

**Legislative Council Panel on Information Technology and
Broadcasting**

Selection of implementer for Internet Learning Support Programme

**Supplementary information provided by Jeremy Godfrey, former
Government Chief Information Officer**

Within the time constraints allowed for answering questions, it was not possible to provide a full explanation of every issue raised at the Special Meeting held on 7 June 2011. This paper provides further information on three such issues: the role of Mrs Rita LAU, the discussions about renewal of my contract as GCIO, and the reasons why I am unwilling to seek permission to disclose the identity of the eye-witness who gave me details about the political advantages that were envisaged would accrue from the selection of eInclusion.

The role of Mrs Rita LAU

2. After the evaluation panel had identified HKCSS as the highest scoring bidder, I realised that Mrs LAU would need to take political accountability for whatever decision was made.
3. If HKCSS were selected, I feared that she might be caused trouble by legislators who had been led to believe that iProA would win. I recalled that she had been caused severe political difficulties on an earlier occasion when I had failed to act in a way that certain LegCo members had expected.
4. On the other hand, if HKCSS were not selected after being awarded the highest score, I feared that she might be caused trouble by other legislators. I thought she had the right to inform me whether there were any outcomes that she would not be prepared to accept political accountability for.
5. I therefore reported the evaluation panel's conclusions to her. I also told her that I had personally taken the view that the eInclusion proposal

and HKCSS proposals were almost of equal merit, and that I had awarded eInclusion a very marginally higher score. I told her that I thought that if we selected eInclusion, we could achieve a good outcome for low-income families by working with eInclusion to improve the delivery and governance aspects in the more detailed Funding and Operations Proposal that they would need to prepare at the next stage of the process. Nevertheless, I was not willing to select the proponent that the evaluation panel had scored second without specific authorization from her. Mrs LAU considered this approach not to be viable, because she judged it would cause a political row, would probably lead to a LegCo enquiry, and she would not be willing to take political accountability for it.

6. We also discussed the option of exploring collaboration. Mrs LAU asked whether this option would enable iProA to arrange for its members to knock on the doors of low-income families. This was the first time I had heard anyone refer to the ability of iProA to knock on doors, so I remember Mrs LAU's question very clearly.

7. Mrs LAU seemed to be under the impression that I was already aware of this aspect of the political requirement, and I did not think that she was consciously or deliberately trying to put me under political pressure. Rather, she appeared to me to know about the political requirement to select eInclusion, did not personally approve of it, and hoped that we would be able to find a way forward which involved no impropriety and which would also avoid political problems.

8. I do not recall Mrs LAU expressing any particular opinion about the option of selecting HKCSS.

9. These exchanges took place over two meetings within a few days of one another. Miss TSE was present for most of these meetings. A day or two after the second meeting, Miss TSE informed me that she thought I should not discuss this matter directly with Mrs LAU any more so that I would not learn anything more that I might feel obliged to disclose if there were a LegCo enquiry.

10. Last week, at the very end of the special Panel meeting, Miss TSE quoted Mrs LAU as saying that she was neither given nor conveyed a political assignment in relation to the ILSP. This may be technically

correct. Although Mrs LAU seemed to be aware of the political requirement to select eInclusion, I can accept that she did not regard delivering it as her “assignment”. I also can verify that she did not convey the assignment to me. She provided me with additional information about the political assignment, but was under the impression that this was information I already possessed. She declined to instruct me to select eInclusion alone, and I was later informed that she wished me to use my own judgment in proposing the way forward.

11. For these reasons, I do not consider that my interactions with Mrs LAU amounted to an instruction or request to act improperly. Nor did I feel that she had sought to add to or reinforce the political pressure on me. Of all my seniors, Mrs LAU was the one who seemed to be trying hardest to find a way to resolve the situation without impropriety.

Renewal of my contract

12. The Government has sought to imply that I invented my concerns about a political assignment to select eInclusion because I was upset that Miss TSE had told me that she was not willing to recommend renewal of my contract.

13. This is totally unfounded. It may be helpful to set out the more fully the various discussions relating to contract renewal.

14. The Government twice completed annual appraisals of my performance. (See Annex¹.) In both appraisals, the appraising officer, Mr Duncan PESCOD, and the countersigning officer, Mrs Rita LAU, expressed high satisfaction with my performance. In the second appraisal, they both opined that my contract should be reviewed. I was given high marks for influencing skills, communications skills, listening to the views of others and coping with pressure.

15. The formal decision whether or not to renew would, however, need to be taken at a later stage. It would require a discussion at the departmental Directorate Succession Planning meeting (DSP), a formal appointment Board, and the approval of the Public Service Commission.

¹ I am grateful to the Civil Service Bureau for responding quickly to my request for copies of these appraisals. In line with their usual practice, they redacted the names of the appraising officer and countersigning officer from the copies they gave me.

The DSP was not due for several months, so the formal decision would likely not be made until early 2011.

16. I considered that I had made good progress in leading and implementing change within the Government, but that three years would not be long enough to ensure that change was permanent. I was therefore keen to serve another term as GCIO, even though I would be able to earn significantly more if I chose to return to the private sector.

