

**Replies to initial written/supplementary questions raised by Finance Committee  
Members in examining the Estimates of Expenditure 2003-04**

**[Controlling Officer : Commissioner,  
Independent Commission Against Corruption]  
[Session No. : 13] [File name : ICAC-e1.doc]**

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<a href="#">ICAC002</a>	0623	CHEUNG Man-kwong	72	Corruption Prevention
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<a href="#">ICAC004</a>	0915	TO Kun-sun, James	72	Operations
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**CONTROLLING OFFICER'S REPLY TO  
INITIAL WRITTEN QUESTION**

Head: 72 – Independent Commission  
Against Corruption

Subhead (No. & title): –

Programme: –

Controlling Officer: Commissioner, Independent Commission Against Corruption

Officer:

Bureau Secretary: –

Question : Regarding consultancy studies for policy making and assessment (if any) commissioned by your department, please provide details in the following format:

(1) Please provide the following details on the consultancy studies for which financial provision has been allocated respectively in 2001–02 and 2002–03:

Name of consultants (if available)	Description	Consultancy fees	Progress on consultancy studies (planning / in progress / completed)	The Administration's follow-up action on the study reports and the progress made	Reasons for no follow-up action on the study reports and whether other measures are available to deal with the subjects under study

(2) Please provide the following details on the consultancy studies for which financial provision has not been allocated respectively in 2001–02 and 2002–03, though consultancy studies have been made during the year:

Name of consultants (if available)	Description	Consultancy fees	Progress on consultancy studies (planning / in progress / completed)	The Administration's follow-up action on the study reports and the progress made	Reasons for no follow-up action on the study reports and whether other measures are available to deal with the subjects under study

(3) Has financial provision been allocated for commissioning consultancy studies in 2003–04? If yes, please provide the following details:

Name of consultants (if available)	Description	Consultancy fees	Status of consultancy studies (planning /in progress / completed)

Asked by: Hon. HO Sau-lan, Cyd

Reply: The ICAC has not commissioned any consultancy study for policy making and assessment in 2001-02 and 2002-03 and has not planned for any such study in 2003-04.

Signature : \_\_\_\_\_

Name in block letters : Ambrose SK LEE

Post title : Commissioner, ICAC

Date : 13 March 2003

Examination of Estimates of Expenditure 2003-04  
**CONTROLLING OFFICER'S REPLY TO  
INITIAL WRITTEN QUESTION**

Reply Serial No.

ICAC 002

Question Serial  
No.

0623

Head: 72 – Independent Commission Against Corruption      Subhead (No. & title): –

Programme: 1 – Corruption Prevention

Controlling Officer: Commissioner, Independent Commission Against Corruption

Bureau Secretary: –

Question : Please provide the details, the timetable, and the amount of resources involved for assisting schools participating in the Secondary School Places Allocation (SSPA) System in building in sufficient corruption prevention safeguards.

Asked by: Hon. CHEUNG Man-kwong

Reply: The ICAC plans to conduct in mid-2003 an assignment study on the internal assessments carried out by individual schools under the SSPA System. The study will examine the SSPA internal assessment procedures adopted by primary schools including the setting, secure handling and marking of examination question papers, and make recommendations to the Education and Manpower Bureau (EMB) to address any procedural weaknesses identified. Based on the findings and recommendations, we will draw up a Corruption Prevention Best Practice Module (BPM) for distribution to schools in the next school year, and in collaboration with the EMB, organize a series of workshops for schools to promulgate the BPM.

An Assignment Officer working to a Group Head from the Corruption Prevention Department will carry out this assignment study, which is estimated to take three months, and draw up the BPM. The costs of organizing the school seminars/workshops will be absorbed within the existing resources of the ICAC.

Signature : \_\_\_\_\_

Name in block letters : Ambrose SK LEE

Post title : Commissioner, ICAC

Date : 20 March 2003

Examination of Estimates of Expenditure 2003-04  
**CONTROLLING OFFICER'S REPLY TO  
INITIAL WRITTEN QUESTION**

Reply Serial No.

ICAC 003

Question Serial No.

