

**Public Accounts Committee of the Legislative Council
Meeting on 18 May 2013 on the Director of Audit's Report No. 60
Chapter 7: Preventive education and enlisting public support against corruption**

Speaking notes of Mr David Sun, Director of Audit

Chairman and Honourable Members,

Following the tabling of the Director of Audit's Report No. 60 in the Legislative Council on 17 April 2013, there were a number of media reports on various expenses of the Independent Commission Against Corruption (ICAC). I would like to take this opportunity to explain the scope of our audit review in order to collaborate with the Public Accounts Committee's deliberation of the audit findings in Chapter 7 of the Audit Report.

Audit scope

2. The ICAC has three functional departments, namely the Operations Department, the Community Relations Department (CRD) and the Corruption Prevention Department. Our review covered only the work of the CRD in providing preventive education and enlisting public support against corruption. We did not examine other activities of the ICAC.

Planning and performance of this review

3. This review was planned and performed in accordance with our established procedures. Our value for money audits are intended to provide independent advice and recommendations about the cost-effectiveness with which any government bureau, department or agency has discharged its functions. In our identification and selection of potential subjects for inclusion in the audit plan, a number of factors such as timeliness, materiality, and whether an audit has previously been carried out, etc. are taken into account.

4. In mid-2011, we noticed that according to the ICAC survey, more than half of the respondents commented that publicity and education work for anti-corruption should be strengthened. In addition, we had not carried out an audit of any ICAC functional department previously. We therefore included the CRD of the ICAC as a subject in our audit plan. We commenced the audit in October 2012 and completed it in about five and a half months.

Key findings

5. The review has focused on three areas, namely preventive education, enlisting public support, and strategic planning and performance measurement. We have found room for improvement in each area. In particular, the CRD needs to: (a) step up preventive education efforts on building management and review whether more Owners' Corporations should be reached for providing preventive education; (b) review the need to provide more preventive education to the bureaux/departments and public bodies having corruption complaints; (c) help electors better understand the legal provisions and review the publicity and education campaigns; and (d) review the strategies and resource deployment for enlisting public support and set appropriate targets for the numbers of organisations and people reached by its publicity campaigns.

6. In connection with our review of the publicity programmes of the CRD, we have reviewed a number of major events organised by the CRD over the past three years. As mentioned in paragraph 3.22 of the Audit Report, in examining the expenses for two events, we noted that there were inadequacies in the control over the expenditure for two dinners for an event held in December 2011 (i.e. the International Anti-corruption Public Service Announcement Video Competition and Workshop). The two incidents revealed that the ICAC's Commission Standing Orders had not clearly specified that: (a) the controls over the expenditure on official entertainment should be applied to lunches/dinners whenever they form part of a publicity and education programme; and (b) the costs of all food and beverages should be included as part of the lunch/dinner expenditure for control purposes.

7. We have recommended in the Audit Report that the Commissioner, ICAC should tighten the control over the expenditure on official entertainment. The Commissioner, ICAC has agreed with all the recommendations in Chapter 7 of the Audit Report.