

CHAPTER 5

Civil Aid Service

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| <h3>Operation and training of the Civil Aid Service</h3> |
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Hong Kong
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This audit review was carried out under a set of guidelines tabled in the Provisional Legislative Council by the Chairman of the Public Accounts Committee on 11 February 1998. The guidelines were agreed between the Public Accounts Committee and the Director of Audit and accepted by the Government of the Hong Kong Special Administrative Region.

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OPERATION AND TRAINING OF THE CIVIL AID SERVICE

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PART 1: INTRODUCTION

1.1 This PART describes the background to the audit of the operation and training of the Civil Aid Service (CAS).

Background

1.2 The CAS, established in January 1952, is a government-financed auxiliary emergency organisation. The operation of the CAS is governed by the CAS Ordinance (Cap. 518) and the CAS Regulation. According to the Controlling Officer's Report in Estimates 2005-06, the aim of the CAS is to provide an effective auxiliary force to augment the Government's regular emergency services in emergency situations, provide civic services to government departments and outside agencies, and provide young people (aged between 12 and 17 years) with the opportunity to develop self-confidence and civic-mindedness through participation in the CAS Cadet Corps. Any person who holds an identity card issued under the Registration of Persons Ordinance (Cap. 177) may apply for enrolment in the CAS as a member if he is 16 years of age or over, or as a cadet if he is 12 years of age or over, but under the age of 16 years. As at 31 March 2005, the CAS had 113 staff, 3,338 CAS members and 2,748 cadets. The expenditure of the CAS was \$73.6 million in 2004-05. The expenditure of the CAS and establishment of CAS staff for the years from 1993-94 to 2004-05 are shown in Appendix A.

Areas of service of the Civil Aid Service

1.3 The CAS provides emergency and civic services to government departments, outside agencies and the general public. The work of the CAS is to:

- (a) provide support to the Government's regular emergency services in counter-disaster activities, mountain search and rescue, and countryside protection duties;
- (b) provide crowd control and crowd management services in major public functions;
- (c) assist people in need of help in country parks and hiking trails;
- (d) stage performances to enhance public attention to major campaigns or activities organised by government departments and/or outside agencies; and

- (e) provide, through the CAS Cadet Corps, youth aged between 12 and 17 years (Note 1) with specific training in discipline and skills, and an orientation towards civic duty.

1.4 In 2004-05, the major services provided to government departments and outside agencies by the CAS included typhoon duties, flood rescue, mountain search and rescue, countryside fire fighting and protection, community services, and training on mountain rescue, hiking safety and work safety at height.

Administration of the Civil Aid Service

1.5 The Chief Staff Officer of the CAS, assisted by a team of civil servants, provides administrative support to the CAS auxiliary force. The organisation chart of the CAS (Department), a government department, is shown in Appendix B. The department comprises the Administration Division and the Operations and Training Division. The Administration Division provides administrative, accounting, membership and translation support to the CAS auxiliary force. The Operations and Training Division provides recruitment and training support to the CAS auxiliary force. The Chief Staff Officer is responsible to the Secretary for Security for managing the CAS (Note 2).

Organisation of the Civil Aid Service auxiliary force

1.6 The Commissioner of the CAS is appointed by and accountable to the Chief Executive of the Hong Kong Special Administrative Region. He is assisted by three Deputy Commissioners for the operations, administration and support, youth training, and development of the CAS. The organisation chart of the CAS auxiliary force is shown in Appendix C. Since 1993, the establishments of CAS members and cadets have remained at 3,634 and 3,232 respectively. As at 31 March 2005, there were 3,338 CAS members and 2,748 cadets.

Note 1: *The CAS does not accept youth for enrolment as a cadet if he is over the age of 16 years.*

Note 2: *In this report, "CAS member" refers to any person currently enrolled as a member in the CAS auxiliary force, "CAS staff" refers to the civil servants working in the CAS (Department) providing administrative support to the CAS auxiliary force, and "the CAS management" refers to the Chief Staff Officer and the Commissioner of the CAS.*

1.7 In 1999, there was a major reorganisation of the CAS to enhance its operational efficiency and achieve saving of resources. Upon the reorganisation, a CAS Central Command Centre was established to centralise the incident control function and liaise with other government departments, non-government organisations (NGOs) and public utility companies in times of emergencies.

Auxiliary Forces Pay and Allowances Ordinance

1.8 The pay and allowances of CAS members are governed by the Auxiliary Forces Pay and Allowances Ordinance (AFPAO — Cap. 254). CAS members are eligible for pay and allowances (Note 3) only when they have been called out to provide emergency or regular services, or when they have attended training courses conducted by the CAS. The rates of pay for CAS members in 2005-06 are shown in Appendix D. CAS members provided 488,428 hours of services and received 365,404 hours of training in 2004. In 2004-05, the pay and allowances of CAS members were \$25.5 million, and the expenditure of the CAS was \$73.6 million.

Audit review

1.9 The Audit Commission (Audit) has conducted a review of the operation and training of the CAS. The audit has focused on the following areas:

- (a) training of CAS members and cadets (PART 2);
- (b) services provided by CAS members (PART 3);
- (c) pay and allowances of CAS members (PART 4);
- (d) utilisation of the training venues and sub-offices (PART 5);
- (e) control and procurement of stores items (PART 6); and
- (f) management information (PART 7).

Note 3: *The pay rates range from \$61.4 to \$144.4 per hour for officers, and from \$29.6 to \$48.2 per hour for other ranks. The pay rates are reviewed biennially by the Secretary for Financial Services and the Treasury under delegated authority from the Finance Committee of the Legislative Council.*

1.10 Audit examination of the operation and training of the CAS has found that there are areas where improvement can be made. Audit has made a number of recommendations to address the issues.

General response from the Administration

1.11 The **Chief Staff Officer of the CAS** has said that he generally agrees with the audit observations and recommendations. He has also said that:

- (a) the CAS finds the audit report useful and constructive. The CAS appreciates the effort made by Audit and welcomes the audit observations with a value for money perspective;
- (b) the CAS agrees that whilst the management places primary concern on effective functioning of the CAS and has been taking continuous proactive steps to improve operational efficiency, more attention could be given to resource management and administrative work; and
- (c) the functioning of the CAS has changed over time to meet new requirements and challenges. As a result, quite a number of outdated rules and regulations have not been strictly followed. Actions will be taken to rectify the situation. Outdated rules and regulations will be amended with approval from the relevant party.

1.12 The **Secretary for Security** has said that he agrees in general with the audit observations and helpful audit recommendations. The Security Bureau notes that the CAS has accepted the majority of the audit recommendations and will make every endeavour to address those issues requiring follow-up actions, as part of its ongoing efforts to enhance operation and resource management.

Acknowledgement

1.13 Audit would like to acknowledge with gratitude the full cooperation of CAS members and staff during the course of the audit review.

PART 2: TRAINING OF CIVIL AID SERVICE MEMBERS AND CADETS

2.1 This PART examines the training of CAS members and cadets and suggests measures for improvement.

Training provided to Civil Aid Service members

2.2 The CAS has to provide well-trained, skilful and disciplined personnel to assist the disciplined services departments (such as the Fire Services Department (FSD), the Hong Kong Police Force and the Immigration Department) and other government departments in emergency operations or whenever CAS assistance is required. CAS members are trained to perform emergency duties during typhoons, flooding and landslips, search for and rescue people in distress in the mountains, and combat vegetation fires and oil pollution at sea. Training on various subjects is conducted at regular intervals for CAS members to refresh and update their knowledge so that their operational efficiency and skills could be enhanced.

2.3 The training provided to CAS members is as follows:

- (a) **Recruit training.** All new members are required to attend a 150-hour comprehensive training in CAS knowledge, basic emergency rescue, first aid and foot drill so as to ensure that they are equipped with the basic skills and techniques for performing their duties (Note 4);
- (b) **Centralised training.** The CAS conducts regular training courses for its members. Such courses provide CAS members with an opportunity to learn more advanced skills and techniques, and receive the necessary refresher/enhancement training for increasing their operational competencies and shouldering greater responsibilities in future; and
- (c) **Unit training.** The Regional/Force Commanders organise unit training for individual units to update and reinforce the members' knowledge and skills through refresher training, seminars and exercises.

2.4 Training of CAS members may be held in the form of lectures, practical sessions, exercises and training camps. In 2004, the CAS provided 365,404 hours of training to its 3,381 members. On average, each CAS member received 108 hours of training.

Note 4: *On satisfactory completion of recruit training, the new members have to attend a passing-out parade before being posted to serve in various CAS companies.*

Training provided to cadets

2.5 The CAS recruits cadets (youth between the ages of 12 and 17 years) for its Cadet Corps. Cadets are trained in a wide variety of disciplines and skills including foot drill, light rescue, basic mechanical and electrical knowledge, crowd control, rock climbing and expeditions. As at 30 June 2005, the Cadet Corps comprised 4 cadet companies with 64 platoons. The average strength for the period from January to June 2005 was about 2,800 cadets.

2.6 There are two main types of training (i.e. unit training and centralised training) organised by the CAS for cadets. Unit training is conducted in weekly gatherings. The topics include the CAS basic, civic education, outdoor skills and discipline training. Centralised training includes practical techniques, interest subjects and courses (such as leadership and teaching skills for self-development). The progress and performance of each cadet are assessed regularly in respect of training, discipline, outdoor skills, community services and self-development. In 2004, the CAS provided 266,830 hours of training and activities to its 3,015 cadets. On average, the CAS provided 89 hours of training and activities to each cadet.

Audit observations

Non-compliance with the minimum training attendance requirements by CAS members

2.7 ***Non-compliance with the CAS Regulation.*** To ensure that CAS members maintain their proficiency in operations, section 10(1) of the CAS Regulation stipulates that the requirements for efficiency of a member in any year shall be 60 hours performance of training with diligence. CAS Administration Order No. 14 (superseded by CAS General Order No. 3.14 dated 1 February 2005 – see para. 2.8) stated that the 60-hour efficiency requirement might be met by 30 hours of unit training plus another 30 hours made up of full-time training, operational duties and civic duties. The CAS did not maintain separate records of operational and non-operational duties for its individual members. To ascertain the extent of compliance with the CAS Regulation, Audit analysed the training hours of CAS members in 2003 and 2004. Details are given in Appendix E. Audit found that in 2003 and 2004, on average, 1,427 (40%) CAS members attended less than 60 hours of all types of training, including 348 (10%) CAS members without any training at all. Audit also analysed the service hours of CAS members and found that in 2003 and 2004, on average, 643 (18%) CAS members performed less than 60 hours of all types of training and services (i.e. operational and non-operational duties, and civic duties).

2.8 **Non-compliance with the CAS General Order.** CAS General Order No. 3.14 states that a CAS member has to attend at least 60 hours of training and duties in a year to achieve the minimum training requirement. Of these 60 hours, 30 hours must be unit training attendance (i.e. the same requirement as CAS Administration Order No. 14 – see para. 2.7). To ascertain the extent of compliance with this CAS General Order, Audit analysed the unit training hours of CAS members in 2003 and 2004. Details are given in Appendix F. Audit found that in 2003 and 2004, on average, 1,164 (32%) CAS members attended less than 30 hours of unit training in a year, including 478 (13%) CAS members without any unit training at all.

2.9 **Audit considers that the CAS management should closely monitor the training attendance of CAS members to ensure that they meet the minimum training attendance requirements stipulated in the CAS Regulation and the CAS General Order.**

Non-compliance cases without punishment

2.10 According to section 14(1) and schedule 1 of the CAS Regulation, the failure of a CAS member to complete the efficiency requirements (i.e. 60 hours performance of training with diligence) for any year is an offence against discipline. Section 10(2) states that the Commissioner of the CAS may exempt any member from this requirement. Otherwise, the Commissioner may impose upon a CAS member any one or more of the following punishments:

- (a) a reduction in rank;
- (b) a caution, warning, reprimand or severe reprimand; or
- (c) a fine not exceeding \$500.

2.11 Audit checked a sample of 15 non-compliance cases in respect of CAS members who failed to comply with the training requirement under the CAS Regulation. Audit found that:

- (a) no disciplinary action was taken against these members; and
- (b) there were no records indicating that exemption had been granted by the Commissioner.

2.12 The CAS did not impose punishments upon its members for non-compliance with the CAS Regulation. **Audit considers that the CAS management needs to take disciplinary action against those CAS members who fail to comply with the minimum training attendance requirements.**

Maximum training attendance exceeded without prior approval

2.13 Before 2002-03, the CAS specified in its Annual Training and Operations Directive, among other things, the maximum annual attendance allocation (MAAA) of unit training for CAS members of different ranks. The maximum unit training provided to members of each rank under each unit varied from year to year. For example, in 2001-02, the specified maximum unit training for different ranks ranged from 136 to 352 hours. Prior approval was required from the Regional/Force Commanders, the Deputy Commissioner (Administration and Support) or the Chief Staff Officer for CAS members to attend training in excess of the specified maximum hours.

2.14 Audit selected a sample of 10 cases for review and found that 7 CAS members had attended training in excess of the specified maximum unit training hours in 2001-02. Audit found that 5 of the 7 CAS members did not have prior approval for claiming pay and allowances for training in excess of the specified maximum unit training hours. Audit compared the total number of unit training hours attended by individual CAS members with the specified maximum unit training hours in 2001-02 and found that the unit training hours of 383 (11%) CAS members were in excess of the specified maximum unit training hours. **In Audit's view, the CAS management should have ensured that prior approval had been obtained by CAS members before attending training in excess of the specified maximum training hours.**

Maximum training attendance not specified since 2002-03

2.15 Since 2002-03, the CAS has not specified the MAAA of unit training for a member. Audit found that, in 2003 and 2004, the total training hours per member per year varied from zero to 728 hours.

