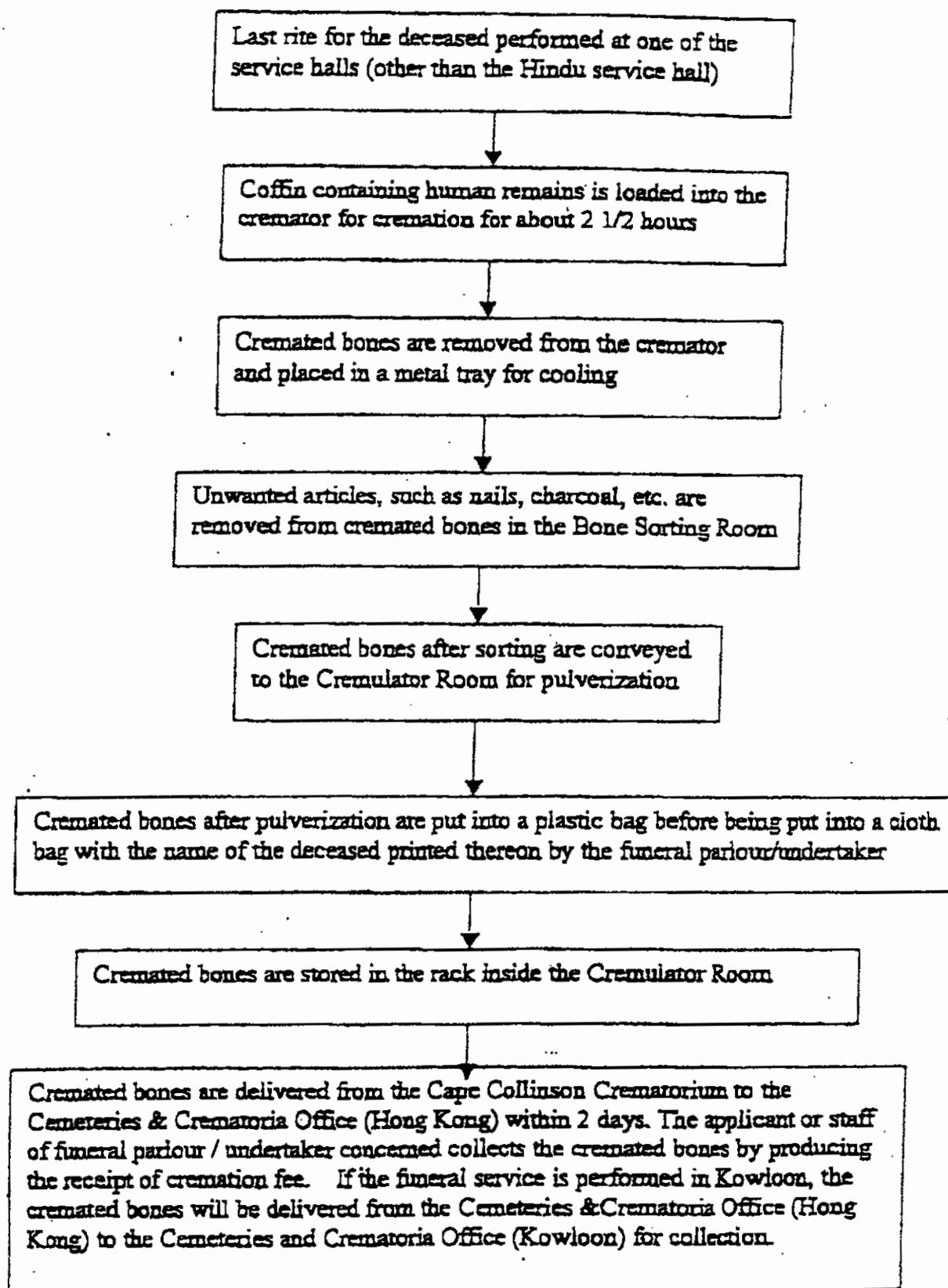
Number of Cremations handled in the past 3 years

