

Alleged bribery involving 17 buildings leads to 29 arrests by ICAC**03.04.08**

The ICAC has arrested 29 persons, including three staff members of the Hong Kong Housing Society (HKHS), for alleged bribery in relation to consultancy and renovation projects involving private residential buildings.

The three staff members of HKHS, who were arrested in an operation codenamed "Gusty" commencing on Tuesday (April 1), were an assistant manager, a senior officer and an officer of the HKHS's Property Management Advisory Centre.

The remaining arrestees included 10 building contractors and related staff; three property consultants and staff; eight officer bearers of incorporated owners (IOs) of four private residential buildings; three employees of three property management companies; and two other individuals.

The ICAC commenced an investigation upon receipt of complaints alleging corruption involving staff members of the HKHS.

Enquiries revealed that the arrested HKHS staff had allegedly accepted bribes as rewards for assisting the contractors in securing renovation contracts of various private residential buildings.

An associate of one of the contractors and the senior officer of HKHS were caught red-handed by ICAC officers after a suspected bribe payment changed hands. The alleged bribe was subsequently recovered from the senior officer of HKHS.

Enquiries also revealed that the arrested contractors, consultants and property management company staff had allegedly offered advantages to the IO members in return for the latter's assistance in securing consultancy and renovation contracts.

It was also suspected that the contractors and consultants had been involved in tender rigging over various renovation contracts of those buildings, with the corrupt collusion with the IO members.

The suspected scam allegedly involved 17 private residential buildings in Kowloon and the New Territories.

The HKHS has rendered full assistance to the ICAC during its investigation. ICAC enquiries are continuing.

An ICAC spokesman noted that in recent years, about 40 per cent of private sector corruption reports received were related to building management, including renovation and maintenance works of buildings. The total number stood at 972 last year, representing a rise of 18 per cent over the previous year.

"Apart from strong enforcement action, the ICAC has stepped up preventive and education efforts to ensure clean building management which has a direct impact on people's livelihood," the spokesman said.

The ICAC has set up a task force with representatives from the Operations, Corruption Prevention and Community Relations Departments to spearhead a three-pronged drive to enhance the integrity standards in building management.

It will kick off a territory-wide programme to promote clean building management next month in collaboration with the Home Affairs Department, the Buildings Department and the HKHS.

Under this programme, a corruption prevention guidebook on building renovation works, an enquiry hotline, a dedicated website and workshops will be launched.