2.16 As the maximum number of unit training hours per member per year was no longer specified after 2001-02, there was no control over excessive training to individual CAS members. In addition, there was a loophole in that a CAS member might attend training courses repeatedly in order to get more pay and allowances. Excessive training is a waste of public resources. **Audit considers that the CAS management needs to tighten control over the maximum training attendance by individual CAS members.**

Improper classification of training

2.17 The objective of training is to provide CAS members with the necessary skills and techniques in order to perform their duties efficiently and effectively. Audit notes that under the existing classification system, CAS members attending regular meetings and performing unit administrative and clerical work have all been classified as "training".

Improper classification inflates the actual number of training hours received by individual CAS members and makes it difficult to monitor their actual training attendance. This is at variance with the original intention, rationale and criteria for making payments to CAS members for training and voluntary services. **Audit considers that the CAS management needs to review the practice of classifying attendance at regular meetings, and unit administrative and clerical work as training, and closely monitor the training attendance of CAS members. This would ensure that they comply with the CAS training attendance requirements.**

Modification of entry requirements of new members

2.18 The entry requirements for joining the CAS auxiliary force are that the applicant:

- (a) must be over the age of 16 years. An applicant under the age of 18 years must first obtain the written consent from his parents or guardian to join the CAS;
- (b) must pass the functional and fitness tests;
- (c) must pass a government medical examination; and
- (d) must be able to speak fluent Cantonese and read Chinese.

2.19 Audit noted that as at 30 April 2005, there were 5,445 applicants on the waiting list for joining the CAS. The CAS adopts the “first come, first served” arrangement in recruiting members. As the CAS only recruits about 200 to 300 new members a year, it may take more than ten years for an applicant on the waiting list to have a chance to join the CAS. **In Audit’s view, with such a large number of applicants, the CAS management needs to review the existing arrangement and consider the feasibility of raising the entry requirements of CAS members.**

Recovery of costs from the resigned new members

2.20 From 2001 to 2004, an annual average of 72 new members left the CAS within one year after joining the CAS. The turnover rate for the new members was 24%.

2.21 According to section 4 of the CAS Regulation, a member who, without reasonable excuse, resigns from the CAS within one year of the completion of his recruitment training shall, upon request by the Commissioner, pay to the CAS the

reasonable costs of his recruitment training in the CAS (Note 5). Audit noted that the CAS did not keep track of such members. Audit found that in 2004, four CAS members resigned from the CAS within one year after completing their recruitment training. However, the CAS did not recover the recruitment training costs from them. **Audit considers that the CAS management should have kept track of those members who resigned from the CAS within one year of the completion of their recruitment training and recovered the recruitment training costs from them in accordance with the CAS Regulation.**

Audit recommendations

2.22 **Audit has recommended that the CAS management should:**

Non-compliance with the minimum training attendance requirements by CAS members

- (a) **ensure that all CAS members comply with the minimum training attendance requirements;**

Non-compliance cases without punishment

- (b) **consider taking disciplinary action against those CAS members for non-compliance with the minimum training attendance requirements;**

Maximum training attendance exceeded without prior approval

- (c) **ensure that prior approval is obtained by CAS members before attending training in excess of the specified maximum training hours;**

Maximum training attendance not specified since 2002-03

- (d) **tighten control over the maximum training attendance by individual CAS members;**

Improper classification of training

- (e) **review the practice of classifying attendance at regular meetings, and unit administrative and clerical work as training, and ensure that the training attendance of CAS members meets the CAS training requirements;**

Note 5: *The pay and allowances for the training of a new member are \$4,440. Additional expenses are required for the government medical examination, uniform, mess, training equipment/venues/instructors and transportation.*

Modification of entry requirements of new members

- (f) **review the existing arrangement of recruiting new CAS members and consider the feasibility of raising the entry requirements; and**

Recovery of costs from the resigned new members

- (g) **keep track of those members who, without reasonable excuse, resign from the CAS within one year of the completion of their recruitment training and recover the recruitment training costs from them in accordance with the CAS Regulation.**

Response from the Administration

2.23 The **Chief Staff Officer of the CAS** has said that he agrees with the audit recommendations. He has also said that:

Non-compliance with the minimum training attendance requirements by CAS members

- (a) the CAS will strengthen measures to ensure that the minimum training attendance requirements are complied with by all CAS members. Unit Commanders will be required to tighten control over attendance of their members and report quarterly to the CAS Headquarters on those members who fail to meet the minimum training attendance requirements in a year;

Non-compliance cases without punishment

- (b) the CAS will establish a Disciplinary Board on Attendance, which will meet quarterly to consider and impose disciplinary actions, including discharge, against those members who fail to comply with the minimum training attendance requirements;

Maximum training attendance exceeded without prior approval

- (c) because of the limitation of the current computer accounting system, all non-operational activities are classified as “training”. Therefore, the training hours might have been inflated. The CAS will strengthen the control measures for the submission of quarterly programmes of activities for prior approval;

Maximum training attendance not specified since 2002-03

- (d) the CAS will continue to impose tight control over the maximum training attendance of its members by:
 - (i) strengthening the control measures on the allocation of funds to individual units for unit training, administration and activities;
 - (ii) stepping up the vetting of claims for pay and allowances by the Accounts Office of the CAS Headquarters; and
 - (iii) conducting more surprise checks by the CAS audit teams;
- (e) the system of specifying the maximum training hours was discontinued after 2001-02 because the system was too complicated, too arbitrary and not effective. The CAS management decided in 2002-03 that the control of the amount of attendance of individual members should be left to the Unit Commanders who were in the best position to do so because they knew the need of their units and they were provided with monthly returns on the amount of attendance of each member of their units;

Improper classification of training

- (f) the improper classification of some activities as training is partly due to the limitation of the current computer accounting system. The CAS will explore possible means to improve the existing system. The CAS will rectify the situation under Phase II of the computerised Human Resource Management System which will be implemented subject to the availability of funding;

Modification of entry requirements of new members

- (g) the CAS has reviewed the current recruitment situation and has decided to replace the existing “first come, first served” recruitment arrangement by annual competitive recruitment exercises. All applicants on the current waiting list will be invited to apply in the coming recruitment exercise. Applicants who fail in a recruitment exercise may re-apply when the CAS announces the next recruitment exercise. There will not be any waiting list of applicants under the new arrangement, and the CAS will be able to recruit the best among the candidates; and

Recovery of costs from the resigned new members

- (h) the CAS will take steps to recover the costs of recruitment training from members who leave the CAS within one year of the completion of recruitment training.

PART 3: SERVICES PROVIDED BY CIVIL AID SERVICE MEMBERS

3.1 This PART examines the services provided by CAS members and suggests measures for improvement.

Functions of the Civil Aid Service

3.2 CAS members carry out a wide range of operational duties and community services for government departments and other organisations. According to section 4 of the CAS Ordinance, the functions of the CAS are to:

- (a) provide civil support services on the occasion of any emergency;
- (b) at the discretion of the Chief Executive, perform such other functions as may be commensurate with the training of members, and on such occasions, as he may order; and
- (c) at the discretion of the Commissioner of the CAS, provide such other services of a non-emergency nature for the general benefit of the community as he may direct.

Services provided in times of emergency

3.3 The following services are provided by the CAS in times of emergency:

- (a) ***Emergency duties.*** When CAS assistance is required at a disaster in response to an emergency call out, CAS members will be deployed to assist the disciplined services departments to evacuate or rescue the victims;
- (b) ***Mountain search and rescue duties.*** When the CAS is required to search and rescue people in distress in the mountains, the CAS Mountain Search and Rescue Companies will be deployed. On Sundays and public holidays, a mountain rescue team normally stands by at its operational base in Kowloon (Note 6) in order to respond immediately to any emergency call out on mountain operations;

Note 6: *The operational base of the CAS Mountain Search and Rescue Companies is at the CAS Kowloon Training Centre in Kowloon City.*

- (c) **Flood rescue.** Once a flood warning is issued, the CAS Flood Rescue Teams will stand by at the relevant fire stations and assist the FSD in flood rescue operations. The CAS Central Command Centre will also be activated;
- (d) **Typhoon duties.** When typhoon signal No. 8 or above is hoisted, the CAS Central Command Centre and the Regional/Forces operational bases will be manned immediately; and
- (e) **Countryside fire protection duties.** During the dry season between October and April, the CAS is committed to deploy members to stand by at various fire stations in rural areas on Sundays and public holidays when the red/amber fire danger warning signal is issued. Members on stand-by duty will respond immediately to assist the FSD in putting out countryside fires.

Services provided in times other than emergency

3.4 In addition to emergency services, CAS members are often deployed to provide support to government departments and other organisations in a wide range of civic and community services as follows:

- (a) **Crowd management.** CAS members are deployed to assist government departments or charitable organisations to perform crowd management duties in civic functions (such as the Chinese New Year Fireworks Display, the Mid-Autumn Festival Carnival and the Hong Kong Dragon Boat Festival) and at crowded places (such as the Wong Tai Sin Temple, the Kowloon-Canton Railway Terminals and the Hong Kong-China Ferry Terminal);
- (b) **Patrolling at country parks.** On Sundays and public holidays, the CAS deploys members and cadets to patrol the popular hiking trails in country parks to provide guidance and assistance to hikers in need of help; and
- (c) **Youth training.** The CAS provides its cadets with specific training in discipline and skill, and an orientation towards civic duty. The CAS also offers youth training to the community (e.g. in the Labour Department's Youth Pre-employment Training Programme and the Education and Manpower Bureau's Smart Teen Challenge Camp).

In addition, the CAS is committed to provide services assigned by the Government for the public interest.

Service hours

3.5 In 2004-05, CAS members provided 451,000 service hours for a wide range of services, including crowd control services at the Lo Wu Immigration Control Point, patrolling of country parks and hiking trails, mountain search and rescue services, crowd management services, the Smart Teen Challenge Camp and non-operational special projects (e.g. cadet activities, maintenance projects, information technology projects and administrative work). Details are given in Appendix G.

Audit observations

3.6 Audit reviewed the establishment of the CAS and services provided by CAS members in the past ten years. Audit observations are given in paragraphs 3.7 to 3.30.

Changes in operational needs of services

3.7 ***Vietnamese Migrants/Refugees Centres.*** From May 1975 to May 2000, the CAS deployed its members to provide assistance in managing the Vietnamese Migrants/Refugees Centres. In 1993, the CAS provided 325,000 hours of such service. However, with the progressive closure of the refugee centres in 1997, the manpower provided was reduced to 26,390 hours in 1998. In May 2000, after the closure of the last Vietnamese Refugees Centre at Pillar Point, such service was no longer required.

3.8 ***Additional service requirements since 1998.*** The CAS used to conduct training courses for outsiders. Since April 1998, the CAS has often been requested to arrange training courses/activities on mountain rescue, hiking safety and work safety at height for staff of government departments and NGOs. In 2004, the CAS provided 26,178 hours of such service. Upon the request of the Immigration Department in December 2001, the CAS began to provide crowd control services at the Lo Wu Immigration Control Point during periods of long holidays. Since July 2002, the crowd control services have been provided daily. In 2004, the CAS provided 138,918 hours of such services.

3.9 ***Establishment of the CAS auxiliary force.*** The establishment of the CAS auxiliary force is based on its operational requirements. Audit compared the average strength of the CAS auxiliary force with the establishment during the period from January 2000 to April 2005. Details are given in Appendix H. Audit found that:

- (a) since 2000, the average strength of the CAS auxiliary force had persistently been lower than the establishment; and

- (b) the average strength of the CAS auxiliary force for the period from January 2000 to April 2005 was only 93% of the establishment. There were vacancies of 237 CAS members and 233 cadets.

3.10 Audit review indicated that:

- (a) during the period from 1993 to 2004, the resources released after the closure of the Vietnamese Migrants/Refugees Centres were much more than that required for the additional services taken up by the CAS (i.e. training courses/activities for staff of government departments and NGOs, and crowd control services at Lo Wu);
- (b) the CAS, based on operational requirements, had reduced the establishment of CAS members from 3,818 to 3,634 in 1993. Since then, the establishment had not been reviewed or revised despite substantial changes in its operational needs; and
- (c) the Immigration Department had mentioned that the crowd control services provided by the CAS at the Lo Wu Immigration Control Point would probably not be required by late 2005. The need for CAS services would be further reduced.

3.11 ***Establishment review.*** The last establishment review of the CAS was conducted in 1993. **Audit considers that the CAS management, in consultation with the Security Bureau, needs to conduct another establishment review of the CAS, taking into account its future operational needs.**

Minimum service requirement not specified

3.12 CAS General Order No. 4.02 states that all CAS members must participate in a certain number of hours of operational duties. It also states that the standard of attendance in respect of operational duties is to be decided by the Regional/Force/Corps Commanders of independent units and that the Company Commanders must review the performance and attendance of every member after each quarter. Unlike the efficiency requirement for the training of CAS members (i.e. each member to attend the minimum training of 60 hours each year), the Regional/Force/Corps Commanders have not laid down the standard hours of operational duties (i.e. the minimum service requirement) for members of their units. The participation of CAS members in providing operational duties (i.e. regular services) is entirely voluntary. In Audit's view, the provision of regular services is essential for maintaining CAS members' proficiency in the CAS operations. **Audit considers that the CAS management needs to state clearly in the CAS General Order the minimum service requirement for CAS members.**

Service hours provided by CAS members

3.13 Audit analysed the service hours provided by all CAS members in 2003 and 2004. Audit found that, on average, 1,328 (37%) CAS members performed less than 50 hours of services in a year, including 412 (12%) CAS members who did not provide any service at all. Details are given in Appendix I.

3.14 Audit found that in 2003 and 2004, on average, 209 (36%) of the 577 CAS members with 200 or more training hours in a year performed less than 50 hours of services, including 3 (1%) CAS members who did not provide any service at all. Details are given in Appendix J. **Audit considers that the CAS management needs to monitor closely the services provided by individual CAS members.**

Discharge of members

3.15 According to CAS General Order No. 4.02, undesirable CAS members who are either inefficient in their duties or below standard in their attendance (without reasonable excuse and after giving final written warnings) should be discharged. Audit found that in 2003 and 2004, on average, of the 412 CAS members (Note 7) who did not provide any service, 278 (67%) did not attend any training at all, and 91 (22%) attended less than the specified minimum training of 60 hours in a year. However, those members who had not provided any service and had not attended any training in a year were not discharged.