17. When I heard that Miss TSE was to take over as PSCT, I was concerned that she had a reputation for micromanaging her staff. When we first met, she told me that the Government was very happy with my contribution as GCIO and was keen to keep me on for a further term. I told her that I would like to establish a productive working relationship, and that I would be keen to renew as long as we could do so.

18. By late summer or early autumn of 2010, my relationship with Miss TSE had become quite difficult, partly as a result of her management style, but mostly because of differences over whether it would be honest to inform LegCo that I had been “unable” to select a single proponent. I sought a meeting to discuss how we could improve our working relationship. At that meeting, Miss TSE reaffirmed that she still wished to renew my contract. I asked her to be less hands-on in her management style and to allow me to follow my judgment, even when she was not totally comfortable with what I was proposing to do. She pledged to trust me more, but I was not confident that she had really understood the nature of my concerns about her management style.

19. At the end of November, there had been a heated exchange of emails with Miss TSE about her attempt to force through the dual implementer approach. Mrs LAU asked to see me to discuss the deterioration in my relationship with Miss TSE. Mrs LAU told me that Miss TSE had complained that I did not treat her with the respect that she deserved by virtue of her position as PSCT. Mrs LAU also observed that it was not in my interests to treat Miss TSE in this fashion at a time when my contract renewal was about to be formally considered.

20. In December, I took the view that the most likely outcome of the ILSP selection would be to establish an FSI company. This was an

outcome that I considered acceptable. I was concerned that Miss TSE and I needed to rebuild our working relationship so that we could put our differences over the ILSP behind us. I therefore sought a meeting with her to discuss how we could do that.

21. Miss TSE began by informing me that she had decided not to recommend renewal of my contract. She told me that she saw the ILSP as a test, that I had failed the test, and that she could not predict how I might behave if a similar situation in the future. It was clear that, having reached this conclusion, she had cast around to find some additional justifications. She suggested that we agree a different story for public consumption about the reasons for my departure, and that she was willing to allow me to stay on for a few months after the contract end date in order to make it appear that this was an amicable parting of the ways.

22. My initial reaction was that if she was not interested in a productive working relationship, then I would not want to prolong my stay in the Government. On reflection, I was distressed at the prospect that the changes and improvements I had been making to the Government's IT policies and programmes might not be effectively pursued. I thought I should make another effort to persuade Miss TSE that it would be possible for the two of us to work together. Mindful of Miss TSE's need to be treated with respect, I sent her a very conciliatory email which demonstrated that I had heard her concerns and was committed to address them. In this email, I minimised any mention of Miss TSE's contribution to the problems in our working relationship, and emphasised the impact that the problems had had on my behaviour. It is from this deeply personal email that Miss TSE has quoted selectively and out of context.

23. When I returned to the office in January, Miss TSE had a very friendly demeanour towards me. On the day that she informed the proponents that there was no alternative to the dual implementer approach, she asked me, with an ingratiating smile, whether her actions were acceptable to me. I responded that I had nothing I wished to say to her.

24. I gained the impression that Miss TSE was prepared to renew my contract but she was waiting to see if I was willing to go along with the

dual implementer approach. This impression was confirmed when I later discussed my wish to leave the Government with Mrs LAU. Mrs LAU expressed surprise that I now sought to leave, observing that she had the impression that “things were now getting better” between Miss TSE and me.

25. The accusation that I knew I had nothing to lose by seeking to leave the Government on 5 January 2011 is unfounded. When I informed Miss TSE that I wished to leave the Government, I believed that my contract would indeed be renewed if I was prepared to pay the price of giving my support to the dual implementer approach. Moreover I did not know whether I would be forced to forfeit a gratuity of almost \$1 million by leaving early. (In the event, the Government agreed to pay me a pro rata gratuity, but I would have left early whether or not they agreed to do so.)

26. The truth is that I believed the dual implementer approach was wrong, was inconsistent with my duties as controlling officer and was politically motivated. I wanted to leave urgently so I would not need to appear before the Panel to defend an approach that I regarded as indefensible, and to deploy a Government line that would require me to mislead members about the true nature of the selection process.

27. After I left, I did not immediately air my concerns about the ILSP with the Panel because I did not feel it would be right for a former civil servant to put confidential information concerning his work into the political arena. The political mechanisms for holding the Government to account should not depend on whistle-blowing by former officials. However the Government mentioned me in the 14 March Panel meeting in connection with its misleading account of events. I was not prepared for my name to be used, even indirectly, to lend credibility to the Government’s misleading account, so I took steps to gain permission to set the record straight.

Seeking permission to identify an eye-witness

28. A member of the Panel asked me whether I was willing to seek permission from the third party outside the Government who had

informed me about the political advantages that were envisaged would accrue from selecting eInclusion.

29. I have no doubt that this third party is well aware of the interest taken by the Panel in the ILSP selection. He or she would already have come forward voluntarily to inform the Panel about the details of the political assignment if he or she wished to do so. However he or she will have seen the unwarranted personal attacks that have been made on me, by and on behalf of the Government. It is not surprising that he or she is reluctant to come forward voluntarily and tell the Panel all that he or she knows.

30. I am not willing to put any pressure on this individual to speak out unless he or she is compelled to do so by law, and unless he or she has the immunities and the protections from intimidation that are given to witnesses before a formal enquiry. I will therefore decline the member's request to seek permission to disclose the identity of this third party.

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