0624

Head: 72 – Independent Commission  
Against Corruption

Subhead (No. & title): 000 – Operational  
Expenses

Programme: –

Controlling Officer: Commissioner, Independent Commission Against Corruption

Bureau Secretary: –

Question : What is the nature of the Job-related Allowances under Subhead 000 Operational Expenses? Why is the requirement under this item increased so much in the estimates?

Asked by: Hon. CHEUNG Man-kwong

Reply: In the 2002-03 estimate, only Dialect Allowance for Chinese Language Officers was included under *Job-related Allowances*. The other allowances were grouped under *Allowances*.

In the 2003-04 estimate, all the job-related allowances have been included under *Job-related Allowances* instead of *Allowances* to better reflect their nature and purpose. These include ICAC Special Post Allowance, Detective Allowance, Typhoon Allowance and Rain Storm Black Warning Allowance. The re-grouping has caused the increase in provision for *Job-related Allowances*.

Signature : \_\_\_\_\_

Name in block letters : Ambrose SK LEE

Post title : Commissioner, ICAC

Date : 19 March 2003

**CONTROLLING OFFICER'S REPLY TO  
INITIAL WRITTEN QUESTION**

Head: 72 – Independent Commission  
Against Corruption

Subhead (No. & title): 103 – Rewards and  
Special Services

Programme: –

Controlling Officer: Commissioner, Independent Commission Against Corruption

Bureau Secretary: –

Question :

- (a) Please provide the actual/estimated number of payments and expenditure of rewards and special services in 2001-02, 2002-03 and 2003-04. What is the purpose of payment for rewards and special services? What is the difference between the two and can their respective provisions be cross employed? Are rewards on wanted persons included under rewards or special services fees, or a separate item of expenditure?
- (b) What is the actual number of persons who received rewards and/or special services fee in 2001-02 and 2002-03?
- (c) Please state the number of cases where expenditure was incurred under Subhead 103 in 2001-02 and 2002-03 and the types of offences involved in such cases.
- (d) What is the actual number of persons who received rewards on wanted persons in 2001-02 and 2002-03? Please state the amount of such expenditure, the number of cases involved, as well as the highest and lowest single payment of wanted person rewards in the past two years.

Asked by: Hon. TO Kun-sun, James

Reply: The total actual expenditure of Subhead 103 (Rewards and Special Services) and the number of occasions on which rewards were provided in 2001-02 and 2002-03 and the estimated expenditure for 2003-04 are as follows –

<u>Year</u>	<u>Expenditure (\$M)</u>	<u>No. of Occasions of Rewards Payment</u>
2001-02	14.959 (Actual)	160
2002-03	14.768 (Revised Estimate)	129
2003-04	14.768 (Estimate)	(not applicable, cannot be forecasted)

Subhead 103 caters for expenditure on rewards and procurement of special services and equipment of a confidential nature. This subhead provides an essential source of funding for covert operational activities and intelligence gathering. Disclosure of such expenditure details is not appropriate.

Signature : \_\_\_\_\_

Name in block letters : Ambrose SK LEE

Post title : Commissioner, ICAC

Date : 21 March 2003

**CONTROLLING OFFICER'S REPLY TO  
INITIAL WRITTEN QUESTION**

Head: 72 – Independent Commission  
Against Corruption

Subhead (No. & title): 103 – Rewards and  
Special Services

Programme: –

Controlling Officer: Commissioner, Independent Commission Against Corruption

Bureau Secretary: –

Question :

- (e) For 2002-03 and 2003-04, please provide a breakdown of actual/estimated expenditure under this Subhead by departments or groups of the ICAC.
- (f) Of the expenditure under this Subhead, what percentage is taken up by the Technical Services Division?
- (g) Please provide the following details concerning this Subhead for 2001-02 and 2002-03 –
- the rank of officers with the authority to conduct surprise inspections on the expenditure under this Subhead;
  - the number of inspections conducted; and
  - the number of occasions when irregularity was discovered.

Asked by: Hon. TO Kun-sun, James

Reply:

Subhead 103 (Rewards and Special Services) caters for expenditure on rewards and other expenditure of a confidential nature. Disclosure of such expenditure details is not appropriate.