3.16 **In Audit's view, with more than five thousand applicants on the waiting list wishing to join the CAS, the CAS management should consider introducing an assessment system to ensure that all CAS members meet the training and service requirements of the CAS Regulation for retaining their membership. For those CAS members who fail to meet the requirements without reasonable excuse, they should be discharged so as to allow new members to join the CAS.**

Mountain search and rescue stand-by duties

3.17 Two Mountain Search and Rescue Companies were established under the Tactical Force of the CAS. As at 30 April 2005, these two companies had 112 CAS members, and 116 CAS members attached to them from other regional companies. A team of 13 to 18 members of these two companies are normally required to stand by at the CAS Kowloon Training Centre during Sundays and public holidays for more than eight hours in order to respond immediately to any emergency calls for assistance. CAS members on stand-by duty are paid at the standard rates of pay shown in Appendix D.

Note 7: *These 412 CAS members included those who left the CAS in 2003 and 2004, averaging 184 members a year.*

3.18 Audit found that:

- (a) the CAS Operation Order governing the stand-by arrangement, issued in 1992, was outdated;
- (b) in 2004-05, 16,744 hours were spent on mountain search and rescue stand-by duties, during which 1,351 hours were used in 40 emergency call-out operations (i.e. 8% of the total stand-by hours); and
- (c) in 2004-05, the unit training for members of the Mountain Search and Rescue Companies was 20,133 hours and that for the members attached to them was 17,000 hours.

3.19 **Audit considers that:**

- (a) **the CAS management needs to update the CAS Operation Order in respect of the mountain search and rescue stand-by arrangement, taking into account the availability of mobile phones and the very efficient public transportation systems, and the low level of actual emergency call-out operations (representing only 8% of the total stand-by hours); and**
- (b) **to be more cost-effective, the CAS management needs to consider rescheduling some of the training programmes so that CAS members could attend training while on stand-by duty.**

Non-operational duties performed by CAS members

3.20 According to section 4 of the CAS Ordinance, the functions of the CAS are to provide civil support services on the occasion of any emergency or provide such other services of a non-emergency nature for the general benefit of the community. Audit noted that CAS members had been deployed to carry out non-operational duties (such as maintenance projects of various training venues, information technology projects and unit/office administrative work). In 2004-05, 25,000 hours (i.e. 5.5% of the service hours in the year) of such services were provided, and the pay and allowances paid to CAS members for such services amounted to \$0.9 million. In Audit's view, such non-operational duties are at variance with the functions of services of CAS members under the CAS Ordinance (see para. 1.3). Such duties should have been undertaken/conducted by CAS staff. Audit notes that such non-operational duties have not been reported to the Security Bureau.

3.21 **Audit considers that the CAS management needs to:**

- (a) **in consultation with the Security Bureau, review the existing arrangement of deploying CAS members to perform office administrative work; and**
- (b) **deploy CAS staff to perform office administrative work.**

3.22 In response to Audit enquiry in September 2005, the Chief Staff Officer of the CAS replied that:

- (a) it was appropriate for CAS members to carry out the administrative work (e.g. deployment of duties, arrangements for unit training, preparation of claims for pay and allowances, recommendations for promotion and enforcement of discipline) of their own units, maintain their own training venues, or maintain the information technology systems of the CAS for their own use;
- (b) having such duties carried out by CAS members was more cost-effective than having them done by outside service providers. Apart from cost savings, the members knew the needs of the CAS best and many of them were professionals in the respective fields of work in their full-time jobs;
- (c) CAS staff were fully occupied in performing their duties to provide administrative support, and advice on operations and training to the CAS auxiliary force; and
- (d) it would be less cost-effective for CAS staff to carry out those non-operational duties and administrative work of the CAS units because their salaries were higher than the pay and allowances of CAS members.

Charges for services provided to NGOs

3.23 CAS members are requested from time to time to provide services or stage performances for the public. It is free of charge if the services are rendered to government departments. Charges are required if the services are provided to NGOs, unless prior approval to waive such charges has been obtained from the Secretary for Financial Services and the Treasury.

3.24 In March 1975, the then Deputy Financial Secretary (now the Secretary for Financial Services and the Treasury) agreed with the Secretary for Security that charges should not be raised for CAS services rendered to government departments, unless the services were exceptionally costly or funds in the CAS vote were depleted. A charge plus the 20% standard overhead charge should be levied for services provided to NGOs. If the CAS was of the opinion that charges were not warranted for certain services, approval must be sought from the then Finance Branch (now the Financial Services and the Treasury

Bureau – FSTB). Following the advice of the FSTB, the CAS sought, in advance, blanket approval from the Secretary for Financial Services and the Treasury to waive the charges in March each year. The FSTB would check whether the nature and the service of the events were within the criteria of granting waiver of charges.

3.25 In April 2001, the Chief Staff Officer of the CAS announced the implementation of a new charging scheme for CAS services. The main features of the new charging scheme, approved by the then Secretary for the Treasury (now the Secretary for Financial Services and the Treasury) and the Secretary for Security, were that:

- (a) normally no charge would be made for services rendered by the CAS to other government departments;
- (b) for services provided to NGOs, the CAS would charge them the total staff cost of CAS members deployed for the services plus the 20% standard overhead charge; and
- (c) the CAS should seek the approval of the Secretary for Financial Services and the Treasury for waiver of charges on a case-by-case basis.

3.26 Audit reviewed all the services rendered to NGOs by the CAS in 2004-05 and found that the CAS had not imposed charges for the following services:

- (a) crowd management services and casualty simulation to NGOs in 26 out of 33 events;
- (b) training courses for NGOs in three out of four courses; and
- (c) CAS staged band performances for NGOs on seven out of nine occasions.

3.27 Audit found that since 2001, the CAS had not sought the approval of the FSTB to waive the charges for services provided to NGOs. In response to an audit enquiry in April 2005, the CAS explained that:

- (a) events with written support from government departments were treated as events organised by government departments and the CAS would not impose charges on such events; and
- (b) for some staged band performances, the CAS treated them as training sessions and no charge was imposed.

3.28 **Audit considers that the CAS management needs to ensure that all services rendered to NGOs by CAS members are properly charged, or seek the approval of the Secretary for Financial Services and the Treasury for waiver of charges on a case-by-case basis.**

Recovery of expenses for services provided to District Offices

3.29 In 2002, the CAS considered the feasibility of recovering expenses from government departments which had great demand for crowd management services. Subsequently, the CAS recovered the total cost of services provided to the Immigration Department in crowd management duties at Lo Wu. In the same year, in view of the great demand of services from District Offices, the CAS sought the agreement of the Security Bureau for the recovery of expenses from government departments. The Security Bureau refused to give policy support due to the absence of supporting figures. No further action was taken by the CAS to pursue this issue.

3.30 Audit noted that in recent years, the number of community involvement events held jointly by local organisations and District Offices had increased and the CAS had provided a large number of these events with crowd management services. **In Audit's view, the CAS management needs to keep track of the cost of services provided to District Offices, and, in consultation with the Security Bureau, consider charging District Offices for services provided by CAS members.**

Audit recommendations

3.31 **Audit has recommended that the CAS management should:**

Changes in operational needs of services

- (a) **in consultation with the Secretary for Security, conduct an establishment review of the CAS. In doing so, he should:**
 - (i) **take into account changes in the CAS operational needs since the last establishment review in 1993; and**
 - (ii) **ensure that the establishment of the CAS meets its future operational needs;**
- (b) **based on results of the establishment review of the CAS, take prompt action to review and revise the establishment of CAS staff;**

- (c) **in consultation with the Secretary for Security, set up a mechanism to review regularly the resource requirements of the CAS, taking into account changes in the CAS operational needs;**

Minimum service requirement not specified

- (d) **state clearly the minimum service requirement for CAS members in the CAS General Order;**

Service hours provided by CAS members

- (e) **closely monitor the services provided by individual CAS members;**
- (f) **issue guidelines to review periodically the cost-effectiveness of using CAS members to provide regular services;**

Discharge of members

- (g) **introduce an assessment system to ensure that CAS members meet the requirements of the CAS Regulation for retaining their membership. For those CAS members who fail to meet the requirements without reasonable excuse, they should be discharged;**

Mountain search and rescue stand-by duties

- (h) **in view of the low level of actual emergency call-out operations and the availability of mobile phones and the very efficient public transportation systems, review the existing stand-by arrangement for members of the CAS Mountain Search and Rescue Companies, and update the CAS Operation Order to properly manage the stand-by arrangement;**
- (i) **consider rescheduling some of the CAS training programmes so that CAS members could attend training while on stand-by duty;**

Charges for services provided to NGOs

- (j) **tighten control to ensure that all services rendered to NGOs by CAS members are properly charged;**
- (k) **seek the approval of the Secretary for Financial Services and the Treasury for waiver of charges on a case-by-case basis; and**

Recovery of expenses for services provided to District Offices

- (l) **keep track of the cost of services provided to District Offices and, in consultation with the Secretary for Security, consider charging District Offices for services provided by CAS members.**

Response from the Administration

3.32 The **Chief Staff Officer of the CAS** has said that he generally agrees with the audit recommendations. He has also said that:

Changes in operational needs of services

- (a) the CAS will continue to review regularly the operational structure, establishment and resource requirement of the CAS, taking into account current and future demand for CAS services. The CAS will consult the Secretary for Security in such reviews;
- (b) a major review was conducted in the 1999 reorganisation. Recent reviews have resulted in the restructuring of the CAS Headquarters and the Support Force in 2004, and the reorganisation of the Mountain Search and Rescue Companies in 2005. In all these reviews, the CAS has managed to meet the increasing demands for CAS services by restructuring the organisation and duties of the CAS units without increasing its establishment;

Minimum service requirement not specified

- (c) the CAS will specify in the CAS General Order the minimum service requirement for its members;

Service hours provided by CAS members

- (d) the CAS will specify in the CAS General Order the guidelines for reviewing the performance of its members;

Discharge of members

- (e) despite actions taken by the CAS in recent years to discharge inactive members or ask them to resign, there are still a number of such members in the CAS. The CAS will step up actions to remove such members so that their posts can be taken up by the applicants on the waiting list for enrolment;

Mountain search and rescue stand-by duties

- (f) the CAS will maintain the existing stand-by arrangement for mountain search and rescue. Should the Hong Kong Police Force or the FSD call for assistance to hikers, the CAS mountain search and rescue stand-by teams would need to be deployed immediately. If the members are not standing by at the operational base, deployment would be delayed for 45 to 60 minutes and it may cause a difference between life and death. The stand-by arrangement has to be maintained irrespective of the frequency of actual call outs for action as the CAS Mountain Search and Rescue Companies are the only professional mountain search and rescue unit in Hong Kong;
- (g) it has already been an established practice for the mountain search and rescue teams to conduct training while on stand-by duty. It is the practice adopted by all CAS units on stand-by duty (such as during typhoon);

Charges for services provided to NGOs

- (h) the CAS will continue to apply strict control to ensure that all services rendered to NGOs are properly charged;
- (i) the CAS has a set of criteria for deciding whether the services provided for an activity organised by an NGO should be charged. An endorsement of a government department is one of the criteria for the CAS to provide services to the general public with no charge. The CAS will seek the advice of the FSTB on the existing set of criteria;
- (j) the CAS will seek the approval of the Secretary for Financial Services and the Treasury for waiver of charges on a case-by-case basis;

Recovery of expenses for services provided to District Offices

- (k) the CAS will seek the advice of the FSTB on the existing set of criteria. According to the existing criteria, the CAS does not consider that events organised by District Offices for the general public should be charged; and
- (l) the consideration in 2002 on possible recovery of funds from District Offices was made in a special circumstance prompted by the great demand of services for the events celebrating the 5th anniversary of the Hong Kong Special Administrative Region, coupled with the estimated shortage of the CAS funds. It turned out that the CAS could manage to provide the community services in 2002 with its own funds.

3.33 The **Secretary for Security** has said that:

- (a) the Security Bureau will work with the CAS in its regular review of the operational structure, establishment and resource requirement of the CAS, taking into account current and future demand for CAS services; and
- (b) the Security Bureau notes that the CAS has undertaken to seek the FSTB's advice on the existing criteria on charging District Offices for the provision of services. The Security Bureau will work with the CAS in its review of the charging criteria, taking into account the FSTB's comments.

PART 4: PAY AND ALLOWANCES OF CIVIL AID SERVICE MEMBERS

4.1 This PART examines the pay and allowances of CAS members, and the provision of free meal and drinks to CAS members, and suggests measures for improvement.

Duties of Civil Aid Service members

4.2 According to the CAS Ordinance, CAS members have the following types of duties:

- (a) **Active service.** Active service is the service of a member when the whole or any part of the CAS is called out on the occasion of emergency by the Chief Executive, or by the Commissioner of the CAS pursuant to any order of the Chief Executive;
- (b) **Training.** Training is provided to CAS members under the CAS Ordinance; and
- (c) **Voluntary duty.** A member voluntarily reporting for and carrying out duty pursuant to a request by the Commissioner of the CAS to do so is deemed to be on voluntary duty.

Pay and allowances

4.3 The AFPAO makes provision for the granting of pay, pensions, gratuities, allowances and other benefits in respect of the auxiliary forces, including the CAS. CAS members engaged in active service, training or voluntary duty are eligible to be paid at the standard rates of pay shown in Appendix D. The pay and allowances of the auxiliary forces are reviewed every two years, taking into account the average civil service salary increase and changes in the Consumer Price Index over the period.