<u>Name/Location of Crematorium</u>	<u>No. of Cremations Handled</u>		
	<u>1997</u>	<u>1998</u>	<u>1999</u>
Cape Collinson Crematorium	7,075	7,214	7,690
Diamond Hill Crematorium	5,796	5,528	5,235
Fu Shan Crematorium	3,805	4,295	4,189
Wo Hop Shek Crematorium	3,625	3,969	3,921
Kwai Chung Crematorium	3,804	4,204	4,456
Cheung Chau Crematorium	17	37	36
Total	24,122	25,247	25,527

Organization Chart of Cemeteries and Crematoria Section



Cremation Process at Cape Collinson Crematorium



**A summary setting out major steps/actions/measures
to step up monitoring and surveillance following the CCC incident**

Serial No.	Date	Event
(1)	26-27.10.1999	A total of 10 officers who had worked in CCC, including two Senior Foremen, six Artisans, a Workmen II and a former Artisan were arrested by ICAC. One Artisan was charged and the remaining were bailed out pending further investigation.
(2)	28.10.1999	All seven Artisans in CCC were interdicted and their duty taken up by Artisans and Workmen re-deployed from other crematoria. Installation of CCTV system at CCC was completed and put into operation on the same date.
(3)	1.11.1999	Four former PUC members visited CCC to inspect the facilities and the operation of the CCTV thereat.
(4)	3.11.1999	A Committee Paper was presented to members of the Public Health Select Committee of the former PUC to inform members of the operation of CCC.
(5)	11.11.1999	ICAC carried out a thorough inspection to CCC.
(6)	12.11.1999	The suggestion of requiring a senior foreman to inspect the coffins against tampering before each cremation and to record his findings in an inspection register was implemented in CCC.
(7)	26.11.99	ICAC recommended the former USD (i) to implement the keeping of a register for video tape and (ii) to assign a senior foreman to inspect the coffins against tampering before each cremation, (iii) to issue posters advising the families of the deceased not to place items of valuable property in the coffins and (iv) to install five additional cameras at crematory and Chinese service hall of CCC.
(8)	24.12.99 and 29.12.99	Briefing sessions were given to the Cemeteries and Crematoria staff explaining the policy, instructions,

Serial No.	Date	Event
		management and supervision of C&C staff under the new FEHD.
(9)	Late December 1999	The Operational Manual for Dead Disposal Services of the FEHD which would become effective on 1.1.2000 was issued to C&C staff.
(10)	28.12.1999	Inspection register to record the viewing of tapes in CCC was implemented.
(11)	3.1.2000	A written instruction to keep registers of inspection of the crematory and viewing of video tapes was re-issued by Supt(C&C) to staff working in CCC.
(12)	Mid-January	FEHD decided to conduct a comprehensive review to identify measures to improve the C&C service.
(13)	End-February	The review on measures to improve C&C service was completed.
(14)	10.3.2000	Supt(C&C) had a meeting with the SHIs in charge of C&C Section in Hong Kong, Kowloon and the NT and verbally instructed them that their staff should follow the same instruction issued to CCC on 3.1.2000 when inspecting crematory and checking of video tapes.
(15)	21.3.2000	At a regular C&C staff meeting, Supt(C&C) reminded all overseers/senior foremen in charge of crematoria to follow the above instruction.
(16)	29.3.2000	Supt(C&C) issued a written memorandum to reaffirm the verbal instruction given on 10.3.2000.
(17)	20.4.2000	A paper titled 'Cremation Service and Replacement of Cremators at the Kwai Chung Crematorium' was presented to the LegCo Panel on Environmental Affairs Subcommittee of Matters Relating to Environmental Hygiene to brief Members on (a) the provision of cremation service by the Food and Environmental Hygiene Department, and (b) the replacement of cremators at the Kwai Chung Crematorium.
(18)	29.4.2000	The English version of the circular on Task Master

Serial No.	Date	Event
		Scheme was issued to all C&C staff.
(19)	6.5.2000	CCTV system was put into operation in Kwai Chung Crematorium.
(20)	15.5.2000	CCTV system was put into operation in Fu Shan Crematorium.
(21)	19.5.2000	The Chinese version of the circular on Task Master Scheme was issued to all C&C staff.
(22)	16.6.2000	CCTV system was put into operation in Diamond Hill Crematorium.
(23)	August 2000	Expected date of the completion of five additional cameras at CCC.
(24)	August / September 2000	Expected date of the completion of upgrading of CCTV system in Wo Hop Shek Crematorium.

