

Laying of the Report Report No. 52 of the Director of Audit on the results of value for money audits was laid in the Legislative Council on 22 April 2009. The Committee's Report (Report No. 52) was subsequently tabled on 8 July 2009, thereby meeting the requirement of Rule 72 of the Rules of Procedure of the Legislative Council that the Report be tabled within three months of the Director of Audit's Report being laid.

2. **The Government Minute** The Government Minute in response to the Committee's Report No. 52 was laid in the Legislative Council on 21 October 2009. A progress report on matters outstanding in the Government Minute was issued on 22 October 2010. The latest position and the Committee's further comments on these matters are set out in paragraphs 3 and 4 below.

Equal Opportunities Commission
(Chapter 1 of Part 4 of P.A.C. Report No. 52)

3. The Committee was informed that:

Corporate governance

Governance structure

- having regard to the Audit Commission ("Audit")'s and the Committee's recommendations, the Equal Opportunities Commission ("EOC") engaged in January 2010 an external auditor to conduct a compliance and management study, and to enhance the EOC's internal financial control and management capabilities. The study was completed in May 2010 and concluded that the EOC had duly implemented all the recommendations of Audit and the Committee, and had incorporated/regularised them as part of the EOC's governance and administrative arrangements. The study made further recommendations to enhance the EOC's governance, in areas including procurement, procedures relating to duty visits, and regular review of the Memorandum of Administrative Arrangements. The EOC Board endorsed the recommendations of the study in June 2010 and actions had been taken to implement them accordingly;
- following an open recruitment exercise in late 2009 and upon the recommendation of a selection board, the Chief Executive appointed

Mr LAM Woon-kwong as the EOC Chairperson for a term of three years commencing from 1 February 2010; and

- in view of the EOC's efforts to enhance its governance, the creation of a new Chief Operations Officer ("COO") post had been deferred to allow time for evaluating the other follow-up actions arising from the above-mentioned compliance and management study. That would shed light on the delineation of the roles and responsibilities between the Chairperson and the COO, and between the COO and other functional Division Heads. The key consideration was how the addition of this post might indeed achieve the desired result of having an appropriate check and balance at the most senior echelon of the EOC without hampering management efficiency. The Administration would inform the Committee of further progress regarding the delineation of responsibilities and recruitment of the COO.

4. The Committee wishes to be kept informed of further development on this subject.