Audit observations

Training and voluntary duties without pay

4.4 In early 1975, due to the shortage of funds, the CAS sought legal advice from the then Attorney General's Chambers on whether CAS members could undergo training and perform duty voluntarily without receiving any form of remuneration from the Government. The Attorney General's Chambers replied that there was no legal objection to the proposals that CAS members underwent training in excess of the agreed paid hours for a

given year and performed duties without receiving any form of remuneration from the Government. The legal advice was made on the understanding that CAS members attending training or performing duty on a no-pay basis was out of their own free will and that they would be adequately covered in respect of accident, injury and death. In April 1975, the Secretary for Security gave permission to the CAS to authorise training and duty to its members without pay.

4.5 Audit scrutinised CAS records on the training of CAS members and services rendered to government departments and NGOs. Audit found that the Chief Staff Officer had, on two occasions, authorised CAS members' attendance on training or activity without pay.

4.6 **No-pay training.** Since 1992, the CAS has not provided funds for the normal training and riding practice of its Motor Cycle Demonstration Team. This arrangement shows that the CAS could suspend the pay and allowances for training which does not fall within its statutory functions. In Audit's view, pay and allowances should only be granted to CAS members for attending training directly related to the statutory duties of the CAS.

4.7 **No-pay activity.** In a tree planting activity held in 2004, some CAS members and cadets participated on a voluntary basis without pay.

4.8 Audit noted that in the past few years, the CAS had rejected a number of requests for CAS assistance without attempting to enlist its members' participation on a no-pay basis. **Audit considers that as CAS members are well-trained, skilful and disciplined personnel, the CAS management may encourage them to actively participate in community activities on a no-pay basis. The CAS management could establish a commendation system to recognise such voluntary contributions of CAS members.**

Pay for voluntary duties without approval of the Secretary for Security

4.9 According to sections 6, 8 and 9 of the AFPAO, CAS members, undergoing training or called out for active service in the event of a limited call out or a full call out, are eligible to be paid at the standard rates of pay. Section 7 of the AFPAO also specifies that where any CAS member **voluntarily** reports for and carries out duty other than training, he shall, subject to the approval of the Secretary for Security, be eligible to be paid for such voluntary duties.

4.10 Audit reviewed the pay and allowances claim records of 2004-05. Audit found that all the services provided in the year were classified as voluntary duties (see para. 4.2). Although the claim forms were duly certified and approved by the responsible commanders of the CAS, the approval of the Secretary for Security required by section 7 of the AFPAO could not be traced. **Audit considers that the approval of the Secretary for Security is required before making payments for the voluntary duties.**

Audit recommendations

4.11 **Audit has recommended that the CAS management should:**

- (a) **consider limiting the pay of CAS members to only those training courses that fall within the statutory duties of the CAS;**
- (b) **consider encouraging CAS members to participate in community services on a no-pay basis in order to make full use of their skills, techniques and knowledge to serve the community;**
- (c) **consider setting up a commendation system to encourage CAS members to participate in no-pay voluntary services, and recognise such no-pay service hours towards the efficiency requirements specified in the CAS Regulation and the CAS General Orders; and**
- (d) **seek the approval of the Secretary for Security before making any pay and allowances for voluntary duties in order to comply with section 7 of the AFPAO.**

Response from the Administration

4.12 The **Chief Staff Officer of the CAS** has said that he generally agrees with the audit recommendations. He has also said that:

- (a) the existing policy is that pay and allowances will not be granted to members for attending training not directly related to the statutory duties of the CAS. The CAS will continue to adhere to this policy;
- (b) the CAS will continue to encourage members to actively participate in community services even on a no-pay basis to fulfill their civic duties with their skills, techniques and knowledge learned from the CAS;

- (c) the CAS is not in favour of no-pay attendance in operations or regular training. This is because having part of the members performing duty or attending training on a no-pay basis would not contribute to the efficient command and control of a disciplinary force;
- (d) the CAS will consider setting up a commendation system to encourage members' participation in no-pay voluntary services. The CAS will also consider recognising such service hours towards the efficiency requirements of the CAS; and
- (e) it is impracticable to seek the approval of the Secretary for Security on each and every occasion before making any pay and allowances for voluntary duties to comply with section 7 of the AFPAO. The CAS will seek a delegation of authority from the Secretary for Security.

4.13 The **Secretary for Security** has said that he agrees that the CAS should seek his approval before making any pay and allowances for voluntary duties to comply with section 7 of the AFPAO. He notes that the CAS proposes to seek a delegation of authority from him. The Security Bureau will consider the proposal.

Ration allowance and the provision of direct feeding

4.14 According to section 10 of the AFPAO, a CAS member, who attends for duty for eight consecutive hours during which he is not provided with free meals or rations, shall be eligible to receive a daily ration allowance. In respect of the same period of 24 hours, no member shall be eligible to receive more than one ration allowance. The daily ration allowance is \$59 per head.

Formation of the Welfare Company

4.15 In October 1999, the CAS undertook a reorganisation to enhance its operational efficiency. A Sports and Welfare Company (now the Welfare Company) was formed by grouping all those former units which played the social functional role.

Provision of direct feeding

4.16 In December 2000, the CAS found that its members were in strong need of the provision of direct feeding when they attended services or centralised training. The CAS was of the view that:

- (a) during the attendance for service, it was difficult and time-consuming for CAS members to arrange self-feeding, and it broke the continuity of service especially for duty at remote places;
- (b) it was difficult to arrange shifts for lunch breaks in large scale community services with prolonged hours of service over eight hours;
- (c) it was not practical for uniformed members attending the full-day centralised training to have lunch outside; and
- (d) it would boost the team spirit for CAS members to take lunch together.

4.17 In December 2000, the CAS announced that, unless it was impractical to do so, meals would be provided to all units on emergency operations, service-wide exercises and service-wide training, irrespective of the duration of duty/training hours. On 1 January 2001, the CAS began to arrange direct feeding to its members when they performed emergency duties (e.g. vegetation fire fighting, mountain search and rescue, and typhoon and flood rescue) or major prolonged community services (e.g. elections and trail walking activities) irrespective of the duration of their service hours. The CAS also arranged direct feeding to its members attending full-day centralised training. The CAS considered that this arrangement would ensure a more efficient and economical use of government resources. The Welfare Company was expanded to include, among other things, the provision of meals and drinks to units in operation, community services and outdoor training.

Policy support for the provision of direct feeding

4.18 In December 2000, the CAS wrote to the Secretary for Security to seek policy support on the direct feeding proposal, and to the then Secretary for the Treasury for her approval to charge the expenses of direct feeding to the expenditure subhead “Pay and allowances for the auxiliary services”. The CAS estimated that the provision of meals would require an additional amount of \$447,000 each year but would result in a significant decrease in ration allowance.

Comments of the Department of Justice

4.19 In January 2001, the CAS wrote to the Department of Justice seeking clarification on whether the following arrangements complied with section 10 of the AFPAO on ration allowance:

- (a) providing free meals to CAS members on duty for less than eight hours; and
- (b) providing free meals, instead of ration allowance, to CAS members on duty for eight or more hours.

4.20 In February 2001, the Department of Justice advised the CAS that:

- (a) section 10(1) of the AFPAO did not prohibit the provision of free meals to CAS members on duty for less than eight hours; and
- (b) whether or not the CAS should provide free meals to a member in such circumstances was a matter of policy for the CAS to decide. In respect of members on duty for eight or more hours, the Department of Justice considered that free meals could be provided instead of ration allowance.

Reservations of the then Secretary for the Treasury on direct feeding

4.21 In March 2001, in response to the CAS's request for charging the expenses of direct feeding to the expenditure subhead "Pay and allowances for the auxiliary services", the then Secretary for the Treasury informed the CAS that:

- (a) the said expenditure subhead was to cover the remuneration of CAS members and therefore it was not an appropriate ambit for charging the expenses of direct feeding;
- (b) she had reservations about:
 - (i) the cost-effectiveness of providing direct feeding to CAS members in lieu of ration allowance; and
 - (ii) the justifications of providing direct feeding to CAS members performing emergency duties and community services for less than eight hours; and
- (c) in the light of the advice of the Department of Justice, she would rather regard the direct feeding proposal more of a management decision and comment only on the financial implication of the proposal.

4.22 In reply, the Chief Staff Officer of the CAS advised the then Secretary for the Treasury that the estimated additional cost for direct feeding would be \$250,000 each year. The estimated additional cost was based on the operations of major community services, vegetation fire fighting, flood rescue, and mountain search and rescue in 2000. The estimated cost of direct feeding per member ranged from \$23 to \$41.5 a day.

4.23 In April 2001, the then Secretary for the Treasury informed the CAS that:

- (a) if the CAS decided to implement the direct feeding proposal, it had to absorb the additional expenditure within its approved provision;
- (b) the estimated additional cost of \$250,000 was on the high side because CAS members deployed for duty in only one to two hours were also provided with direct feeding. This was not in line with the earlier proposal to arrange direct feeding to CAS members performing emergency duties or major prolonged community services for which arrangement of self-feeding was difficult;
- (c) she still had reservations about the cost-effectiveness and justifications of providing direct feeding; and
- (d) the direct feeding proposal was more of a management decision subject to the views of the Secretary for Security.

Since April 2001, the CAS had charged the expenses of direct feeding to departmental expenses.

Policy support of the Secretary for Security in 2001

4.24 In September 2001, the Secretary for Security gave policy support to the CAS to include the provision of direct feeding to its members and stated that any additional recurrent requirements would be absorbed within the resource allocations of the CAS. In 2004-05, the expenditure on direct feeding was \$1.9 million.

Audit observations

Provision of direct feeding not cost-effective

4.25 Section 10 of the AFPAO states that in respect of attendance for duty for eight or more hours during which a CAS member is not provided with free meals or rations, the member shall, in addition to his pay, be eligible to receive a daily ration allowance. Audit found that:

- (a) direct feeding or free meals were provided to CAS members irrespective of the duration of their attendance, even with attendance for less than eight hours;
- (b) in some cases, two to five meals or rations were provided to CAS members when they were on voluntary duty or training in a day. Meals were provided before the start and at the end of their attendance. In addition, food and drinks were provided once or twice in-between their attendance. Examples are given in Appendix K;
- (c) members of the Welfare Company were often deployed to collect the meal boxes at the canteens of the training centres and deliver them to CAS members performing duties at sites where food delivery and takeaway services were available in the vicinity;
- (d) the mobile canteen was often used for carrying members of the Welfare Company to deliver the meal boxes. Audit checked the vehicle log book of the mobile canteen and found that 78% of the journeys (i.e. 5,293 out of 6,751 kilometres) in 2004-05 was used for such purpose; and
- (e) in April 2001, the then Secretary for the Treasury expressed reservations about the arrangement of direct feeding (see paras. 4.21 to 4.23).

4.26 Audit analysed the expenditures of ration allowance and direct feeding for the years from 1997-98 to 2004-05. Audit found that the total expenditure increased from \$2.6 million in 1997-98 to \$3.6 million in 2004-05. Details are given in Appendix L. The provision of direct feeding in lieu of ration allowance may result in additional expenditure. **Audit considers that the CAS management needs to critically review the existing arrangement of direct feeding to CAS members with a view to using the government resources efficiently and economically.**

Implementation of direct feeding before obtaining policy support

4.27 The CAS found it difficult and time-consuming to arrange shifts for lunch breaks or self-feeding for its members on duty, and introduced direct feeding on 1 January 2001. The Secretary for Security gave policy support to the CAS to include the provision of direct feeding to its members in September 2001. Audit noted that the CAS had implemented the new arrangement of direct feeding eight months before obtaining policy support of the Secretary for Security. **In Audit's view, the CAS management should have obtained policy support of the Secretary for Security before implementing the new arrangement of direct feeding.**

Audit recommendations

4.28 **Audit has recommended that the CAS management should:**

Provision of direct feeding not cost-effective

- (a) **critically review the existing arrangement of direct feeding to CAS members, taking into account:**
 - (i) **the comments of the then Secretary for the Treasury on this issue;**
 - (ii) **the provision of section 10 of the AFPAO; and**
 - (iii) **the cost-effectiveness of delivering meal boxes by members of the Welfare Company and the CAS mobile canteen; and**

Implementation of direct feeding before obtaining policy support

- (b) **obtain policy support of the Secretary for Security before implementing a new arrangement/policy.**

Response from the Administration

4.29 The **Chief Staff Officer of the CAS** has said that he generally agrees with the audit recommendations. He has also said that:

Provision of direct feeding not cost-effective

- (a) the CAS has reviewed the existing arrangement of direct feeding to its members. In view of the cost-effectiveness of direct feeding and the fact that the provision of direct feeding has not been functioning up to expectation, the CAS has decided to restrict provision of direct feeding only to its members:
 - (i) on emergency duties; or
 - (ii) on very special occasions (e.g. crowd management services in odd hours and training camp in remote area) with the prior approval of the Support Force Commander based on the recommendation of the Commander of the Welfare Company;

Implementation of direct feeding before obtaining policy support

- (b) direct feeding to CAS members in operations has long been provided by the CAS on operational grounds. With the establishment of the Welfare Company in the 1999 reorganisation, the CAS took steps to extend the scope of direct feeding with a view to enhancing operational efficiency of the CAS and improving service support to units on duty; and
- (c) the CAS considers that the provision of direct feeding is essentially an operational matter which does not require the policy support of the Secretary for Security.

4.30 The **Secretary for Financial Services and the Treasury** has said that the FSTB remains concerned about the cost-effectiveness and justifications for providing meals to CAS members on duty for less than eight hours. The FSTB has noted from Appendices K and L that irregularities did exist and the direct feeding arrangement led to additional expenditure in the past three years although the number of CAS members remained more or less the same.

PART 5: UTILISATION OF THE TRAINING VENUES AND SUB-OFFICES

5.1 This PART examines the utilisation of the training venues and sub-offices of the CAS and suggests measures for improvement.

Training venues

5.2 According to CAS General Order No. 2.02, the CAS has to provide well-trained, skilful and disciplined personnel to assist the disciplined services departments and other government departments in emergency operations, or whenever CAS assistance is required. The Company Commanders must fully utilise all available resources to train and maintain members' knowledge and skill through practical field training and exercises. Training of CAS members is mainly conducted at the four training centres and two campsites located in different districts. Details of these training venues are shown in Appendix M.

