



平 等 機 會 委 員 會

EQUAL OPPORTUNITIES COMMISSION

APPENDIX 11

香港太古城太古灣道14號太古城中心三座19樓

19/F., Cityplaza Three, 14 Taikoo Wan Road  
Taikoo Shing, Hong Kong  
網址 Website : <http://www.eoc.org.hk>

OUR REF.: EOC/CR/GOV/11/01  
YOUR REF.: CB(3)/PAC/R52  
TEL. NO.: 2106 2123  
FAX NO.: 2802 0030

**BY HAND & BY EMAIL**

27 May 2009

Public Accounts Committee  
Legislative Council  
Legislative Council Building  
8 Jackson Road, Central  
Hong Kong  
(Attn: Ms Serena CHU)

Dear Ms CHU,

**The Director of Audit's Report on the  
results of value for money audits (Report No. 52)**

**"Equal Opportunities Commission" (Chapter 3)**

Thank you for your letter of 20 May 2009.

As requested, please find attached additional information relating to items (a) to (o) in your aforementioned letter. The information provided is mainly in English and where available, the Chinese version will be provided.

A softcopy of our response will also be sent via email to [sywan@legco.gov.hk](mailto:sywan@legco.gov.hk).

Thank you.

Yours faithfully,

Raymond TANG  
Chairperson

Encls.

**\*Note by Clerk, PAC:** *Replies to Items (b) and (o) not attached.*

### **Item (a): Complaint Intake Form**

At present, the intake decisions are recorded in different documents under the current practice. There is no single 'complaint intake form' placed in a complaint file to record and document the intake decision as recommended in the Australian consultants report.

Intake of complaints is handled by the two Chief Officers in the Operations Division on a rotational basis. Case assignment basically follows a roster system. In the process, the complexity and sensitivity issues as well as legal issues that may be involved are taken into consideration. More experienced officers are assigned with cases of complex nature. As such, there are adjustments in the sequence of case allocation to cater for special need. The special assignment arrangements are recorded by the assigning officer on the weekly roster sheets.

To open a new case, the assigning officer registers an entry in the computerised Complaint Management System (CMS). The system generates a case number and opens a front page for recording key information. To complete the assignment, the following information must be entered---- the names of the complainant, respondent and authorised representatives; initial actions taken or to be taken (e.g. acknowledgement of receipt, arranging interviews); relevant ordinance (e.g. SDO, DDO), ground of discrimination (e.g. pregnancy, disability), areas of activities (e.g. employment, provision of goods), unlawful act (e.g. dismissal, harassment) involved; special issues (e.g. overtime work, transfer, foreign domestic helper, prolonged sick leave); summary of the complaint; and the assignee (i.e. the case officer).

A physical complaint file, which houses the complaint letter/ form and document submitted by the complainant, will then be opened and passed to the Chief Officer supervising the case officer. This supervising officer will then go through the materials and mark instruction and /or advice in the form of file minutes to the case officer (e.g. special circumstances relevant to the particular complaint, need for legal advice or higher level supervision).

At present, the decision and instruction appear in different places. To accommodate Audit Commission's recommendation, the front page of the CMS will be expanded to record the initial and assignment decisions and the rationale behind them, which would then appear as a single document.

**Item (c): Regarding the Beijing visit referred to in para 4.7 to 4.18 of the Audit Report:**

**For (i): the posts of the 9 EOC staff who joined the delegation are:**

- ♦ 1 Director (Planning and Administration)
- ♦ 1 Director (Operations)
- ♦ 1 Head, Corporate Communications and Training
- ♦ 1 Head, Policy & Research
- ♦ 1 Chief Equal Opportunities Officer (Operations)
- ♦ 1 Senior Training Officer
- ♦ 1 Senior Corporate Communications Officer
- ♦ 1 Corporate Communications Officer
- ♦ 1 Assistant Legal Counsel

**For (ii): size and facilities of the three standards of hotel room hired:**

Room	Size	In-room facilities
Standard Room	40 Sq. meters	<ul style="list-style-type: none"> <li>♦ Bedside Control Panel</li> <li>♦ Baby Cot (at charge)</li> <li>♦ Bathrobe/Slipper</li> <li>♦ Bathroom Amenities</li> </ul>
Executive Room <i>(located at another renovated block)</i>	40 Sq. meters	<ul style="list-style-type: none"> <li>♦ Broadband (at charge)</li> <li>♦ Complimentary Mineral Water</li> <li>♦ Daily Newspaper</li> <li>♦ Hairdryer</li> <li>♦ Kettle</li> <li>♦ Minibar (at charge)</li> </ul>
Ambassador Suite <i>(cheapest amongst all suites, with Forbidden City View Suites and Executive Suites at a higher rate)</i>	76 Sq. meters	<ul style="list-style-type: none"> <li>♦ Rollaway (at charge)</li> <li>♦ Safe Deposit Box</li> <li>♦ Voicemail Messaging</li> </ul> <p><i>Executive floor rooms &amp; suites provide a fax machine as well as bathrooms with bathtub and freestanding shower in addition to the standard features.</i></p>