尊重先人 保護環境

一些中式棺木，體積巨大，難以放入現有的火化爐內火化。鑲滿金屬飾物及裝上許多附件的西式棺木，亦不宜火化。塗上厚漆的棺木，在火化時往往會產生黑煙；而棺木的木質若過厚，火化時會消耗較多燃料。基於上述原因，本署可能會拒絕火化這類棺木。不過，其實死者親屬只要選取供火化用的合適棺木，便可避免上述的情況。

再者，現時人們趨向於環保，故此為親人舉行火葬時，應盡力保護環境，除選用適合火葬用途的棺木外，亦不宜在棺木內放置金屬飾物等的陪葬品，實為重要。事實上，越來越多人同意，不論是式樣簡單或設計華麗的棺木，不論放置多或少的陪葬品，對死者同樣尊重。

墳場及火葬場辦事處

1999年12月1日

通告

為了加強對火葬場員工的督導及監管員工的操守，以下所列措施，必須嚴格遵守：

火葬場員工的督導

- (1) 當值高級管工/管工須每小時視察火化爐房一次，並檢查所有靈柩在完好的情況下，才推進火化爐；
- (2) 當值巡察員須每天上午及下午最少各一次到火化爐房巡視；
- (3) 高級巡察員（墳場及火葬場）/ 衛生督察（墳場及火葬場）須每星期最少一次到火化爐房及火葬場的其他地方視察；及
- (4) 高級衛生督察（墳場及火葬場）須每兩星期最少一次到火化爐房及火葬場的其他地方視察。

所有以上管理級人員，於每次視察後，須在設置於火化爐房內的視察記錄冊上填上有關視察細節及簽署作實。若發現有任何不當行為，須立即知會上司，以便採取適當行動。

閉路電視的操作

設於火葬場的閉路電視系統須二十四小時不停操作，當值巡察員須確保該系統運作正常。若發現不能操作，須立即通知機電工程署進行維修，並知會高級衛生督察（墳場及火葬場），以便跟進。當值巡察員必須於每日火化爐房運作前，更換閉路電視系統的錄影帶，以便錄影及監察當日的運作情況，並將上一個工作天的錄影帶妥善存放在有鎖的櫃內，保存三個月，以便翻查之用。

為了加強監察，當值巡察員、高級巡察員（墳場及火葬場）/ 衛生督察（墳場及火葬場）及高級衛生督察（墳場及火葬場）須分別每日、每星期及每兩星期最少翻視閉路電視系統的錄影帶一次，確保火葬場員工沒有作出任何不守規或不法行為，並將翻視錄影帶的日期及時段記錄在翻視閉路電視系統錄影帶的記錄冊上及簽署作實。

2000年1月3日

食物環境衛生署

FOOD AND ENVIRONMENTAL HYGIENE DEPARTMENT

理想

與市民合力提升食物安全及公眾衛生水平，
使香港稱譽國際，媲美世界級大都會。

Vision

To work hand in hand with our community
in building Hong Kong into a world-class metropolis
renowned for its food safety and public hygiene.

使命

確保食物安全，並為香港市民提供清潔衛生的
居住環境。

Mission

To ensure that food is fit for human consumption
and to maintain a clean and hygienic living environment
for the people of Hong Kong.

價值標準

- 正直誠信 忠實可靠
- 公平公正 不偏不倚
- 提高效率 增進效益
- 專業敬業 盡職盡責
- 積極回應 勇於承擔

Values

- Integrity and Honesty
- Fairness and Impartiality
- Effectiveness and Efficiency
- Professionalism and Dedication
- Responsiveness and Accountability

FEHD's response to Recommendations set out in Section XI of the DIR

The Ombudsman's Recommendations (Section XI of the DIR)