5.3 Apart from the training venues, the CAS also hires other training accommodation, including government-aided and private schools and educational institutes (Note 8), to conduct training activities. In 2004-05, the total cost of hiring these premises was \$174,000.

5.4 **Audit analysis of usage rates of training venues.** The CAS did not compile statistics on the usage of its training venues. The CAS kept booking registers for its training centres at the CAS Headquarters, the CAS Hong Kong Training Centre and the CAS Kowloon Training Centre. The CAS only kept sign-in and sign-out records for the CAS Cadet Training Centre, the Yuen Tun Campsite and the Tai Tan Campsite. The training courses were recorded in the booking registers to indicate that the venues had been reserved. Audit examined the usage rates of the training venues, based on the booking registers, and sign-in and sign-out records of the four CAS training centres and the two campsites, for the years from 2002 to 2004. Details are given in Appendix N. Audit analysis indicated that for the years from 2002 to 2004:

- (a) the average usage rate of the training centres was 25%; and
- (b) the average usage rate of the campsites was 40%.

Note 8: *Public school premises are provided by the Education and Manpower Bureau to the CAS free of charge except for air-conditioning charges. The CAS hires government-aided and private school premises only when the public school premises are not available.*

Audit observations

Low usage rates of training venues

5.5 Audit noted that the average usage rates of the CAS training venues were low (see Appendix N). In 2004:

- (a) the average usage rate of the four training centres was 23%;
- (b) the average usage rate of the two campsites was 32%; and
- (c) the usage rate of the morning session of the CAS Hong Kong Training Centre in Causeway Bay was 4%.

Audit considers that, in view of the low usage rates of the CAS training venues, the CAS management needs to increase the usage of its training venues and minimise the hiring of other training accommodation.

Audit recommendations

5.6 **Audit has recommended that the CAS management should:**

- (a) **examine the need to retain all the under-utilised training venues;**
- (b) **review the need to continue hiring government-aided and private schools and educational institutes for training activities; and**
- (c) **in consultation with the Government Property Administrator, consider sharing those under-utilised training venues with other government departments or educational institutes.**

Response from the Administration

5.7 The **Chief Staff Officer of the CAS** has said that he generally agrees with the audit recommendations. He has also said that:

- (a) the CAS will return the CAS Kowloon Training Centre and the CAS Cadet Training Centre in mid-2006 to the Government Property Agency (GPA) upon the reprovisioning of the CAS Headquarters to the West Kowloon Reclamation. The CAS will continue to review the needs with a view to further reducing the number of training venues;

- (b) the CAS will need to continue to hire schools at different locations as training venues. This is particularly important for cadets (some aged only 12 years) as it is not preferable for them to travel afar frequently; and
- (c) the CAS will continue to share its training venues with other government departments, educational institutes and Youth Uniformed Groups. Most members of the CAS have their own full-time jobs and they serve with the CAS mainly outside normal office hours.

Sub-offices

5.8 The CAS sub-offices, under the localised set-up based upon a norm established decades ago when communication and transport facilities were inadequate, were set up to meet the regular training needs of CAS members at a base in the neighbourhood of their residence. As at 31 May 2005, the CAS had 25 sub-offices (5 on Hong Kong Island, 8 in Kowloon and 12 in the New Territories) for its 73 operational units. The sub-offices are located in 19 rent-free government premises and 6 leased commercial premises. In 2004-05, the total cost of leasing the commercial premises was \$1.47 million.

Annual review of office accommodation

5.9 In September 2000, the GPA issued Accommodation Circular No. 3/2000 promulgating a new arrangement of Annual Review of Office Accommodation. Under the arrangement, all bureaux and departments are required to conduct a comprehensive and critical review of all government-owned and leased accommodation allocated to them. Users are requested to forecast beyond two financial years on the surplus accommodation to be returned, proposals on rationalisation of accommodation or co-location to achieve savings, and the requirements for additional accommodation.

Audit observations

Review of the number of sub-offices

5.10 According to the returns of Annual Review of Office Accommodation to the GPA for the years from 2000 to 2004, the CAS surrendered its Kwai Chung Sub-office in 2000 and Mui Wo Sub-office in 2003. In response to audit enquiries in early January 2005, the CAS, after conducting a review of its sub-offices, informed Audit in February 2005 that the number of sub-offices should be reduced from 25 to 16 under the CAS new accommodation policy. According to the Annual Review of Office Accommodation 2005-06, the CAS informed the GPA that it would return nine surplus sub-offices to the GPA by 2009-10.

5.11 The rapid development of electronic communications and public transportation networks enables people to travel to most parts of Hong Kong quickly and conveniently. **Audit considers that the CAS management needs to review the usage of all sub-offices and expedite action to return the surplus accommodation to the GPA.**

Audit recommendations

5.12 **Audit has recommended that the CAS management should:**

- (a) **expedite action to surrender the nine surplus sub-offices to the GPA; and**
- (b) **critically review the justifications for retaining the remaining 16 sub-offices, taking into account centralised training at the Company level, and the availability of electronic communications and public transportation networks.**

Response from the Administration

5.13 The **Chief Staff Officer of the CAS** has said that:

- (a) nine sub-offices will be returned to the GPA by 2009-10;
- (b) the remaining 16 sub-offices are required for units located in different districts, especially the cadet units because it is not preferable for cadets (some aged only 12 years) to travel afar frequently; and
- (c) many sub-offices also serve as the operational bases of the CAS at different locations. There is an operational need to retain them for emergency operations, particularly on the occasion of natural disasters (such as typhoons).

PART 6: CONTROL AND PROCUREMENT OF STORES ITEMS

6.1 This PART examines the control and procurement of CAS stores items and suggests measures for improvement.

Management of stores items

6.2 The Government Logistics Department (GLD) is the central procurement agent for the purchases of stores items. Departments with Supplies Officers are allowed to make direct purchases of stores items not exceeding \$750,000. The Stores and Procurement Regulations (SPRs) specify the procedures for managing stores items procured by government departments through the GLD or direct purchases. The Departmental Stores Manager (i.e. the CAS Staff Officer) supervises all stores and procurement matters. Purchasing and stores management functions are normally assigned to Supplies Grade officers. The CAS adopts a centralised supplies system, managed by a Supplies Officer in the Headquarters Supplies Section, to ensure an effective operation and efficient provision of supplies services.

6.3 According to SPR 140, the Departmental Stores Manager is responsible for:

- (a) inspecting the store units and carrying out surprise stock and security checks;
- (b) ensuring stores items are not purchased unnecessarily, and when surplus stock is noted, investigating the matter promptly and reporting to the Controlling Officer if necessary; and
- (c) ensuring that the procurement procedures stipulated in the SPRs are followed.

6.4 As at 31 March 2005, the CAS had 506 stores items with a total value of \$4.4 million (i.e. \$4 million for 126 uniform items, and \$0.4 million for 380 general and stationery stores items). The Departmental Stores Ledger Posting System (DSLPS) of the GLD is used for the maintenance of stores items.

Audit observations

Inaccurate stock reports

6.5 For management purposes, the DSLPS regularly generates the stock control reports, including the Stock Balance and Valuation Report, and the Stock Turnover Rate Report. According to SPRs 150 and 715(a), the responsible officer of the store unit should

ensure that stores items brought on charge are properly accounted for, and the receipt and issue of stores items are correctly recorded. Supplies Grade officers are required to report to the Controlling Officer (i.e. the Chief Staff Officer of the CAS) and the Director of Government Logistics defects in the stores and procurement systems in the department.

6.6 ***Errors in input of unit cost.*** Audit review of the CAS stock records for the years from 2002-03 to 2004-05 found that the CAS had erroneously input the unit costs of five stores items to the DSLPS. For example, in 2002-03, the unit cost of a “box” of computer paper was input as the unit cost of a “sheet” of computer paper. In October 2002, 10 boxes of computer paper were purchased at a unit cost of \$213.45. Each box had 2,000 sheets of paper. The total cost was \$2,134.50. However, the unit cost of the computer paper was wrongly input as \$213.45 per sheet instead of per box. The total value of the 10 boxes of computer paper was wrongly recorded as \$4,269,000 ($\$213.45 \times 2,000 \times 10$) instead of \$2,134.50. The stock value shown in the Stock Balance and Valuation Report was overstated by some \$4.3 million. Up to 30 June 2005, the error still appeared in the Stock Balance and Valuation Report. As a result of the erroneous input of unit costs of five stores items, the stock value was overstated by \$3.7 million to \$4.4 million during the years from 2002-03 to 2004-05.

6.7 ***Discrepancies in stock reports.*** Audit found that, for the year ended 31 March 2005, the total issued transaction values of some stores items recorded in the Stock Balance and Valuation Report did not tally with those recorded in the Stock Turnover Rate Report (Note 9). Examples are given in Appendix O. Audit also found that, in 2004-05, some stores items had transaction values shown in the Stock Balance and Valuation Report, but zero transaction values shown in the Stock Turnover Rate Report. Examples are given in Appendix P. In response to an audit enquiry, the CAS explained that the figures shown in the Stock Turnover Rate Report were incorrect due to defects in the DSLPS. Audit noted that the CAS had not followed up such discrepancies and the problem had not been reported to the GLD for taking remedial action until after the audit enquiry in May 2005.

6.8 **Audit considers that, for effective stock management, the CAS management needs to ensure that the CAS stock records are accurate and correct, and defects in the DSLPS are reported to the GLD for taking remedial action.**

Note 9: *The report shows the stock turnover rate of each stores item. The stock turnover rate of an item is the number of times the stock of the item has flowed through a warehouse in a year. It is calculated by dividing the total value of the stock issued in a year by the average value of stockholding for the item.*

Excessive purchase of stores items

6.9 The CAS purchases most of the uniform and accoutrement items, and draws stationery and general items from the GLD. The CAS makes direct purchases of stores items which are not available from the GLD. According to SPRs 140(f) and 815, the Departmental Stores Manager should ensure that stores items are not purchased unnecessarily and the goods supplied are in full compliance with the tender or order specifications.

6.10 ***Purchase of stores items arising from the surplus production of suppliers.*** Audit found that the CAS had purchased extra quantities of three stores items (i.e. additional 17% of light blue helmets, 14% of pale blue shirts for cadets and 19% of navy blue trousers) in addition to the tender quantities. The extra quantities were purchased from suppliers arising from their surplus production. Details are given in Appendix Q. Audit analysis indicated that there were excessive stocks, including the light blue helmets, pale blue shirts for cadets and navy blue trousers. Details are given in Appendix R. **Audit considers that it is unnecessary for the CAS to purchase the additional stores items produced by the suppliers in view of the high level of stock balance.**

6.11 ***Replenishment of stores items in excess of requirements.*** Audit found that some stores items were replenished without justifications and the quantities ordered were in excess of the annual consumption. Examples are given in Appendix R. In December 2003, 4,500 sets of 4-piece picnic cutlery were purchased when the stock on hand could still last for 1.2 years. The purchase increased the consumption period of the stock to 4.1 years. In the same month, 8,000 pale blue shirts for cadets were purchased by the CAS. The total quantity would meet the need for more than eight years.

6.12 ***Replenishing uniform items to be replaced.*** In January 1999, the CAS decided to replace its members' uniform and accoutrement items by phases. However, the CAS did not have a plan or replacement schedule to phase out the old uniforms by stages. Without a replacement plan, the Supplies Section kept on replenishing the old style uniform items. Audit found that there were replenishments, for more than ten times, of 1,048 male baratheas blouses and 1,047 male baratheas trousers during the years from 1999-2000 to 2001-02. In 2003, the CAS stopped issuing these two types of uniform items to 3,000 CAS members below the Officer rank. In 2004-05, only four pieces of each of these items were issued. The stock balances as at 31 March 2005 were 732 male baratheas blouses valued at \$188,856 and 615 male baratheas trousers valued at \$96,555. As the uniform replacement cycle is five years and there are about 300 CAS members of Officer rank in the CAS, it will take more than ten years to issue these two uniform items. The excessive stock of the uniforms could have been avoided if the CAS had critically reviewed the stock level of these two uniform items subsequent to its decision to replace CAS members' uniform and accoutrement items in 1999.