*(source: <http://www.chinabeijinghotel.com>)*

**Response to Public Accounts Committee's Letter of 20 May 2009 items (d), (e) and (f)**

- (d) There were 3 duty visits to Beijing made by 2 former EOC Chairpersons during their tenure as follows:

Former EOC Chairperson (tenure)	Date	Details of Hotel Accommodation
Dr. Fanny CHEUNG Mui-ching (20.5.1996 - 31.7.1999)	March 1997	Apart from EOC Chairperson, 4 Members and 13 staff were on this trip. The EOC Chairperson's hotel room at Friendship Hotel was upgraded to an executive suite at an additional cost of \$4,050, i.e. \$450 per night x 9 nights.
	June 1998	No other delegation members on this trip.
Ms. Anna WU Hung-yuk (1.8.1999 - 31.7.2003)	May 2002	No other delegation members on this trip.

- (e) 26 duty visits were made by the EOC between April 2005 and December 2008, of which 13 duty visits involved the Chairperson, Mr. Raymond TANG Yee-bong. Please refer to Appendix A for details.

- (f)

**No. of Duty Visits made by the EOC Chairpersons Vs  
Total No. of Duty Visits made by the EOC office  
(including the Chairperson, EOC Members and Staff)  
during the respective tenure of the different EOC Chairpersons**

EOC Chairperson (tenure)	No. of Duty Visits		Appendix
	Total No. of Duty Visits made by EOC	Where Chairperson participated	
Mr. Raymond TANG Yee-bong (12.1.2005 - 11.1.2010)	26	13	A

EOC Chairperson (tenure)	No. of Duty Visits		Appendix
	Total No. of Duty Visits made by EOC	Where Chairperson participated	
Dr. Fanny CHEUNG Mui-ching (20.5.1996 - 31.7.1999)	25 /	18	B
Ms. Anna WU Hung-yuk (1.8.1999 - 31.7.2003)	55 /	19	C

There were 18 and 19 duty visits made by Dr. Fanny CHEUNG Mui-ching and Ms. Anna WU Hung-yuk respectively. Please refer to Appendices B and C for the places and the purposes. The benefits of the duty visits in general included understanding the latest development and trends in human rights and equal opportunities (EO), exchanging views on human rights and EO issues, explaining EOC's operational experience in implementing the anti-discrimination legislation to overseas counterparts and networking.

## Overseas Duty Visits attended by the Chairperson

Item No.	Date	Duration	Purpose	Organiser	Location	No. of attendants/Post
<b>Mr. Raymond Tang (tenure: 12.1.2005 - 11.1.2010)</b>						
<b>2005/06</b>						
1	Apr-05	25/4-1/5/05	The 34th Session of the Committee on Economic, Social and Cultural Rights (ICESCR)	United Nations	Geneva, Switzerland	2 / C/EOC & HPR
2	Jul-05	11-15/7/05	Visits: The State Council Information Office, Ministry of Civil Affairs, Hong Kong and Macao Affairs Office of State Council, State Ethnic Affairs Commission, All-China Women's Federation, Party Academy of Central Committee of CPC, China Disabled Persons' Federation		Beijing, China	18 / C/EOC, DPA, Ag. Dir(Ops), CB, HCCT, HPR, STO1, SCCO2, CCO1, ALC2 & 8 EOC Members
3	Aug-05	28/8-1/9/05	2005 Conference in Commemoration of the 10th Anniversary of the 4th World Conference of Women	All-China Women's Federation and United Nations	Beijing, China	2 / C/EOC & EOC Member
4	Nov-05	12/11/05	Seminar on Family Education	The Women's General Association of Macau	Macau	2 / C/EOC & SCCO2
<b>2006/07</b>						
5	Jul-06	16-20/7/06	Biwako Millennium Framework Stakeholders' Coordination Meeting (BMP-SCM)	United Nations	Bangkok, Thailand	2 / C/EOC & Dir(Ops)
6	Jul-06	16-22/7/06	UN ESCAP Workshop on Regional Follow-up to the Seventh Session and Eighth Session of the Ad Hoc Committee on an International Convention on the Protection and Promotion of the Rights and Dignity of Persons with Disabilities	United Nations	Bangkok, Thailand	2 / C/EOC & CLC
7	Aug-06	5-12/8/06	The 36th Session of CEDAW Committee on the Elimination of Discrimination Against Women	CEDAW, United Nations	New York, USA	2 / C/EOC & DPA
8	Nov-06	13-17/11/06	The 14th RI Korea Conference, and the Colloquium on Future of the Human Rights of Persons with Disabilities: the new International Convention on Disability & Strengthening Policy, Process & Institutions	Rehab International Korea	Seoul, Korea	2 / C/EOC & Ag. CA
<b>2007/08</b>						
9	May-07	18/5/07	Visit to The Women's General Association of Macau	The Women's General Association of Macau	Macau	4 / C/EOC, DPA, HCCT and Ag. Dir(Ops)
10	Jun-07	7/6/07	Visit to The Commission Against Corruption of Macao	The Commission Against Corruption of Macao	Macau	4 / C/EOC, DPA, Dir(Ops) and HPR
11	Jun-07	8-12/6/07	Advanced Training Seminar on the Legislation on Promotion of Equal Employment Opportunities	Nanchang University	Nanchang, China	2 / C/EOC and STO1
12	Sep-07	31/8-9/9/07	Study Visit Organized by the Swedish Institute	Swedish Institute	Stockholm, Sweden	2 / C/EOC and CLC
13	Dec-07	1-6/12/07	International Conference on "Democracy and Human Rights in Africa - Role of Human Rights Institutions"	United Nations	Cairo, Egypt	1 / C/EOC