	Recommendations	Proposed Response of the Department
(a) Strengthening monitoring mechanisms and control measures		
Para 52(a)(v)	FEHD is recommended to devise comprehensive monitoring mechanisms and control measures to facilitate the implementations of the various improvement measures.	The Department has put in place proper monitoring mechanisms and control measures aiming at preventing theft and other malpractices in all government crematoria. These include the installation of CCTVs (except in Cheung Chau Crematorium) and the introduction of inspection register and enhanced staff supervision.
Para 52(a)(vi)	FEHD is recommended to draw up expeditiously a specific timetable to firm up the necessary details for the implementation of a Staff Rotation Scheme.	In the light of the implementation of the Voluntary Retirement Scheme over the period 2001 to 2003 and the many inter-section staff postings arising from this Scheme, the Department will re-consider the

	Recommendations	Proposed Response of the Department
		implementation of a Staff Rotation Scheme in February 2001 and complete it in about two months' time.
	FEHD is recommended to expedite the implementation of the recommendations contained in a comprehensive review completed by FEHD in February 2000 and also the post-CCC incident management advice given by the ICAC.	The Department has already implemented various improvement measures following the review in February 2000. These include the setting up of a new cremation booking office at Cheung Sha Wan Government Offices to replace the one at Canton Road Government Offices, merging of permit offices of Kowloon and New Territories, upgrading of a service hall at CCC and introduction of an additional second shift to increase cremation sessions to four or five a day for public booking during busy season (December to March). We have also implemented the post-CCC incident management advice given by ICAC. These include installation of CCTV and implementation of a new monitoring system on supervision of cremation.
Para 52(a)(vii)	FEHD is recommended to continue to review the design, format and contents of the Inspection Registers for use by all crematoria	The Department will regularly review and update/improve the design, format and contents of the Inspection Registers as

	Recommendations	Proposed Response of the Department
	staff to record tape movements and inspections.	necessary.
Para 52(a)(viii)	FEHD is recommended to consolidate and incorporate all relevant updated guidelines on inspections to crematoria and checking of tapes of CCTV into the Operational Manual.	The Department will incorporate and update guidelines into the Operational Manual for C&C staff.
(b) Staff Awareness and Communication		
Para 52(b)(v)	FEHD is recommended to consider inculcating a positive culture among staff concerned.	<p>Since its establishment on 1.1.2000, the Department has taken the following major steps:</p> <ul style="list-style-type: none"> ● Vision, mission and values have been promulgated with a view to instilling a new service and work culture. ● A Task Master Scheme was introduced to increase staff accountability. ● A Quality Assurance Section since 1 October has been set up to, inter alia, conduct quality inspection to ensure compliance of work procedure and identify areas for improvement.

	Recommendations	Proposed Response of the Department
		<ul style="list-style-type: none">● An early warning system and incident alerting system have been set up to ensure proper attention/action is being given to important or sensitive issues. ● Supt(C&C) holds quarterly meetings with the key supervisors of C&C Section (from CHI(C&C) down to Overseers(C&C)) to review work procedures/operational issues and to give guidelines/instructions for appropriate follow-up actions.
Para 52(b)(vi)	FEHD is recommended to further consider ways and means to strengthen supervision and enhance communication among staff responsible for the operation of crematoria through inspections and staff meetings.	FEHD has carried out an assignment jointly with ICAC on the booking of cremation and allocation of columbarium niches since October 2000. The assignment covers among other things enhanced public supervision of crematoria staff. The assignment is near completion. The Department will further examine its supervision and communication systems among staff responsible for the operation of crematoria and devise appropriate guidelines and procedures in enhancing supervision and communication as necessary.

	Recommendations	Proposed Response of the Department
Para 52(b)(vii)	FEHD is recommended to increase the awareness of staff on the need for proper handling of information requested by this Office to ensure accuracy of the information so provided and to issue specific guidelines for compliance.	FEHD has been providing accurate information to the Ombudsman. Its Environmental Hygiene Branch will prepare and issue specific guidelines for handling complaints referred by the Ombudsman to staff for compliance.
Para 52(b)(viii)	FEHD is recommended to exercise closer supervision and to enhance the supervisory accountability of the crematoria staff.	FEHD will continue to exercise close supervision and instill the sense of supervisory accountability through the implementation of the Task Master Scheme as depicted in para. (d) of the DIR.
Para 52(b)(ix)	FEHD is recommended to conduct regular management reviews of the operation of the crematoria with a view to making continued improvements in their services to the public.	FEHD is committed to take the initiative to review the operation of the crematoria with a view to making continued improvements.