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Replies to initial written questions raised by Finance Committee Members in examining the Estimates of Expenditure 2017-18

Controlling Officer: Director of Audit Session No.: 10

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Examination of Estimates of Expenditure 2017-18

Reply Serial No.

AUD001

CONTROLLING OFFICER'S REPLY

(Question Serial No. 3325)

Head: (24) Audit Commission

Subhead (No. & title): ()

<u>Programme</u>: Not specified

<u>Controlling Officer</u>: Director of Audit (David SUN)

Director of Bureau: Not specified

Question:

Does your department provide sign language interpretation service? If yes, what are the manpower and expenditure involved? If no, what are the reasons?

Asked by: Hon LEUNG Yiu-chung (Member Question No. 64)

Reply:

The Audit Commission performs various audits each year to help the Government and public sector organisations enhance their performance. The Director of Audit submits to the President of the Legislative Council (LegCo) one report on the Accounts of the Government of the Hong Kong Special Administrative Region in October and two reports on the results of value for money audits in April and October respectively. The Director of Audit attends meetings and hearings held by the Public Accounts Committee of LegCo to consider the findings in the Director of Audit's reports.

At present, there is no operational need for the provision of sign language interpretation service by the Audit Commission. If such a need arises, the Audit Commission will hire the service from the service providers in the market.

Examination of Estimates of Expenditure 2017-18

Reply Serial No.

AUD002

CONTROLLING OFFICER'S REPLY

(Question Serial No. 3343)

Head: (24) Audit Commission

Subhead (No. & title): ()

<u>Programme</u>: Not specified

<u>Controlling Officer</u>: Director of Audit (David SUN)

Director of Bureau: Not specified

Question:

- (A) Regarding outsourcing of service in your department, please inform this Committee of the followings in respect of the past 3 years:
- 1. the total number of outsourced service staff employed by your department and the percentage of outsourced service staff against the total number of staff with the same types of duties in your department;
- 2. the total expenditure on staff of your department; the total amount paid to outsourced service providers; and the percentage of amount paid to outsourced service providers against the total expenditure on staff of your department; and
- 3. the nature of your department's outsourced services and the duration of the relevant contracts.
- (B) In addition, according to the Government's guidelines for tendering of outsourced services revised last year, if the procured service relies heavily on the deployment of non-skilled workers, and a marking scheme for assessing the tenders is adopted, the procuring department, when assessing the tenders, should include in the assessment criteria the evaluation of tenderers' proposed wage rates and working hours for non-skilled workers. In this regard, please inform this Committee of the followings:
- 1. the current number of outsourced service contracts involving a large number of non-skilled workers awarded by your department since implementation of the guidelines;
- 2. the departments which have adjusted their assessment criteria in respect of wage rates and working hours for the outsourced service contracts involving a large number of non-skilled workers in the light of the new guidelines since their implementation; how your department has made adjustment; and if no relevant information is available, the reasons for it;
- 3. whether there have been any rises in the average wage rates for workers in the contracts of outsourced services that rely heavily on deployment of non-skilled workers

since the implementation of the guidelines; if yes, the number of contracts with rises in wage rates; if no relevant information is available, the reasons for it;

- 4. your department's measures to evaluate the effectiveness of the new tendering guidelines;
- 5. whether your department is required to adopt the existing mechanism of two-envelope assessment of the technical and price aspects when evaluating tenders for contracts of outsourced service; if no, the number of contracts awarded without adopting the existing mechanism of two-envelope assessment of the technical and price aspects in the past 3 years;
- 6. the annual numbers of cases of government service contractors breaching the service contracts, the Employment Ordinance or the Occupational Safety and Health Ordinance as revealed by the inspections conducted by your department, and the annual numbers of complaints lodged by the outsourced service staff;
- 7. the details of follow-up actions on the aforementioned non-compliance and complaint cases; and
- 8. the number and details of cases involving contractors being punished for non-compliance or sustained complaints.

Asked by: Hon LEUNG Yiu-chung (Member Question No. 88)

Reply:

- (A) The Audit Commission performs various audits each year to help the Government and public sector organisations enhance their performance. In the past 3 years (2014-15, 2015-16 and 2016-17), there was no operational need for the Audit Commission to employ outsourced service staff.
- (B) No tender for the outsourcing of services involving non-skilled workers has been invited and awarded by the Audit Commission since the implementation of Government's revised guidelines for tendering of outsourced services in May 2016.