## Overseas Duty Visits attended by the Chairperson

Item No.	Date	Duration	Purpose	Organiser	Location	No. of attendants/Post
<b>Dr. Fanny Cheung (tenure: 20.5.1996 - 31.7.1999)</b>						
<b>1996/07</b>						
1	Aug-96	1-4/8/96	Visit to UK HR Commissions	UK HR Commissions	UK	4 / C/EOC and 3 EOC Members
2	Sep-96	15-18/9/96	18th Rehabilitation International World Congress		Auckland, New Zealand	1 / C/EOC
3	Mar-97	18-27/3/97	Training programme in Tsinghua University	Tsinghua University	Tsinghua University, China	18 / C/EOC, DD, CD, SD12, ED2, SG12, SG22, SG13, DPA, DLA, SLO, SP2, 2SPs and 4 EOC Members
<b>1997/98</b>						
4	Jul-97	19-25/7/97	Visit to HREOC	HREOC	Australia	4 / C/EOC, CG1 and 2 EOC Members
5	Sep-97	12-18/9/97	The SME Exposition & Business Forum, Visit to Ontario HR Commission	Ontario HR Commission	Ontario, Canada	1 / C/EOC
6	Sep-97	12-18/9/97	1997 APEC Women Leaders' Network Meeting	APEC	Quebec, Canada	1 / C/EOC
7	Feb-98	22-28/2/98	Asia-Pacific Forum of National Human Rights Institutions Workshop on Media & Public Affairs, Education & Promotion - Principle & Practices		Jakarta, Indonesia	1 / C/EOC
8	Mar-98	9-12/3/98	Meeting of the Industry: Science & Technology Working Group of APEC		Manila, Philippines	1 / C/EOC
<b>1998/09</b>						
9	Jun-98	17-21/6/98	Meeting of Follow-up Actions from the Fourth World Conference on Women	All-China Women's Federation	Beijing, China	1 / C/EOC
10	Aug-98	11-12/8/98	Duty Visit to San Francisco EEOC		San Francisco, USA	1 / C/EOC
11	Sep-98	30/8-6/9/98	8th National Plenum of the Federation	All-China Women's Federation	Beijing, China	1 / C/EOC
12	Sep-98	7-9/9/98	3rd Meeting of the Asia-Pacific Forum of National Human Rights Institutions	The Asian Pacific Forum of National Human Rights Institutions	Jakarta, Indonesia	2 / C/EOC & LA
13	Sep-98	1-3/9/98	APEC Women Leaders' Network Meeting	APEC	Kuala Lumpur, Malaysia	1 / C/EOC
14	Oct-98	11-17/10/98	APEC Senior Officials and Ministerial Meetings on Women	APEC	Manila, the Philippines	1 / C/EOC
15	Jan-99	21/1-6/2/99	Annual Meeting of the International Women's Rights Action Watch	International Women's Rights Action Watch	New York, USA	1 / C/EOC
16	Jan-99	21/1-6/2/99	Meeting of Committee on Elimination of All Forms of Discrimination against Women	United Nations	New York, USA	1 / C/EOC
17	Feb-99	21/1-6/2/99	Talk in Fairbank Center for East Asian Studies of Harvard University	Harvard University	Harvard University	1 / C/EOC
<b>1999/2000</b>						
18	Jun-99	19-24/6/99	APEC Women Leader's Network Meeting	APEC	Wellington, New Zealand	1 / C/EOC

