

<b>Recommendations</b>	<b>Progress</b>
<b>Short-term measures</b>	
<p><u>Setting up a working group and a task force</u></p>	<p>The Fire Services Department (FSD) has set up a working group to follow up the implementation of the recommendations and improvement measures. The Security Bureau (SB) has also set up a task force comprising representatives from the SB, FSD and Efficiency Unit (EU) to monitor the progress of implementation.</p>
<p><u>Advancing tender preparation</u></p>	<p>Since 2010, the FSD has made an early start on tender preparations for the procurement of some major equipment. For example, in the procurement of fire tunics and overtrousers in 2010, the FSD adopted the new practice of advancing the time of drawing up the design, specifications and tender documents with the relevant departments. The time required for procurement was substantially shortened as a result.</p> <p>As for the procurement of fire appliances, the FSD has fully adopted the measures to expedite tendering, which include making an early start on drafting tender documents and making other preparations before seeking formal funding approval.</p>
<p><u>Replenishing uniforms</u></p> <ul style="list-style-type: none"> <li>▪ Reduce the batch size of requests to be handled each time</li> </ul>	<p>In the past, the FSD divided all of its units into two groups and processed the uniform requests in a centralised way. The Logistics Unit is planning to sub-divide the two groups into four in order to reduce the batch size of requests and the processing time of each submission from two months to one month. The Logistics Unit will inform all the units of the new arrangements in February 2011 for implementation in March 2011.</p>

Recommendations	Progress
<b>Medium and long term measures</b>	
<p><u>Uniform inventory system</u></p> <ul style="list-style-type: none"> <li>▪ Build a comprehensive record on the consumption and inventory of individual sizes of uniforms</li> <li>▪ Establish a replenishment mechanism with a pre-determined safety stock level</li> <li>▪ Introduce a simplified system with e-form for submission of uniform requests to enhance the efficiency of inventory record management, stock replenishment and order processing</li> </ul>	<p>The Information Technology Management Unit is developing a computer system on uniform inventory which contains data on the types and sizes of uniforms. Requests for uniform can be made on-line to minimise labour processing. Delivery address and stock level of various units can also be kept in the system. When the stock falls below a certain level, the system will prompt the procurement unit to make replenishment. The system is expected to be commissioned in the third quarter of 2011.</p>
<p><u>Enhancing organisational capability</u></p> <ul style="list-style-type: none"> <li>▪ Set up a Procurement Unit</li> <li>▪ Provide training for staff</li> <li>▪ Develop a knowledge management system</li> </ul>	<p>The FSD is reorganising the staff of relevant units with a view to setting up the Procurement Unit on 1 April this year. The Department will strengthen staff training to tie in with the setting up of the new unit.</p> <p>Starting from February this year, training on the Stores and Procurement Regulations will also be provided for other units involved in procurement exercises to achieve better coordination with the Procurement Unit.</p> <p>In addition, the FSD will develop a knowledge management system to enable collection and management of procurement knowledge and experience. The work is expected to be completed by the end of this year.</p>

<b>Recommendations</b>	<b>Progress</b>
<p><u>Minor purchases</u></p> <ul style="list-style-type: none"> <li>▪ Explore the feasibility of delegating simple and minor purchases to user sections</li> </ul>	<p>The FSD is studying the recommendation. Major areas of study include ceiling of purchase amount, purchase items, views of major sections, monitoring arrangement and related purchase guidelines. The study is expected to be completed by the end of this year.</p>
<p><u>Improving procurement planning and processes</u></p> <ul style="list-style-type: none"> <li>▪ Draw up a procurement strategy</li> <li>▪ Set out the priority areas on procurement</li> <li>▪ Formulate plans for procurement projects with complexity</li> </ul>	<p>FSD's working group has started the follow-up actions. A procurement strategy will be drawn up and the relevant work is expected to be completed by the third quarter this year.</p> <p>The working group will also set priority areas on procurement, which is expected to be completed by the third quarter this year.</p>
<p><u>Strengthening performance management</u></p> <ul style="list-style-type: none"> <li>▪ Develop performance measures for procurement</li> <li>▪ Set up a performance reporting mechanism</li> </ul>	<p>FSD's working group is following up the recommendation and the relevant work is expected to be completed by the end of this year.</p>
<p><u>Improving information technology capability</u></p> <ul style="list-style-type: none"> <li>▪ Develop an integrated computer system to help improve FSD's efficiency and effectiveness on procurement</li> </ul>	<p>The FSD has started developing an Asset Management and Maintenance System (AMMS) to help improve its procurement efficiency and effectiveness. The EU is conducting a business process review to ensure that the computer system being developed can achieve the intended purpose. We plan to consult the Legislative Council on the detailed plan and the resources required for the AMMS within this year. The AMMS, which includes procurement, installation and trial, is expected to be completed and commissioned in 2014.</p>

<b>Recommendations</b>	<b>Progress</b>
<p><u>Adopting risk mitigation measures</u></p> <ul style="list-style-type: none"> <li>▪ Take specific measures for individual procurement items to mitigate the risk of purchasing unsuitable equipment</li> </ul>	<p>The FSD will follow up the recommendation with the Government Logistics Department (GLD) by adopting specific measures for individual procurement items in order to mitigate the risk of purchasing unsuitable equipment. Starting from 2010, the FSD has adopted risk mitigation measures for certain procurement items. Suppliers of new fire tunics and light rescue units are therefore required by contract to provide samples for testing. The Department will, in collaboration with GLD, continue to implement the recommendation and take appropriate risk mitigation measures to lower the risk of purchasing unsuitable equipment.</p>
<p><u>Developing market interest</u></p> <ul style="list-style-type: none"> <li>▪ Develop market interest - for uniform supply and explore the feasibility of end-to-end delivery of uniforms to frontline fire stations and ambulance depots by suppliers</li> </ul>	<p>The Logistics Unit is conducting a study on the recommendation. The study, including areas like contract arrangements, is expected to be completed by the end of this year.</p>