



審計署
香港灣仔
告士打道七號
入境事務大樓
二十六樓

Audit Commission
26th Floor
Immigration Tower
7 Gloucester Road
Wanchai, Hong Kong

圖文傳真 Facsimile : 2583 9063

電話 Telephone : 2829 4303

本署檔號 Our Ref. : UB/PAC/ENG/39-3

來函檔號 Your Ref. : CB(3)/PAC/R39

7 January 2003

Clerk
Public Accounts Committee
Legislative Council
Legislative Council Building
8 Jackson Road
Central
Hong Kong

(Attn: Ms Miranda HON)

Dear Ms Hon,

**The Director of Audit's Report on the
results of value for money audits (Report No. 39)**

**Chapter 9: Primary education —
Planning and provision of primary school places**

Thank you for your letter of 24th December 2002. According to Attachments 1 and 2 of the Director of Education's letter of 19th December 2002:

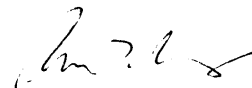
- Schools I, J and K each had eleven vacant classrooms when funding was sought for carrying out the SIP works (see item (b)(i) of Attachment 1 of the Director of Education's letter);
- Schools I, J and K were provided with "essential items" when SIP was carried out. The SIP works carried out included staff rooms, a staff common room, interview rooms, a student activity centre, a library and disabled access (see first bullet of Attachment 2 of the Director of Education's letter);
- the estimated cost of SIP works carried out in Schools I, J and K amounted to about 70% as compared to the average cost for the full scope of works (see Audit's calculation in the Appendix); and
- in order to address the problem of vacant classrooms, some classrooms in these three schools have recently been converted for other educational uses (see item (b)(iii) of Attachment 1 of the Director of Education's letter).

The crux of the matter is that there were eleven vacant classrooms each in Schools I, J and K when funding for the SIP works was sought in 1996 and 1997. In respect of the SIP works for School I, five of the eleven vacant classrooms were converted to alternative uses, six remaining vacant. However, five additional classrooms were also provided in the new Annex built under the SIP. Because of the low enrolment in the school, the total number of vacant classrooms remained at eleven after the SIP works were completed (see Table 12 of para. 4.5 of the Audit Report). I consider that the six remaining vacant classrooms could also have been converted to provide the "essential items" of the SIP, while the five new classrooms would not have been required. This would have obviated the need for building the new Annex. In respect of Schools J and K, similarly, the eleven classrooms that were vacant in each school at the time of funding approval provided significant usable floor areas which could also have been converted into various function rooms.

According to Table 12 of paragraph 4.5 of the Audit Report, there were still significant numbers of vacant classrooms in Schools I, J and K at the beginning of the 2001-02 school year (i.e. 11, 11 and 17 respectively) after the completion of the SIP works. It is worthy of note that these three schools have been experiencing difficulties to attract students. For the 2002-03 school year, the number of Primary One applications for discretionary places each school received was about ten.

In view of the above, I am of the view that the "essential items" of the SIP could have been provided to Schools I, J and K by converting the then vacant classrooms into various function rooms, instead of building additional floor areas. Had such an approach been adopted, the cost of SIP works carried out would have been reduced significantly. After reviewing the information provided by the Director of Education, I maintain the view that the need to provide additional floor areas at Schools I, J and K was questionable.

Yours sincerely,



(David M T LEUNG)
for Director of Audit

Encl.

c.c. Secretary for Education and Manpower
Permanent Secretary for Education and Manpower
Director of Education

Appendix

Costs of SIP works for Schools I, J and K as compared to the average cost for full scope of SIP works

School	Estimated cost of SIP works	Average cost for full scope of works	Percentage
(a)	(b)	(c)	(d) = (b) ÷ (c) × 100%
I	\$13.15m	\$18.66m (for SIP Phase II)	70.5%
J	\$14.84m	\$21.81m (for SIP Phase III)	68.0%
K	\$14.17m	\$21.81m (for SIP Phase III)	65.0%

Source: Attachment 2 of the Director of Education's letter