## Overseas Duty Visits attended by the Chairperson

Item No.	Date	Duration	Purpose	Organiser	Location	No. of attendants/Post
<b>Ms. Anna Wu (tenure: 1.8.1999 - 31.7.2003)</b>						
<b>1999/2000</b>						
1	Sep-99	5-8/9/99	4th Meeting of the Asia-Pacific Forum of National Human Rights Institutions	The Asian Pacific Forum of National Human Rights Institutions	Manila, Philippines	2 / C/EOC & LA
2	Oct-99	12-16/10/99	International Women's Forum Conference		Washington, USA	1 / C/EOC
3	Nov-99	28/10-3/11/99	UN Human Rights Committee Hearing on the implementation of the International Covenant on Civil and Political Rights	United Nations	Geneva, Switzerland	2 / C/EOC & LA
<b>2000/01</b>						
4	Apr-00	10-16/4/00	5th International Workshop, National Institutions for the Promotion and Protection of Human Rights	The Asian Pacific Forum of National Human Rights Institutions	Rabat, Morocco	2 / C/EOC & LA
5	Jun-00	1-10/6/00	23rd Special Session, UN General Assembly "Women 2000 : Gender Equality, Development and Peace for the Twenty-first Century"	United Nations	New York, USA	2 / C/EOC & DG
6	Jun-00	16-22/6/00	APEC Women Leaders' Network	APEC	Darussalam, Brunei	1 / C/EOC
7	Jul-00	7-16/7/00	XIII International AIDS Conference		Durban, South Africa	1 / C/EOC
8	Aug-00	5-10/8/00	5th Annual Meeting of the Asia Pacific Forum of National Human Rights Institutions	The Asian Pacific Forum of National Human Rights Institutions	Rotorua, New Zealand	2 / C/EOC & LA
<b>2001/02</b>						
9	Apr-01	25/4-2/5/01	25th Session of UN Committee on Economic, Social and Cultural Rights	United Nations	Geneva, Switzerland	2 / C/EOC & LA
10	Jan-02	20-24/1/02	Global Summit of Women 2002 (Preparatory Meeting)		Washington, USA	1 / C/EOC
<b>2002/03</b>						
11	May-02	14-16/5/02	International Conference on Public Policy & Management	Tsinghua University	Beijing, China	1 / C/EOC
12	May-02	27-31/5/02	Global Summit of Women 2002 (Global Diversity Colloquium)	Global Summit of Women	Washington, D.C., USA	1 / C/EOC
13	Jul-02	9-14/7/02	Satellite Symposium to the XIV International AIDS Conference & Global Summit of Women 2002		Barcelona, Spain	2 / C/EOC & HPE
14	Aug-02	5-7/8/02	APEC Symposium on Best Practices for Enhancing Women's Entrepreneurship and Start-up Companies	APEC	Taipei, Taiwan	1 / C/EOC
15	Sep-02	8-10/9/02	Conference on Human Rights and Education : "Equalizing Education Opportunities for Human Development"		Kuala Lumpur, Malaysia	1 / C/EOC
16	Nov-02	13-17/11/02	American Association of University Women and ETS International Symposium: "International Perspectives: Global Voices for Gender Equity"		Washington, D.C., USA	1 / C/EOC
17	Mar-03	16-18/3/03	Roundtable Discussion organized by Human Rights Commission of Malaysia: "Rights and Obligations under CEDAW"		Kuala Lumpur, Malaysia	1 / C/EOC
<b>2003/04</b>						
18	Apr-03	23-26/4/03	Colloquium on Global Diversity: "Creating a Level Playing Field for Women"	Global Summit of Women	Washington, D.C., USA	1 / C/EOC
19	Jun-03	26/6-1/7/03	Global Summit of Women 2003	Global Summit of Women	Marrakesh, Morocco	2 / C/EOC & HPE



**Item (g): Regarding the Sweden visit:**

**For (i): The name and nature of Organization A and how it relates to EOC's work:**

Organization A is the Swedish Institute (SI), which is a public agency established to increase knowledge of and interest in Sweden worldwide. It seeks to establish cooperation and lasting relations with other countries through active communication and cultural, educational and scientific exchanges. Its operations are carried out in close cooperation with Swedish and foreign partners, as well as with Swedish embassies and consulates around the world. It carries out projects and presentations all over the world to promote Sweden and Swedish values, such as projects related to issues of democracy and human rights. (source: <http://www.si.se>)

In January 2007, the SI jointly organized a large scale seminar with the Swedish Consulate, the Chinese University of Hong Kong and the EOC on "Advancement in Gender Equality – The Sweden and Hong Kong Stories". The seminar has achieved considerable success and was well attended by over 300 participants from different sectors of the society. It was an excellent occasion for all who value gender equality to come together and share experience.