The ICAC exercises strict control over the expenditure under Subhead 103. All claims are scrutinized by senior officers. Since 1994-95, the Director of Audit has also been tasked to audit this vote. Besides, the Commissioner, the Head of Operations and the Assistant Director (Administration) carry out surprise inspections on the accounts of this Subhead. Eight and six surprise inspections were carried out in 2001-02 and 2002-03 respectively. No anomalies were spotted in all previous surprise inspections.

Signature : \_\_\_\_\_

Name in block letters : Ambrose SK LEE

Post title : Commissioner, ICAC

Date : 20 March 2003

Examination of Estimates of Expenditure 2003-04  
**CONTROLLING OFFICER'S REPLY TO  
INITIAL WRITTEN QUESTION**

Reply Serial No.

ICAC 006

Question Serial No.

0917

Head: 72 – Independent Commission  
Against Corruption

Subhead (No. & title):

Programme: 2 – Operations

Controlling Officer: Commissioner, Independent Commission Against Corruption

Bureau Secretary: –

Question :

- (h) Please set out the establishment of the Technical Services Division by rank and the resources allocated to the Division for 2003-04.
- (i) Please provide a detailed list of the work undertaken by the Technical Services Division in 2002-03. What kind of technical services has it provided?

Asked by: Hon. TO Kun-sun, James

Reply:

(a) Establishment

	<u>2003-04</u>
Senior Commission Against Corruption Officer	2
Commission Against Corruption Officer (Upper)	6
Commission Against Corruption Officer (Middle/Lower)	24
Assistant Commission Against Corruption Officer	21
Senior Personal Secretary / Personal Secretary II	2
Clerical Assistant / Workman II	<u>2</u>
	57
<u>Resources (\$M)</u>	
Personal Emoluments	26.861
Capital projects for major system and equipment	3.652
Minor equipment, consumables, maintenance services, etc.	<u>2.692</u>
	33.205

- (b) The main role of Technical Services Division is to provide technical support to the Operations Department of the ICAC in the investigation of corruption. To disclose the details of the technical support provided by the Technical Services Division will compromise the effectiveness and efficiency of the ICAC investigative work. It is hence not in the public interest to disclose such details.

Signature : \_\_\_\_\_

Name in block letters : Ambrose SK LEE

Post title : Commissioner, ICAC

Date : 21 March 2003

**CONTROLLING OFFICER'S REPLY TO  
INITIAL WRITTEN QUESTION**

Reply Serial No.

ICAC 007

Question Serial No.

0918

Head: 72 – Independent Commission Against  
Corruption

Subhead (No. & title):

Programme: 3 – Preventive Education

Controlling Officer: Commissioner, Independent Commission Against Corruption

Bureau Secretary: –

Question :

- (j) Please state the number of occasions on which ICAC officers visited Mainland organisations and attended forums/talks in the Mainland in 2001-02 and 2002-03, and the number of ICAC officers involved and the expenses incurred. Please also state the related estimated expenditure in 2003-04.
- (k) Please state the number of occasions on which Mainland officials were invited to visit the ICAC and attend forums/talks in Hong Kong in 2001-02 and 2002-03, and the number of Mainland officials involved and the expenses incurred. Please also state the related estimated expenditure in 2003-04.

Asked by: Hon. TO Kun-sun, James

Reply: The related statistics are tabulated below –

	Visit to the Mainland by ICAC Officer		Mainland Officials invited to visit ICAC	
	2001-02	2002-03	2001-02	2002-03
Number of visits/forums/talks/ liaison activities attended	11	5	3	6
Number of ICAC officers/Mainland officials involved	28	20	14	68
Expenses covering passage/ subsistence allowance for ICAC officers and transport/liaison management for Mainland officials	\$186,979	\$113,461	\$9,631	\$21,492

The ICAC also organise, on request, visits and talks for Mainlanders including Mainland officials. In 2001-02 and 2002-03, 232 and 275 talks were conducted for 7 381 and 9 000 Mainland visitors, involving expenses of \$40,837 and \$36,863 respectively.

In 2003-04, the ICAC have an initial plan to invite officials from two Mainland organisations to visit us and attend forums/talks. The related expenditure will be around \$31,000. As the ICAC have not yet received any formal invitation from the Mainland, we cannot provide the estimated number of visits to the Mainland and the related expenditure for next year.