6.13 In Audit's view, excessive procurement of stores items is a waste of public money. It may result in slow-moving, dormant or even obsolete stores items. **The CAS management needs to ensure that additional stores items are purchased with adequate justifications. The CAS management also needs to tighten the control procedures in the purchase of additional stores items, taking into account the annual usage pattern and other factors which may affect their consumption.**

Slow-moving and dormant stores items

6.14 According to SPR 140(f), the Departmental Stores Manager is directly responsible for investigating promptly the matter of surplus stock and reporting to the Controlling Officer if necessary. According to CAS General Order No. 6.12, serviceable stores items which become surplus to requirements, dormant or without being used for a period of more than three years should be reported to the Chief Staff Officer in writing. Audit found that as at 31 March 2005, 84 stores items with a total value of \$79,000 had remained dormant for over three years. The Supplies Section did not review these dormant stores items and did not report any dormant stores items to the Chief Staff Officer in accordance with CAS General Order No. 6.12. **Audit considers that the CAS management needs to introduce measures to remind the Supplies Grade officers to comply with CAS General Order No. 6.12.**

Stock turnover of stores items

6.15 As at 31 March 2005, the CAS had 506 stores items. The GLD had set the target stock turnover rate (see Note 9 to para. 6.7) of a stores item at five times a year. Audit analysed the stock turnover rates of 506 CAS stores items in 2004-05. Audit found that only 14 (3%) stores items had achieved the target stock turnover rate adopted by the GLD. Of the other 492 stores items, 171 items have zero stock turnover rates in 2004-05 (see Appendix S). **Audit considers that the CAS management needs to investigate the circumstances leading to the low stock turnover rates, identify excessive, dormant or slow-moving stores items, deficiencies in the procurement and stock control procedures, and dispose of any unnecessary items.**

Unserviceable stores items kept for a long time

6.16 Audit analysis of stores items kept in the CAS storeroom found that 47 items of unserviceable microcomputers and accessories had been kept in the storeroom for up to more than five years. The GLD has a government bulk contract for the sale of used or unserviceable microcomputers and accessories. **Audit considers that the CAS management needs to dispose of unserviceable microcomputers and accessories through the government bulk contract.**

6.17 As at 31 March 2005, 180 unserviceable bulky stores items (such as old stretchers and stoves) listed in Appendix T were kept by the CAS for some years. **Audit considers that the CAS management needs to dispose of these unserviceable items to reduce administrative work and make available the storage space.**

Audit recommendations

6.18 **Audit has recommended that the CAS management should:**

Inaccurate stock reports

- (a) **ensure that the CAS stock records are accurate and correct;**
- (b) **ensure that defects in the DSLPS are promptly reported to the GLD for taking remedial action;**

Excessive purchase of stores items

- (c) **avoid purchasing stores items arising from surplus production of suppliers and ensure that additional stores items are purchased with adequate justifications;**
- (d) **tighten the control procedures in the purchase of additional stores items, taking into account the annual usage pattern and other factors which may affect their consumption;**

Slow-moving and dormant stores items

- (e) **introduce measures to remind the Supplies Grade officers to comply with CAS General Order No. 6.12;**

Stock turnover of stores items

- (f) **investigate the circumstances leading to low stock turnover rates of some CAS stores items, identify excessive, dormant or slow-moving stores items, deficiencies in the procurement and stock control procedures, and dispose of any unnecessary items;**

Unserviceable stores items kept for a long time

- (g) **dispose of any unserviceable microcomputers and accessories through the government bulk contract; and**

- (h) **dispose of unserviceable stores items to reduce administrative work and make available the storage space.**

Response from the Administration

6.19 The **Chief Staff Officer of the CAS** has said that he generally agrees with the audit recommendations. He has also said that:

Inaccurate stock reports

- (a) the CAS will take steps to ensure that:
 - (i) the CAS stock records are accurate and correct; and
 - (ii) defects in the DSLPS are promptly reported to the GLD for taking remedial actions;

Excessive purchase of stores items

- (b) according to the General Conditions of Contract issued by the GLD for the supply of goods to the Government, it is an acceptable practice to allow a 20% margin for the purchase of the tender quantity;
- (c) those stores items (including the 4-piece picnic cutlery sets), listed in Appendix R with considerable quantity of additional orders, were mainly for the first issue to all cadets as directed by the CAS Commissioner's Conference. Cadets were not previously issued with those items, hence bulk purchases were made to meet the requirements;

Slow-moving and dormant stores items

- (d) the CAS will take steps to improve the stock control system with a view to minimising over-stocking; and

Unserviceable stores items kept for a long time

- (e) the CAS will take steps to improve the stock control system with a view to disposing of the unusable and unwanted items.

6.20 The **Director of Government Logistics** has said that:

Discrepancies in stock reports

- (a) the GLD received a memo dated 10 May 2005 from the CAS regarding the discrepancies in the 2004-05 year-end stock reports generated by the DSLPS. The GLD has conducted a site visit. It appears that it is a system bug. Apart from the two year-end reports, all other functions and reports are in order. The GLD has downloaded the source data from the CAS and uploaded to the GLD's system for trial run. The process is in progress. If it is a system bug, the GLD will assist the CAS to replace the current system with a new copy of the application software. The DSLPS has been introduced for use by bureaux/departments since 2001-02 and has over 90 users. However, no similar problem has been reported;

Replenishment of stores items in excess of requirements

- (b) in the GLD's Supplies Survey and Stock Verification Report dated 16 August 2001, the GLD had identified a number of stores items with excessive stocks. The CAS had been requested to review those items. As the stock of some items had again been found to be excessive, the GLD had brought it to the attention of the CAS through the next Report dated 10 May 2002. The GLD had also carried out a system survey of the CAS in early 2005 with a view to improving systems and procedures for effective and efficient operation of procurement and supplies activities. In the System Survey Report dated 14 March 2005, the GLD had recommended the CAS to use the Provisioning Demand Form for replenishment of stores items. The form should contain essential information such as reordering level, annual consumption, stock in hand and suggested ordering quantity to facilitate the approving officer to make a decision. The GLD completed another Supplies Survey and Stock Verification of the CAS in May 2005 and identified the following dormant and excessive stocks:

| | Total number of items | Dormant stock items | Excessive stock items |
|----------------------|----------------------------------|--------------------------------|----------------------------------|
| Uniform stores items | 146 | 8 (5.5%) | 90 (61.6%) |
| General stores items | 438 | 91 (20.8%) | 264 (60.3%) |

The Report was issued in August 2005; and

Stock turnover of stores items

- (c) the GLD had set the target stock turnover rate for common-user items maintained by the GLD at five times a year up to 2004-05. However, it is not a mandatory indicator for other bureaux/departments. Bureaux/departments should review their own stockholding policy and operational needs and draw up their own performance indicator. The GLD had revised the stock turnover rate for unallocated stores to 0.5 times a year in 2005-06 as a result of the change of stockholding policy to keep essential and emergency items only.

PART 7: MANAGEMENT INFORMATION

7.1 This PART examines the adequacy of management information for monitoring the operation and training of the CAS, and suggests measures for improvement.

Management information of the Civil Aid Service

7.2 The CAS has a Database Management System for maintaining the personnel records of all CAS members and cadets, and a computerised Payroll System for computing the monthly pay and allowances for CAS members. At the end of each month, individual units of the CAS are required to submit records on the training attendance and service attendance of their members to the CAS Headquarters. The CAS Headquarters, based on the records, inputs the training hours and service hours of CAS members to the Payroll System. The system stores the data and generates reports on the total number of hours that individual CAS members are eligible for payment. Based on the computer reports, the CAS Headquarters prepares payment vouchers to the Treasury for making payments to CAS members.

Audit observations

7.3 Management information can facilitate the CAS management in the planning, monitoring and decision-making on the operation and training of the CAS. However, Audit noted that the CAS did not have adequate management information. Audit observations are given in paragraphs 7.4 to 7.7.

Limited management information on training attendance

7.4 At the end of each year, the CAS Headquarters, based on the data kept in the Payroll System, compiled statistics and generated reports on the total unit training hours of individual CAS members in the year. These reports enabled the CAS management to ascertain whether CAS members had complied with the specific minimum unit training attendance requirement of 30 hours in a year. However, the CAS did not compile statistics on the total hours of other types of training (i.e. recruit training and centralised training) attended by individual CAS members and cadets in a year. The CAS management had little knowledge of:

- (a) the extent of compliance with the specified minimum overall training attendance requirement of 60 hours in a year by CAS members (see para. 2.7);
- (b) the excessive training attendance of individual CAS members; and
- (c) the training hours attended by individual cadets.

Audit considers that, without such information, it is difficult for the CAS management to plan and manage the CAS training resources, and monitor the training attendance of CAS members and cadets effectively. In addition to the statistics on unit training of individual CAS members, the CAS management needs to compile statistics on all the training attendance of individual CAS members and cadets, and prepare management reports periodically to help monitor the training attendance of CAS members and cadets.

No management information on services provided

7.5 The CAS did not compile statistics on the services provided by individual CAS members and cadets. The CAS management had little knowledge of the extent of services rendered by individual CAS members and cadets in a year. **Audit considers that, without such information, it is difficult for the CAS management to plan and monitor effectively the services provided by CAS members and cadets. The CAS management needs to compile statistics on the services provided by CAS members and cadets, and prepare management reports periodically to help monitor the services provided by CAS members and cadets.**

No management information on the usage of training venues and sub-offices

7.6 The CAS kept booking registers, or sign-in and sign-out records for recording the usage of its training venues. However, the CAS did not make use of these data to compile statistics on the usage rates of its training venues. The CAS did not keep records and did not compile statistics on the usage of its 25 sub-offices. In the absence of such statistics, the CAS management had little knowledge of the usage rates of its training venues and sub-offices. **Audit considers that the CAS management needs to keep proper records on the usage of the CAS training venues and sub-offices, and make use of the data to compile statistics and other management reports periodically to facilitate the CAS management in the planning and management of the CAS training venues and sub-offices.**

Development of a Human Resource Management System

7.7 In 2003, the CAS considered that the existing Database Management System was unable to fully fulfill its operational requirements and the existing Payroll System needed to be enhanced. In November 2003, a contractor was appointed to upgrade and combine the existing Database Management System and Payroll System into a Human Resource Management System. The new system would administer the records of CAS members and cadets for the purposes of recruitment, promotion, training, day-to-day operations, employee compensation and retirement. It would also minimise the need to adjust

attendance records manually and generate various kinds of valuable statistics to facilitate the CAS management in decision-making. In June 2005, the new system was under testing and the plan was to implement the new system by December 2005. **Audit considers that the CAS management needs to consider enhancing the new Human Resource Management System so that it would generate management reports, including reports on training attendance and service attendance of individual CAS members and cadets, and the usage rates of the CAS training venues and sub-offices.**

Audit recommendations

7.8 **Audit has recommended that the CAS management should:**

- (a) **compile statistics on all the training attendance of individual CAS members and cadets, prepare management reports periodically to facilitate the CAS management to plan and manage the CAS training resources, and monitor the training attendance of CAS members and cadets;**
- (b) **compile statistics on services provided by individual CAS members and cadets, and prepare management reports periodically to facilitate the CAS management to plan and monitor the services provided by CAS members and cadets;**
- (c) **keep proper records on the usage of the CAS training venues and sub-offices;**
- (d) **compile statistics on the usage of the CAS training venues and sub-offices, and prepare management reports periodically to facilitate the CAS management to plan and manage the CAS training venues and sub-offices; and**
- (e) **consider enhancing the new Human Resource Management System so that it would generate management reports, including reports on training attendance and service attendance of individual CAS members and cadets, and the usage rates of the CAS training venues and sub-offices.**

Response from the Administration

7.9 The **Chief Staff Officer of the CAS** has said that he agrees with the audit recommendations. He has also said that:

- (a) improvement of management information is beneficial to the CAS both in financial control and in management of individual units as well as individual members;

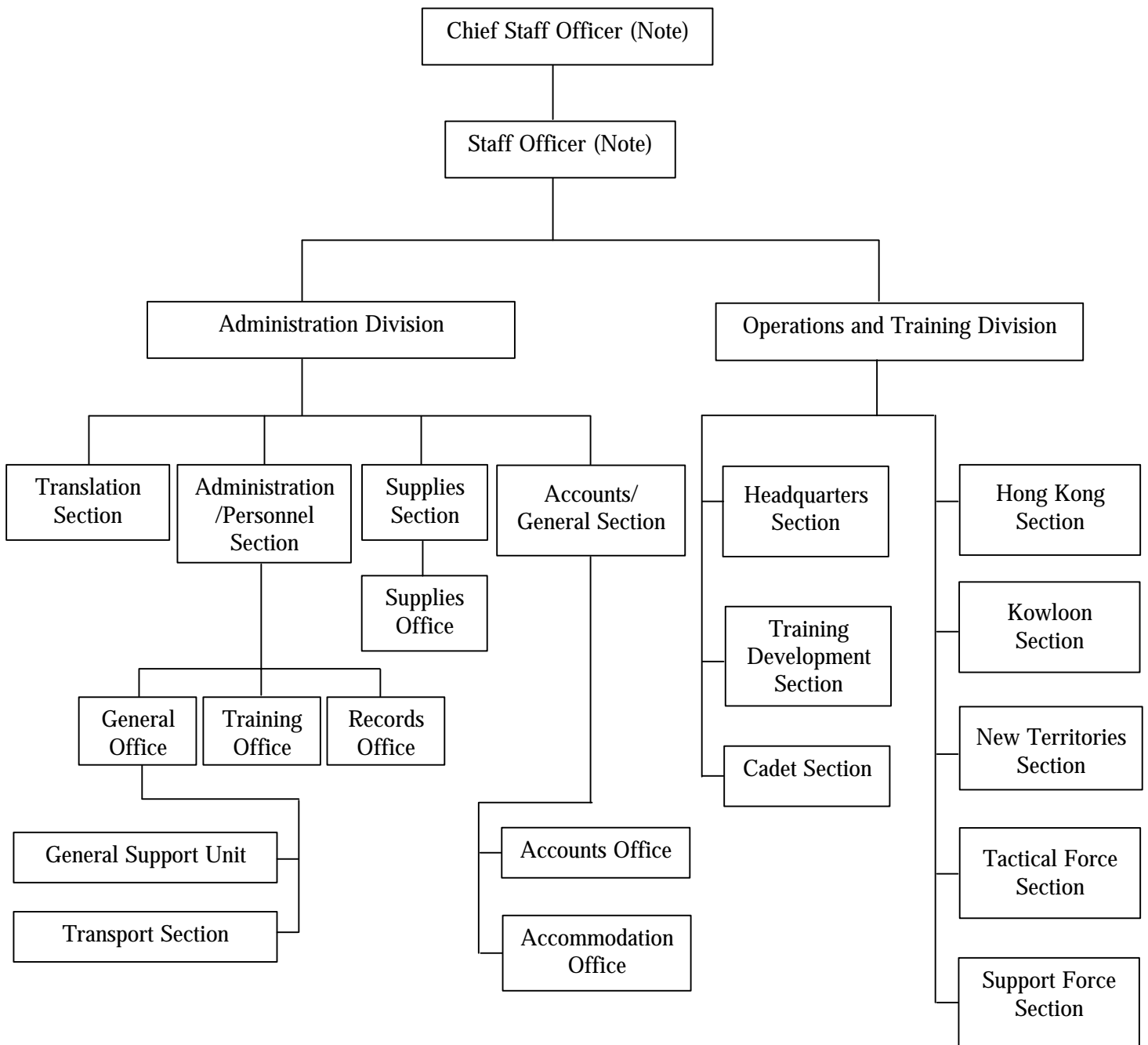
- (b) the CAS will take steps to improve its management information through management reports generated from statistics on activities of individual members, individual units and individual venues;
- (c) provision of the management reports will be included in Phase II of the computerised Human Resource Management System which will be implemented subject to the availability of funding; and
- (d) in the meantime, the management reports will be prepared manually as far as possible on the basis of available statistics.