In September 2007, the SI wished to have further exchanges with the EOC and extended an invitation to the Chairperson of the EOC to visit Sweden on a study visit program which covered issues concerning gender equality and disability policy. The program included visits to:

- i) **Handisam**, Swedish Agency for Disability Policy Co-ordination,
- ii) **Riksdagens Ombudsman**, the Parliamentary Ombudsman,
- iii) **Handikappförbundens Smarbetsorgan**, Swedish Disability Federation,
- iv) **Handikappombudsmannen**, Office of the Disability Ombudsman,
- v) **Ombudsmannen mot Diskriminering på Grund av Sexuell Lagging**, the Office of the Ombudsman against Discrimination on grounds of Sexual Orientation,
- vi) **Diskrimineringombudsmannen**, Office of the Ombudsman against Ethnic Discrimination,
- vii) **Samhall**, a state owned company employing people with disabilities, and
- viii) **Jamställdhetsombudsmannen**, Office of the Equal Opportunities Ombudsman.

Learning points and reflections from the Sweden visit were reported to the EOC Board in a EOC Meeting via EOC Paper No. 34/2007 and posted in EOC's website. Details are as attached.

*\*Note by Clerk, PAC: EOC Paper No. 34/2007 and information posted on the EOC website not attached.*

**For (ii): Information about EOC's courier accounts:**

The EOC, since its formation, had a courier account set up by a Ms KWAN of the Home Affairs Bureau (HAB) in June 1996 with a courier company. Later in April 2005, two more courier accounts were opened with other companies by staff of the General Office at the request of the Personal Assistant of the Chairperson [PA(C/EOC)] so that more suppliers could be available on the Suppliers' List.

Courier service is to be used on a need basis when circumstances require. Since its formation in 1996, the EOC has engaged courier services twice for delivering documents/files back from overseas, including the delivery from Sweden mentioned in the Audit Report.

Contact telephone numbers and EOC's account numbers opened at the existing 3 courier companies on the Suppliers' List were provided to the Chief Legal Counsel by PA(C/EOC) together with other related information regarding the Sweden visit, such as air tickets, programme of the visit, hotel accommodation arrangements...etc as an information package for use when necessary or upon emergency.

**For (iii): The date when EOC was informed of the two additional hospitality items scheduled for 1 and 2 September 2007:**

A draft programme was received via email from the Swedish Consulate on Friday, 24 August 2007. The draft programme showed one item - "Excursion by boat" - for 2 September; nothing was shown for 1 September.

The final programme was provided on Wednesday, 29 August 2007, hand delivered by the Swedish Consul at a pre-departure meeting with the chairperson at the EOC offices in the afternoon of that day. In the final programme, an item "Sightseeing in Stockholm together with a licensed guide" was shown for 1 September; and another item "Excursion by boat in the archipelago" with representatives of related organizations was shown for 2 September.

**Additional Information Requested by PAC**  
**in its letter dated 20 May 2009**

- (h) Currently, reasonable meal expenses of the Chairperson and EOC Members' incurred on duty visits will be reimbursed on an actual expenditure basis taking into account the purpose and nature of the duty visit.

The EOC accepts the Audit's recommendation and guidelines will be revised which will set financial limits for meals taken by the Chairperson and EOC Members during duty visits. To avoid ambiguity and provide clarity and ease of administration, the rate to be applied will follow that of the civil service, which is already applicable to EOC staff at present under EOC's policy currently in force. By way of explanation, it is a fixed rate (which rate varies depending on the overseas country to be visited). Subject to certain prescribed variations, 60% of the fixed rate will be for hotel accommodation while 40% will be for meals, travelling expenses within town and all minor incidental out of pocket expenses.

The EOC Board will be asked to endorse the revised guidelines as soon as possible.

- (i) The measures and action plan that will be adopted to promote good practices to ensure the prudent use of public money within the EOC:-
- (1) A working group comprising EOC Members will be set up to review spending and procurement procedures and make necessary improvements to the procedures to ensure the prudent use of public money with the EOC.
  - (2) Briefings have been held with relevant staff in regard to the proper use of public money particularly on
    - (i) Staff's duty and accountability to ensure the prudent use of public money.
    - (ii) The need to clearly establish the need for a purchase before any purchase is made.