Signature : \_\_\_\_\_

Name in block letters : Ambrose SK LEE

Post title : Commissioner, ICAC

Date : 22 March 2003



Examination of Estimates of Expenditure 2003-04  
**CONTROLLING OFFICER'S REPLY TO  
INITIAL WRITTEN QUESTION**

Reply Serial No.

ICAC 008

Question Serial No.

1218

Head: 72 – Independent Commission  
Against Corruption

Subhead (No. & title): 000 – Operational  
Expenses

Programme: –

Controlling Officer: Commissioner, Independent Commission Against Corruption

Bureau Secretary: –

Question : Please state the reason for the sharp increase in the estimated expenditure for *Job-related Allowances* under *Personal Emoluments* to \$10,034,000 in the estimate of 2003-04.

Asked by: Hon. CHAN Yuen-han

Reply: In the 2002-03 estimate, only Dialect Allowance for Chinese Language Officers was included under *Job-related Allowances*. The other allowances were grouped under *Allowances*.

In the 2003-04 estimate, all the job-related allowances have been included under *Job-related Allowances* instead of *Allowances* to better reflect their nature and purpose. These include ICAC Special Post Allowance, Detective Allowance, Typhoon Allowance and Rain Storm Black Warning Allowance. The re-grouping has caused the increase in provision for *Job-related Allowances*.

Signature : \_\_\_\_\_

Name in block letters : Ambrose SK LEE

Post title : Commissioner, ICAC

Date : 19 March 2003

Examination of Estimates of Expenditure 2003-04  
**CONTROLLING OFFICER'S REPLY TO  
INITIAL WRITTEN QUESTION**

Reply Serial No.

ICAC 009

Question Serial No.

1219

Head: 72 – Independent Commission Against Corruption      Subhead (No. & title): 000 – Operational Expenses

Programme: –

Controlling Officer: Commissioner, Independent Commission Against Corruption

Bureau Secretary: –

Question : In the last few years, no expenses were incurred on *Mandatory Provident Fund contribution* under *Personnel Related Expenditure*. However, in 2003-04, there is an estimated requirement of \$14,544,000 under this item. What is the reason for the new contribution? How many staff require Mandatory Provident Fund contribution and what are their ranks? Are they new recruits, or existing staff for whom Mandatory Provident Fund contribution is made due to a change in contract terms?

Asked by: Hon. CHAN Yuen-han

Reply: To reflect the amount required by departments for the provision of services, the Mandatory Provident Fund contribution for eligible staff previously accounted by *Head 120 Pensions* centrally will be, starting from 2003-04, drawn from the Head controlled by individual bureaux/departments. There are currently 1 263 officers in the ICAC employed on contract terms. They include directorate officers, officers in the Commission Against Corruption Officer grade, Commission Against Corruption Investigator grade, and civilian grades. They are serving staff for whom Mandatory Provident Fund contribution is made according to their original terms of appointment.

Signature : \_\_\_\_\_

Name in block letters : Ambrose SK LEE

Post title : Commissioner, ICAC

Date : 21 March 2003

Examination of Estimates of Expenditure 2003-04  
**CONTROLLING OFFICER'S REPLY TO  
INITIAL WRITTEN QUESTION**

Reply Serial No.

ICAC 010

Question Serial No.

1234

Head: 72 – Independent Commission Against Corruption      Subhead (No. & title): 000 – Operational Expenses

Programme: –

Controlling Officer: Commissioner, Independent Commission Against Corruption

Bureau: –

Secretary:

Question : It is mentioned that the estimates for Programmes (2), (3) and (4) will be affected by “salary increments for staff”. In this regard, will the Government inform this Committee:

- (a) for “salary increments for staff”, the number of staff involved and their respective ranks, as well as the amount required for 2003-04?
- (b) the room for manoeuvre by the Commission to provide equivalent or better services with less resources whilst absorbing the increased expenditure arising from salary increments for staff?
- (c) how much has actually been saved as a result of the civil service salary reduction in 2002-03 and has such reduction offset part of the expenditure mentioned in paragraph (a)?