**Expenditure of the Civil Aid Service
and establishment of Civil Aid Service staff
(1993-94 to 2004-05)**

| Year | Recurrent expenditure (S'000) | Capital expenditure (S'000) | Establishment as at 31 March (Number) |
|-------------|--|--|--|
| 1993-94 | 57,077 | 174 | 126 |
| 1994-95 | 64,139 | – | 126 |
| 1995-96 | 66,765 | 594 | 126 |
| 1996-97 | 77,057 | 257 | 128 |
| 1997-98 | 72,617 | 430 | 122 |
| 1998-99 | 77,427 | – | 126 |
| 1999-2000 | 77,659 | 1,769 | 127 |
| 2000-01 | 77,291 | 840 | 122 |
| 2001-02 | 79,248 | 1,035 | 119 |
| 2002-03 | 79,335 | 202 | 116 |
| 2003-04 | 76,458 | – | 115 |
| 2004-05 | 73,616 | – | 114 |

Source: CAS records

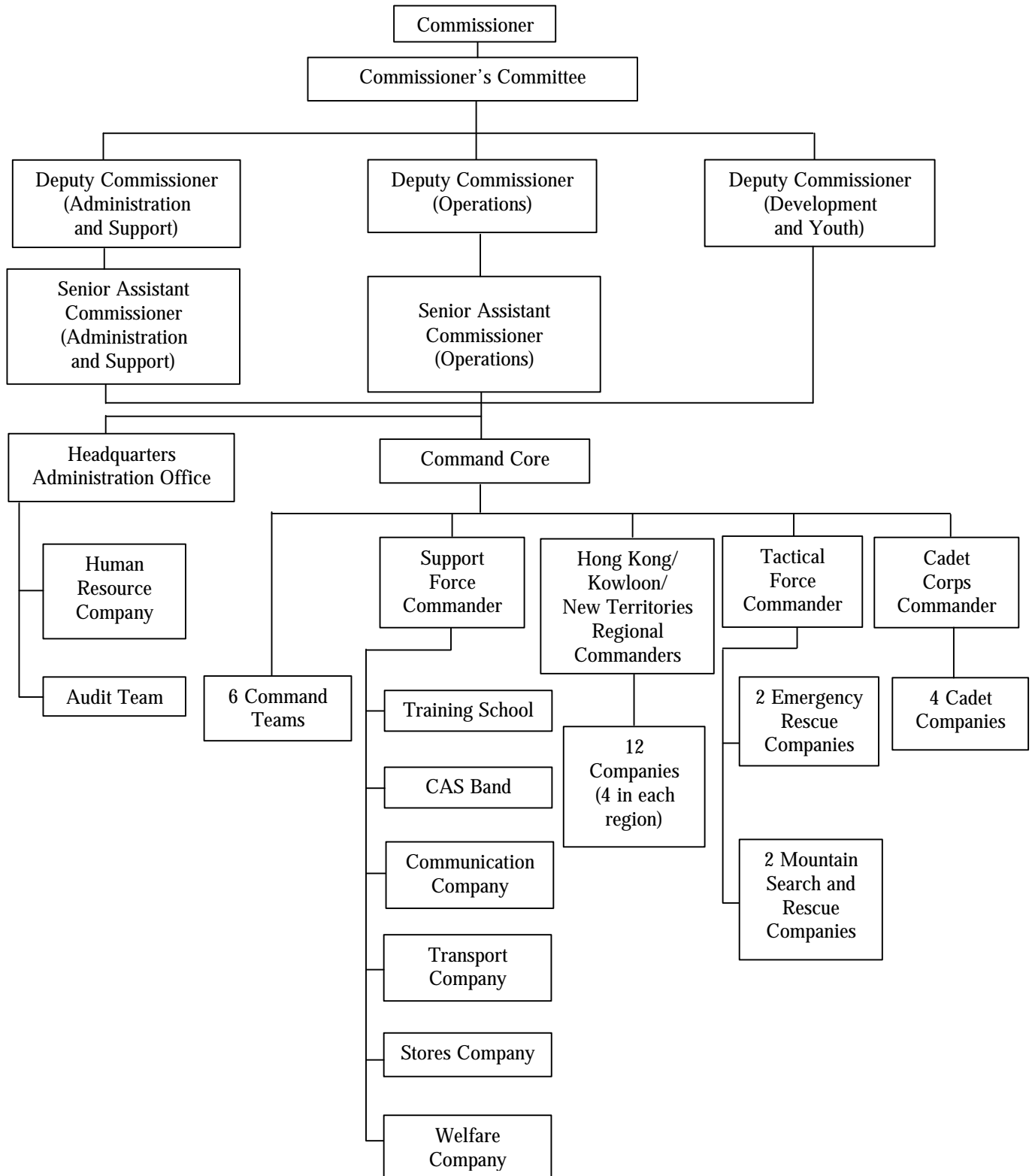
**Organisation chart of the Civil Aid Service (Department)
(May 2005)**



Source: CAS records

Note: The Chief Staff Officer is appointed as the Deputy Commissioner (Operations) and the Staff Officer is appointed as the Senior Assistant Commissioner (Operations) of the CAS auxiliary force.

**Organisation chart of the Civil Aid Service auxiliary force
(May 2005)**



Source: CAS records

**Rates of pay for Civil Aid Service members
 (2005-06)**

| | Grade | Hourly rate of pay (\$) | Daily rate of pay (i.e. hourly rate × 8) (\$) |
|-------------------------------|--------------|------------------------------------|--|
| Officer | | | |
| Commissioner | SVII | 144.4 | 1,155.2 |
| Deputy Commissioner | VII | 123.6 | 988.8 |
| Senior Assistant Commissioner | VII | 123.6 | 988.8 |
| Commander | VII | 123.6 | 988.8 |
| Chief Operations Officer | SVI | 110.2 | 881.6 |
| Deputy Commander | SVI | 110.2 | 881.6 |
| Assistant Commander | VI | 110.2 | 881.6 |
| Adviser | VI | 110.2 | 881.6 |
| Company Commander | SV | 89.1 | 712.8 |
| Deputy Company Commander | V | 68.8 | 550.4 |
| Platoon Commander | IV | 61.4 | 491.2 |
| Other rank | | | |
| Senior Section Leader | SIII | 48.2 | 385.6 |
| Section Leader | III | 44.2 | 353.6 |
| Deputy Section Leader | II | 36.0 | 288.0 |
| Senior Member | SI | 30.4 | 243.2 |
| Member | I | 29.6 | 236.8 |

Source: CAS records and AFPAO

**Training attendance of Civil Aid Service members
(2003 and 2004)**

| Training hour | CAS member (Note) | | | | | |
|-------------------------|-------------------|------------|--------------|------------|--------------|------------|
| | 2003 | | 2004 | | Average | |
| | (Number) | (%) | (Number) | (%) | (Number) | (%) |
| 0 | 372 | 10 | 324 | 9 | 348 | 10 |
| Less than 60 | 1,064 | 29 | 1,094 | 31 | 1,079 | 30 |
| | } 1,436 | | } 1,418 | | } 1,427 | |
| | | } 39 | | } 40 | | } 40 |
| 60 to less than 200 | 1,592 | 44 | 1,600 | 45 | 1,596 | 44 |
| 200 to less than 300 | 463 | 13 | 400 | 11 | 432 | 12 |
| 300 to less than 400 | 94 | 3 | 92 | 3 | 93 | 3 |
| 400 and above | 48 | 1 | 56 | 1 | 52 | 1 |
| | } 577 | | | | } 16 | |
| Total | 3,633 | 100 | 3,566 | 100 | 3,600 | 100 |

Source: CAS records

Note: The number of CAS members included those who left the CAS in the year. In 2003 and 2004, the numbers of CAS members (with no training hours) left the CAS were 182 and 143 respectively.

**Unit training attendance of Civil Aid Service members
(2003 and 2004)**

| Unit training hour | CAS member (Note) | | | | | |
|-----------------------|---------------------|-------------------|---------------------|-------------------|---------------------|-------------------|
| | 2003 | | 2004 | | Average | |
| | (Number) | (%) | (Number) | (%) | (Number) | (%) |
| 0 | 501 | 14 | 455 | 13 | 478 | 13 |
| Less than 30 | 770 | 21 | 602 | 17 | 686 | 19 |
| 30 and above | 2,362 | 65 | 2,509 | 70 | 2,436 | 68 |
| Total | <u>3,633</u> | <u>100</u> | <u>3,566</u> | <u>100</u> | <u>3,600</u> | <u>100</u> |

Source: CAS records

Note: The number of CAS members included those who left the CAS in the year. In 2003 and 2004, the numbers of CAS members (with no unit training hours) left the CAS were 182 and 143 respectively.

**Services provided by Civil Aid Service members
(2004-05)**

| Type of service | Number of service hours | Amount of pay and allowances |
|---|----------------------------|------------------------------------|
| | ('000) | (\$ million) |
| Crowd control services at the Lo Wu Immigration Control Point | 137 | 5.70 |
| Crowd management services and staged performance | 78 | 2.63 |
| Country park and hiking trail patrolling on holidays | 76 | 2.55 |
| Non-operational special projects (e.g. cadet activities, maintenance projects, information technology projects and administrative work) | 79 | 3.17 |
| Smart Teen Challenge Camp | 27 | 0.83 |
| Mountain search and rescue services | 20 | 0.74 |
| Operational special projects (e.g. typhoons, hill fires and provision of meals) | 12 | 0.44 |
| Others (e.g. elections and the Youth Pre-employment Training Programme) | 22 | 0.92 |
| Total | <u>451</u> | <u>16.98</u> |

Source: CAS records

**Comparison of average strength with establishment
of the Civil Aid Service auxiliary force
(January 2000 to April 2005)**

| Year | CAS member | | | Cadet | | |
|---------------------------|---------------|------------------------------|--|---------------|------------------------------|--|
| | Establishment | Average strength (Note 1) | Percentage of strength to establishment $(c) = \frac{(b)}{(a)} \cdot 100\%$ | Establishment | Average strength (Note 1) | Percentage of strength to establishment $(f) = \frac{(e)}{(d)} \cdot 100\%$ |
| | (a) | (b) | | (d) | (e) | |
| 2000 | 3,634 | 3,490 | 96% | 3,232 | 2,618 | 81% |
| 2001 | 3,634 | 3,333 | 92% | 3,232 | 3,112 | 96% |
| 2002 | 3,634 | 3,404 | 94% | 3,232 | 3,192 | 99% |
| 2003 | 3,634 | 3,432 | 94% | 3,232 | 3,247 (Note 2) | 101% |
| 2004 | 3,634 | 3,381 | 93% | 3,232 | 3,015 | 93% |
| 2005 (January – April) | 3,634 | 3,343 | 92% | 3,232 | 2,811 | 87% |
| Average | 3,634 | 3,397 | 93% | 3,232 | 2,999 | 93% |
| Shortage | | 237 | | | 233 | |

Source: CAS records

Note 1: The average strength is calculated as follows:

Sum of the total number of CAS members/cadets at the beginning of each month in a year

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Note 2: During the years from 2001 to 2003, for some months, the strength of cadets exceeded the establishment because, under the Uniform Groups Enhancement Scheme, the Education and Manpower Bureau provided additional funding to the CAS in order to increase the number of cadets.

**Service hours provided by Civil Aid Service members
(2003 and 2004)**

| Service hour | 2003 | | CAS member (Note) 2004 | | Average | |
|-------------------------|---------------------|-------------------|---------------------------|-------------------|---------------------|-------------------|
| | (Number) | (%) | (Number) | (%) | (Number) | (%) |
| 0 | 465 | 13 | 358 | 10 | 412 | 12 |
| Less than 15 | 334 | 9 | 174 | 5 | 254 | 7 |
| 15 to less than 50 | 604 | 17 | 721 | 20 | 662 | 18 |
| 50 to less than 100 | 729 | 20 | 899 | 25 | 814 | 23 |
| 100 to less than 200 | 853 | 23 | 959 | 27 | 906 | 25 |
| 200 and above | 648 | 18 | 455 | 13 | 552 | 15 |
| Total | <u>3,633</u> | <u>100</u> | <u>3,566</u> | <u>100</u> | <u>3,600</u> | <u>100</u> |

} 1,328 } 37
 } 18 }

Source: CAS records

Note: The number of CAS members included those who left the CAS in the year. In 2003 and 2004, the numbers of CAS members (with no service hours) left the CAS were 221 and 147 respectively.