- (iii) Strictly adhering to the procedures stipulated in the Procurement of Stores and Services Manual (PSSM) and ensuring that proper documentation is given, giving fully the particulars, explanation and information required in those instances where the relevant requirement can be waived.
- (iv) The need to report to the supervisor immediately any inadequacies or practical difficulties in the stores and procurement procedures in the EOC.

(3) To firmly establish a culture for the prudent use of public money within the EOC, the Director of Government Logistics will be invited to share with EOC staff on important stores and procurement principles and areas in EOC's system that need to be strengthened to achieve this objective.

(k) In paragraphs 6.4 and 6.21 of the Audit Report, there are two main areas identified by audit for improvement:

- i. compliance with the procedures stipulated in the PSSM and
- ii. clearly establish the need for an item before expenditure is incurred.

**i. Compliance with the procedures stipulated in EOC's Procurement of Stores and Services Manual (PSSM)**

The non-compliance areas lie in the following:

- a. The required number of quotations were not obtained, and there were insufficient documented justifications for not doing so (28 instances).
- b. The procedures of inviting suppliers to submit quotations as stipulated in the PSSM were not followed (46 instances in 34 purchases<sup>note</sup>).

*note:* In 4 instances (involving 4 purchases) identified by audit as "supplier not on Suppliers' List but still invited for quotation", the supplier involved was in business at the time when invited to submit quotations (i.e. in March 08). It was deleted from the Suppliers' List due to closure of business subsequently in April 08.

- c. The required minimum number (i.e. 10) of suppliers in a category of goods/service as stipulated in the PSSM was not maintained or without appropriate approval (59 categories out of a total of 89 categories).

Reasons for non-compliance to (a) above:

- ♦ 15 out of 28 identified instances were minor repairs and alteration work in the EOC office and efforts had been made to obtain more quotes but failed. There was actual difficulty to obtain 3 quotations on each occasion. Another 10 were situations where requirement to obtain 3 quotes could be waived as stipulated in the PSSM. **In future, clear explanations would be given on the Purchase Requisition Forms. Additionally, practicability of the relevant rule on seeking the required number of quotes will be reviewed taking reference to Government's Store and Procurement Regulations. Please refer to the table below for details.**

Reasons for non-compliance to (b) above:

- ♦ The procedure of inviting suppliers by rotation from the Suppliers' List in most cases is not practicable because of low purchase value/quantity, infrequent purchase of the same good/service and sometimes a supplier "not due for invitation" is offering a promotional price. Relevant requirements in the PSSM may not be fully understood by supporting staff performing the supplier sourcing duties. To rectify, a briefing had been held to explain the procedures and requirements to working staff. Based on application experience, the relevant requirement would also be reviewed. Please refer to the table below for details.

Reasons for non-compliance to (c) above:

- ♦ The original grouping of supplier categories in some cases is not realistic. Some of them were too narrowly grouped and some categories that had not been used for years were

still kept in the database. The responsible staff had not accorded a proper priority in the updating. **To rectify, a review on the grouping of supplier categories has been done. Rarely used groups were deleted and approval obtained on categories with sole or limited suppliers. Updating of the Suppliers' List and supplier categories will be done at quarterly intervals in future. Please refer to the table below for details.**

ii. **Clearly establish the need for an item before expenditure is incurred**

Areas that improvements are needed as in:

- ♦ Environmental bags, staplers and extension sockets: need to check existing stock, availability of replacement / alternative and last purchase price before next purchase;
- ♦ Video conferencing system: need to consider the usage rate before purchase;
- ♦ Air purifiers: need to obtain objective and technical advice before purchase.

**In future, the process leading to a decision on purchase would include first: consideration of alternative or replacement by existing stock, second: checking of stock level and usage pattern, third: comparison of the reasonableness of the latest quoted price by making reference to the last purchase price/average purchase price, and last but not the least: as the case warrants, to obtain further objective and technical advice to confirm a need. These had been explained to working staff in a briefing session. Please see the table below for further details on the mechanism to ensure implementation.**

**Audit recommendations**

Ensuring compliance with the procurement procedures and requirements stipulated in the PSSM (para. 6.4)