Asked by: Hon. IP Kwok-him

- Reply:
- (a) “Salary increments for staff” in 2003-04 will cover around 580 officers of all ranks of disciplined and civilian staff in the Commission. The amount required will be around \$5,283,000.
  - (b) On the premise of efficiency savings, the Commission will actively study and review our work through reengineering, reorganisation, re-prioritisation and making full use of the market, so as to use lesser resources to provide equivalent or better services.
  - (c) The ICAC has actually saved \$9,936,000 as a result of the civil service pay reduction in 2002-03. This amount has been deducted from the revised estimate for 2002-03 and part of the saved amount has offset the expenditure mentioned in paragraph (a).

Signature : \_\_\_\_\_

Name in block letters : Ambrose SK LEE

Post title : Commissioner, ICAC

Date : 21 March 2003

Examination of Estimates of Expenditure 2003-04  
**CONTROLLING OFFICER'S REPLY TO  
INITIAL WRITTEN QUESTION**

Reply Serial No.

ICAC 011

Question Serial No.

1354

Head: 72 – Independent Commission  
Against Corruption

Subhead (No. & title): 000 – Operational  
Expenses

Programme: –

Controlling Officer: Commissioner, Independent Commission Against Corruption

Bureau Secretary: –

Question : Under Subhead 000 Operational Expenses, the provision for *Investigation Expenses* in 2002-03 was increased substantially from the original estimate of \$4,143,000 to the revised estimate of \$7,996,000. What is the reason for this? Please provide details of the related expenses.

Asked by: Hon. HO Sau-lan, Cyd

Reply: *Investigation Expenses* is an essential source of investigation funding for the purpose of evidence gathering and procurement of other support services required for both overt and covert cases. The item mainly caters for expenses related to overseas investigations; charges levied by bodies such as banks, clearing houses, share registrars and similar government and non-government bodies for information, documents and services supplied to the ICAC in connection with investigations and enquiries; fees for professional services (e.g. accountancy and surveying services); and other minor expenses incurred during investigations.

The increase in the revised estimate for 2002-03 is mainly due to the increase in the use of professional services, and requirements for provision of information and documents, and minor expenses incurred during investigations. The breakdown of the expenses is as follows –

	2002-03		
	Approved Estimate (\$)	Revised Estimate (\$)	Increase (\$)
Overseas enquiries	700,000	820,000	120,000
Charges levied for the supply of information/documents	1,873,000	3,090,000	1,217,000
Professional services	1,300,000	3,692,000	2,392,000
Others	<u>270,000</u>	<u>394,000</u>	<u>124,000</u>
Total ;	4,143,000	7,996,000	3,853,000

Signature : \_\_\_\_\_

Name in block letters : Ambrose SK LEE

Post title : Commissioner, ICAC

Date : 22 March 2003

Examination of Estimates of Expenditure 2003-04  
**CONTROLLING OFFICER'S REPLY TO  
INITIAL WRITTEN QUESTION**

Reply Serial No.

ICAC 012

Question Serial No.

1355

Head: 72 – Independent Commission  
Against Corruption

Subhead (No. & title): 203 – Expenses for  
Witnesses, Suspects  
and Detainees

Programme: –

Controlling Officer: Commissioner, Independent Commission Against Corruption

Bureau Secretary: –

Question : Please provide details of Subhead 203 Expenses of witnesses, suspects and detainees in 2001-02 and 2002-03, including the number of persons involved, the nationality of persons assisting in investigations and the nationality of witnesses coming to Hong Kong.

Asked by: Hon. HO Sau-lan, Cyd

Reply: Subhead 203 Expenses of Witnesses, Suspects and Detainees relates to the payment of meals and incidental expenses for persons assisting in investigations and expenses for witnesses from abroad. The actual expenditure in 2001-02 is \$496,000 covering the expenses for 1 442 persons who assisted in investigations and 24 overseas witnesses coming to Hong Kong. In 2002-03, the revised estimate is \$601,000 meeting expenses for 978 persons who assisted in investigations and 31 overseas witnesses.

The ICAC do not keep statistics on the nationality of persons who assist in ICAC investigations and overseas witnesses.

Signature : \_\_\_\_\_

Name in block letters : Ambrose SK LEE

Post title : Commissioner, ICAC

Date : 22 March 2003