**Service hours provided by Civil Aid Service members
with 200 or more training hours in a year
(2003 and 2004)**

| Training hour | Number of CAS members | | | | | | | | | | | |
|----------------------|-----------------------|----------------------------|--------------------------|-------|-----------------|----------------------------|--------------------------|--------------|-----------------|----------------------------|--------------------------|------------|
| | 2003 | | | | 2004 | | | | Average | | | |
| | No service hour | Less than 50 service hours | 50 or more service hours | Total | No service hour | Less than 50 service hours | 50 or more service hours | Total | No service hour | Less than 50 service hours | 50 or more service hours | Total |
| 200 to less than 300 | 5 | 206 | 252 | 463 | 1 | 161 | 238 | 400 | 3 | 184 | 245 | 432 |
| 300 to less than 400 | 0 | 17 | 77 | 94 | 0 | 16 | 76 | 92 | 0 | 17 | 76 | 93 |
| 400 and above | 0 | 4 | 44 | 48 | 0 | 5 | 51 | 56 | 0 | 5 | 47 | 52 |
| | | | | | | | | Total | 3 | 206 | 368 | 577 |


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Source: CAS records

**Irregularities in the provision of direct feeding to Civil Aid Service members
(2003-04 and 2004-05)**

| Date | Duty | Duration of attendance (Hour) | Number of meals/rations provided (Note) | Amount incurred (S) | Irregularity |
|------------|--|---|--|-------------------------------|--------------|
| 6.12.2003 | Mountain search and rescue stand-by duties | 8.00 | 3 | 533 | B |
| 7.12.2003 | Crowd management at Goldfish Street | 10.00 | 4 | 4,272 | B and D |
| 31.12.2003 | Provision of meals to CAS members | 8.00 | 3 | 232 | A |
| 15.5.2004 | Crowd management for opening ceremony of the United Buddy Bears Exhibition | 3.00 and 8.00 | 2 | 1,057 | A and C |
| 26.5.2004 | Crowd management for the 2004 Cheung Chau Bun Festival | 11.00 | 4 | 6,021 | A |
| 9.6.2004 | Crowd management for family grand event "Fostering Harmony within Families" carnival | 6.00 | 2 | 660 | A and C |
| 6.11.2004 | Crowd management for Trailwalker Service 2004 at Lead Mine Pass | 10.00 | 4 | 726 | A and D |
| 6.11.2004 | Crowd management for Trailwalker Service 2004 at Perowne Barracks | 12.00 | 5 | 224 | D |
| 14.11.2004 | Participation of Kwai Tsing District in crowd management | 4.00 and 7.00 | 3 | 1,419 | A and C |
| 14.11.2004 | Mountain search and rescue stand-by duties | 8.00 | 4 | 803 | A and B |
| 15.11.2004 | Ma On Shan Rail Trail Operation Joint Exercise 2004 | 7.50 | 3 | 598 | A, B and C |
| 5.12.2004 | Pipe-in service for fire prevention | 3.00 | 3 | 92 | A and C |

Legend: A – Meals/rations were provided to CAS members before/at the start of their attendance.
 B – Meals/rations were provided to CAS members after/at the end of their attendance.
 C – The duration of attendance of CAS members was less than eight hours.
 D – The cost of meals/rations per CAS member was higher than the ration allowance of \$59.

Source: CAS records

Note: Types of meals/rations provided to CAS members include breakfast, tea set 1 (morning tea), lunch, tea set 2 (afternoon tea), dinner, tea set 3 and night meal.

**Expenditures of ration allowance and direct feeding
(1997-98 to 2004-05)**

| Year | Ration allowance claimed under pay and allowances account | Direct feeding charged to departmental expenses account | Total |
|-------------|--|--|----------------------|
| | (a) | (b) | (c)= (a)+ (b) |
| | (\$) | (\$) | (\$) |
| 1997-98 | 2,573,693 | – | 2,573,693 |
| 1998-99 | 2,597,770 | – | 2,597,770 |
| 1999-2000 | 2,697,421 | – | 2,697,421 |
| 2000-01 | 2,149,193 | – | 2,149,193 |
| 2001-02 | 1,308,266 | 1,204,556 | 2,512,822 |
| 2002-03 | 1,367,267 | 2,265,260 | 3,632,527 |
| 2003-04 | 2,035,323 | 1,983,104 | 4,018,427 |
| 2004-05 | 1,791,712 | 1,857,138 | 3,648,850 |

Source: CAS records

Training venues of the Civil Aid Service

| Training venue | Training facility | Area (Note 1) (Square metre) |
|---|--|---|
| Training centre | | |
| CAS Headquarters in Causeway Bay (Note 2) | Four classrooms, a demo theatre and a conference room | 3,632 |
| CAS Hong Kong Training Centre in Causeway Bay | Three classrooms and a conference room | 378 |
| CAS Kowloon Training Centre in Kowloon City (Note 2) | Four classrooms and a conference room | 1,415 |
| CAS Cadet Training Centre in Hung Hom (Note 2) | Two classrooms and a conference room | 1,000 |
| Campsite | | |
| Yuen Tun Camp in Tsuen Wan | A swimming pool, an initiative course, a dormitory, campsites, a football pitch, two basketball courts and a field kitchen | 190,000 |
| Tai Tan Camp in Sai Kung | A swimming pool, a barbecue area, a boat hut, campsites, a kitchen and a dormitory | 12,000 |

Source: CAS records

Note 1: The area of the training centre refers to the internal floor area of the training facilities.

Note 2: The CAS Headquarters, the CAS Kowloon Training Centre and the CAS Cadet Training Centre will be reprovisioned to the West Kowloon Reclamation in mid-2006.

Usage rates of the Civil Aid Service training venues
(2002 to 2004)

| Training venue | Available session | Usage rate (Note 1) | | | |
|--|-------------------|------------------------|--------------------------------------|------------|------------|
| | | 2002 | 2003 | 2004 | Average |
| Training centre | | | | | |
| CAS Headquarters in Causeway Bay | AM | 20% | } (Note 2) 15% 17% 30% | 22% | 19% |
| | PM | 22% | | 26% | 22% |
| | Evening | 32% | | 26% | 29% |
| CAS Hong Kong Training Centre in Causeway Bay | AM | 7% | 6% | 4% | 6% |
| | PM | 14% | 15% | 12% | 14% |
| | Evening | 17% | 19% | 14% | 17% |
| CAS Kowloon Training Centre in Kowloon City | Day | (Note 3) | } (Note 4) 38% 71% | 24% | 31% |
| | Night | | | 68% | 70% |
| CAS Cadet Training Centre in Hung Hom | Day | (Note 3) | } (Note 5) (Note 3) 10% 27% | 10% | 10% |
| | Night | | | 27% | 27% |
| | Average | 19% | 26% | 23% | 25% |
| Campsite | | | | | |
| Yuen Tun Camp in Tsuen Wan | Whole day | 61% | 32% | 31% | 41% |
| Tai Tan Camp in Sai Kung | Whole day | 45% | 36% | 33% | 38% |
| | Average | 53% | 34% | 32% | 40% |

Source: CAS records

Note 1: The usage rate of each training venue, based on the booking registers, and sign-in and sign-out records, is calculated as follows:

$$\text{Usage rate} = \frac{\text{Total number of sessions booked / utilised}}{\text{Total number of available sessions}} \times 100\%$$

Note 2: Records for the period from 1.1.2002 to 27.1.2002 were destroyed.

Note 3: The CAS could not provide records for audit examination.

Note 4: The CAS could not provide records for the period from 1.1.2003 to 30.6.2003 for audit examination.

Note 5: The CAS could not provide records for the period from 1.1.2004 to 31.1.2004 for audit examination.

**Discrepancies in total issued transaction values recorded in the
Stock Balance and Valuation Report and the Stock Turnover Rate Report in 2004-05**

| Stores item | Total issued transaction value per Stock Balance and Valuation Report (a) (\$) | Total issued transaction value per Stock Turnover Rate Report (b) (\$) | Discrepancy (c) = (a) - (b) (\$) | Percentage of discrepancy based on total issued transaction value per Stock Balance and Valuation Report (d) = $\frac{(c)}{(a)} \times 100\%$ (%) |
|---|--|--|--|---|
| Badge of rank slip-on type for cadets | 31,038 | 1,120 | 29,918 | 96 |
| Black plastic water bottle with mug | 54,964 | 13,558 | 41,406 | 75 |
| Blue cadet pullover | 95,880 | 1,440 | 94,440 | 98 |
| Blue drill trousers | 128,402 | 76,024 | 52,378 | 41 |
| Light blue shirt | 108,749 | 18,038 | 90,711 | 83 |
| Male long sleeve terylene tunic | 62,900 | 24,820 | 38,080 | 61 |
| Polyester/cotton blanket 189cm x 143cm | 14,855 | 1,905 | 12,950 | 87 |
| Rubber sole boots | 128,814 | 74,869 | 53,945 | 42 |
| Total | 625,602 | 211,774 | 413,828 | 66 |

Source: CAS records

**Stores items with total issued transaction values
shown in Stock Balance and Valuation Report but
zero transaction values shown in Stock Turnover Rate Report in 2004-05**

| Stores item | Total issued transaction value per Stock Balance and Valuation Report |
|---|--|
| | (\$) |
| White terylene tunic | 47,790 |
| Long service gold medal | 18,365 |
| Long service silver medal | 13,744 |
| Long service bronze medal | 11,279 |
| White bed sheet | 5,495 |
| Medal ribbon with brooch | 1,580 |
| Long service platinum medal | 614 |
| WOW bandage BPC 7.5 cm × 5.5 cm | 212 |
| Certificate for recruit training members, CAS 104 | 200 |
| Ruled continuous stationery, 368 × 279mm × 3 ply | 100 |

Source: CAS records

**Procurement of additional quantities of
stores items arising from surplus production of suppliers**

| Stores item | Tender quantity | Tender unit price | Value of tender quantity | Additional quantity purchased | Value of additional quantity purchased | Percentage of additional quantity purchased | Total value |
|----------------------------|------------------------|--------------------------|---------------------------------|--------------------------------------|---|--|------------------------|
| | (a) | (b) | (c) = (a) × (b) | (d) | (e) = (b) × (d) | (f) = $\frac{(d)}{(a)} \times 100\%$ | (g) = (c) + (e) |
| | (Number) | (\$) | (\$) | (Number) | (\$) | (%) | (\$) |
| Light blue helmet | 1,800 | 168.0 | 302,400 | 297 | 49,896 | 17 | 352,296 |
| Pale blue shirt for cadets | 7,000 | 24.8 | 173,600 | 1,000 | 24,800 | 14 | 198,400 |
| Navy blue trousers | 8,000 | 31.9 | 255,200 | 1,520 | 48,488 | 19 | 303,688 |
| | | Total | 731,200 | | 123,184 | | 854,384 |

Source: CAS records

Replenishment of stores items in excess of requirements

| Date of order | Stores item | Average annual consumption (Note) (a) (Number) | Stock on hand before order (b) (Number) | Estimated consumption period before order (c) = $\frac{(b)}{(a)}$ (Year) | Additional quantity ordered (d) (Number) | Estimated consumption period after order (e) = $\frac{(b) + (d)}{(a)}$ (Year) |
|----------------------|---|---|--|--|---|---|
| 11.12.2003 | 4-piece picnic cutlery set (para. 6.11) | 1,533 | 1,800 | 1.2 | 4,500 | 4.1 |
| 20.1.2004 | Light blue helmet (para. 6.10) | 784 | 371 | 0.5 | 2,097 | 3.1 |
| 17.12.2003 | Black nylon bag for water bottle | 1,464 | 800 | 0.5 | 4,100 | 3.3 |
| 30.5.2003 | Officer raincoat | 23 | 10 | 0.4 | 250 | 11.3 |
| 11.12.2003 | Blue drill cap | 1,012 | 238 | 0.2 | 5,000 | 5.2 |
| 29.12.2003 | Pale blue shirt for cadets (paras. 6.10 and 6.11) | 1,039 | 389 | 0.4 | 8,000 | 8.1 |
| 13.1.2004 | Navy blue trousers (para. 6.10) | 3,052 | 2,802 | 0.9 | 9,520 | 4.0 |

Source: CAS records

Note: The average annual consumption is calculated by dividing the total consumption during the replacement cycle by the number of years for the replacement cycle.

Analysis of the stock turnover rates of 506 stores items in 2004-05

| Stock turnover rate | Equivalent month of consumption | Number of items | Percentage of total number of items | Stock value as at 31 March 2005 | Percentage of total stock value as at 31 March 2005 |
|----------------------------|--|------------------------|--|--|--|
| (a) | (b) = $\frac{12}{(a)}$ | (c) | (d) | (e) | (f) |
| (Times a year) | (Month) | (Number) | (%) | (\$) | (%) |
| 0 | – | 171 | 34 | 347,622 | 8 |
| Less than 0.5 | Over 24 | 128 | 25 | 2,337,880 | 53 |
| 0.5 to less than 1 | Over 12 to 24 | 66 | 13 | 1,143,466 | 26 |
| 1 to less than 2 | Over 6 to 12 | 68 | 13 | 350,914 | 8 |
| 2 to less than 3 | Over 4 to 6 | 43 | 9 | 129,405 | 3 |
| 3 to less than 5 | Over 2.4 to 4 | 16 | 3 | 31,213 | 1 |
| | Sub-total | 492 | 97 | 4,340,500 | 99 |
| 5 or above | 2.4 or less | 14 | 3 | 58,424 | 1 |
| | Total | 506 | 100 | 4,398,924 | 100 |

Source: CAS records

**Unserviceable bulky stores items kept
in the Civil Aid Service storeroom as at 31 March 2005**

| Unserviceable item | Quantity | Average time kept in the CAS storeroom | Longest time kept in the CAS storeroom |
|---|-----------------|---|---|
| | (Item) | (Year) | (Year) |
| Stretchers | 51 | 1.9 | 3.1 |
| Pressure stoves | 44 | 1.7 | 2.5 |
| Chargers | 15 | 1.6 | 3.0 |
| Radio transceivers | 13 | 3.2 | 4.6 |
| Music instruments and related items | 5 | 2.5 | 3.2 |
| Televisions | 5 | 1.1 | 1.8 |
| Overhead projectors | 4 | 2.2 | 4.1 |
| Fax machines | 3 | 0.9 | 1.3 |
| Air conditioners | 2 | 1.6 | 1.6 |
| Refrigerators | 2 | 1.5 | 2.4 |
| Others (e.g. portable generators and floor polishers) | 36 | 2.1 | 3.2 |
| | Total | | |
| | 180 | | |

Source: CAS records

Acronyms and abbreviations

| | |
|-------|---|
| AFPAO | Auxiliary Forces Pay and Allowances Ordinance |
| Audit | Audit Commission |
| CAS | Civil Aid Service |
| DSLPS | Departmental Stores Ledger Posting System |
| FSD | Fire Services Department |
| FSTB | Financial Services and the Treasury Bureau |
| GLD | Government Logistics Department |
| GPA | Government Property Agency |
| MAAA | Maximum annual attendance allocation |
| NGO | Non-government organisation |
| SPR | Stores and Procurement Regulation |