<b><u>Specific improvement measures taken / will be taken</u></b>	<b><u>Implementation timetable</u></b>	<b><u>Remarks</u></b>
<p><b>Enhancement of Working Staff's understanding to the required procedures:</b></p> <ul style="list-style-type: none"><li>♦ <b><u>Briefing and discussion sessions:</u></b> 1<sup>st</sup> session held on 12 March 2009. Stipulated procedures were explained. Specific incidents and examples on how to comply were discussed. 2<sup>nd</sup> session held on 21 May 2009 to further explain the principles to consider in purchases and use of resources in general, including principles like: 適度、保守、節約、應用才用、應買才買、必須避免浪費，並按已有規則行事，否則必需有充份合理的原因，並詳細紀錄。 The session will be held regularly at bi-monthly interval as an on-going arrangement to enhance understanding of requirements and monitoring of compliance.</li><li>♦ Stipulated procedures in PSSM regarding seeking of quotes and maintenance of Suppliers' List put in point form distributed to staff at 1<sup>st</sup> briefing session to facilitate understanding and compliance.</li></ul>	<p>On-going arrangement since 12 March 2009</p> <p>Done on 12 March 2009</p>	
<p><b>Systematic improvement to ensure compliance:</b></p> <ul style="list-style-type: none"><li>♦ <b>Revision of the Purchase Requisition Form</b> to allow for more space to record reasons for purchase, any alternative available, present stock level, last/average purchase price and estimated consumption, if applicable.</li><li>♦ <b>Arrange an experience sharing meeting with staff of the Government Logistics Department</b> via the CMAB to better understand government's procedures and establishing contact for future reference on specific procedures and case-handling, and prudent spending of public money in general.</li></ul>	<p>Revised PR Form for use by June 2009.</p> <p>Meeting to be held in June/July 2009, and contact to be established for on-going sharing</p>	

<ul style="list-style-type: none"> <li>♦ <b>Review the requirements in the PSSM</b> on the number of quotations to be sought, the procedures of seeking quotations for purchases between the value of \$1000 and \$50,000 and the maintenance of Suppliers' List taking reference to the "Stores and Procurement Regulations" of the Civil Service, aiming at streamlining existing procedures while maintaining fairness, value for money and ensuring prudent use of resources. After the review, a proposal would be put up for consideration of the EOC Board</li> </ul>	<p>Target completion date: September 2009</p>	<p>Changes proposed to existing procedures will only be adopted after the Board's endorsement.</p>
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**Audit recommendations**

Ensuring that the need for an item is clearly established before expenditure is incurred (para. 6.21)

<b><u>Specific improvement measures taken / will be taken</u></b>	<b><u>Implementation timetable</u></b>	<b><u>Remarks</u></b>
<p><b>Strengthening the culture of prudent use of resources</b></p> <ul style="list-style-type: none"> <li>♦ Division / Unit head to reinforce the importance of the principles of prudent use of public resources, including: 適度、保守、節約、應用才用、應買才買、必須避免浪費等等 in Divisional / Unit meetings</li> </ul>	<p>By end of May 2009</p>	
<p><b>Systematic improvements to ensure compliance:</b></p> <ul style="list-style-type: none"> <li>♦ <b>Provision of sufficient columns and space in the new Purchase Requisition Form</b> for better recording of the reasons for purchase, any alternative available, present stock level, last/average purchase price and estimated consumption, if applicable. All of these information should be properly recorded on the form before purchase is approved.</li> <li>♦ <b>Establishing a centralized stock control system</b> to provide updated information on current stock level and average cost/last purchase unit cost of similar/same items purchased previously to facilitate consideration before decision is made.</li> </ul>	<p>Revised Form to be used by June 2009</p> <p>Centralized stock control system in place by July 2009</p>	

*Equal Opportunities Commission*  
*25 May 2009*



Item (j): the evaluation forms received for the seminar held on 24 January 2008:

**Our Ten Years under the DDO-  
Moving Forward, Changing Cultures  
(24 January 2008)  
Analysis of Evaluation Form**

A total of 61 completed forms were received. Degrees of satisfaction (in percentages) are presented as shown in the table.

<b>Evaluation (%)</b>	<b>Time Allocation</b>	<b>Venue</b>	<b>Quality of PowerPoint Presentation</b>	<b>Speakers' Presentation</b>	<b>Facilitators are able to arouse interest and participation from the audience</b>	<b>Lunch Arrangement</b>
<b>Excellent</b>	19.7	59.0	16.4	21.3	26.2	62.3
<b>Good</b>	32.8	34.4	57.4	65.6	57.4	27.9
<b>Satisfactory</b>	31.1	3.3	23.0	9.8	13.1	1.6
<b>Not Satisfactory</b>	14.8	0.0	0.0	0.0	1.6	0.0
<b>No Comment</b>	1.6	3.3	3.3	3.3	1.6	8.2

**Item (I): information on the purchases of environmental bags referred to in the Audit Report:**

The purchase requests in October 2006 and December 2007 were requested and approved by different staff members.

For improvement, the EOC will centralize all stock control and staff making procurement requests and approving the requests should first consider the availability of existing stocks or alternatives before any purchases.

**Item (m): The steps required for the procurement of stores in EOC:**

**The existing steps and procedures in the Procurement of Stores & Services Manual (PSSM):**

**Users (A)** initiate a purchase request for goods / services and contact GR staff to start sourcing.



**A designated GR staff (B)** who keeps the Suppliers' List to provide the information of the suppliers to be invited for submission of quotation.



**Another GR staff (C)** to invite quotations according to the estimated purchase value

*[over \$1,000 and below \$50,000, 3 verbal/written quotations are required, in cases of purchases involving design elements or too technical/complex to be communicate by GR staff, originating division/unit concerned shall be responsible for inviting the quotations. For purchase value over \$500,000, staff at officer or above level is required to invite the quotations.]*

*[Invitation of suppliers to submit quotations should be done by rotation such that selected supplier of a previous transaction shall be invited whereas the unsuccessful suppliers shall not be called. The remaining suppliers to be called shall be invited in sequence from the Suppliers' List. ]*

For example:

If in the 1<sup>st</sup> purchase, suppliers called are S1, S2, S3; and S1 is successful, then, in the 2<sup>nd</sup> purchase, suppliers to be called will be S1, S4 & S5 in sequence.

**Staff inviting the quotations** to receive verbal quotation *[fax or written quotations shall be received by a designated staff at the Personnel Office]*



**A designated officer** is responsible to perform random checking of the verbal quotations received.



**An officer (D)** to evaluate the quotation(s) received.



**An officer (E)** to recommend the purchase.



**A functional head (F)** to approve the purchase.

*To safeguard EOC and suppliers' mutual interests and building of checks and balances, parties involved in procurement duties, i.e. A, B, C, D, E & F above should be different persons.*

**Item (n):**

The completed Purchase Requisition Form for the purchases of the air purifiers between mid 2005 and Mid 2007, referred to in para. 6.12 of the Audit Report

**Air-purifiers purchased**

Purchase Reference	Quantity & Price	Purpose
PR No. 2005A054 (Product specifications attached) May 2005	1 x @\$2,350 (at staff area)	<ul style="list-style-type: none"> <li>♦ Originally purchased to remove a bad smell in the conference room of EOC's old office in Wanchai</li> <li>♦ When EOC office moved to its existing location, the air-purifier has been placed at the staff areas</li> </ul>
Minute and order confirmation form dated <u>10 March 2006</u> . (Product specification attached.)	2 x @\$9,800 (at machine rooms)	<ul style="list-style-type: none"> <li>♦ Both are ceiling-mount air-purifiers placed at 2 Machine Rooms at the new EOC office for removing the ozone which is the main hazardous pollutant generated from the photocopiers. (In the new office, all photocopiers are placed centrally at the 2 machine rooms)</li> <li>♦ The air-purifiers were recommended and sourced by the Project Consultant of the new EOC office design and installation project before moving in.</li> </ul>
PR No. 2006A206 (Product specifications attached) March 2007	14 x @\$2292 13 x @\$1595  (17 at staff area, 10 at public area)	<ul style="list-style-type: none"> <li>♦ For improving air-quality of the EOC office having considered complaints from staff about the air-quality of the new office and that a number of staff had upper respiratory diseases, and on prolonged sick leaves.</li> <li>♦ EOC office management office was called to perform checking on air quality in Nov 2006, office quality standards were downloaded from Indoor Air Quality Centre (<a href="http://www.iaq.gov.hk">http://www.iaq.gov.hk</a>) as reference, details as attached. However, the management office could not provide information on virus and bacteria level. The air-purifiers with a specification that they could inactivate types of bacteria and virus were purchased balancing the cost of engaging further tests and cost of the air-purifiers. Staff sick leave information is also shown below.</li> </ul>
PR No. 2007A038 June 2007	2 x @\$1595 (at staff area)	♦ Same reason as PR No. 2006A206

Staff sick leave information:	<u>Year</u>	<u>Total sick leave days</u>	<u>change (%)</u>
	1.4.04-31.3.05	418	-
	1.4.05-31.3.06	490.5	+72.5days (+17%)
	1.4.06-31.3.07	487.5	-2.5days (-)
	1.4.07-31.3.08	436	-51.5days (-11%)
	1.4.08-31.3.09	346.5	-89.5days (-21%)

*\*Note by Clerk, PAC: Completed Purchase Requisition Forms and other supporting documents not attached.*