

# Report No. 55 of the Director of Audit — Chapter 5

## MANAGEMENT OF LEAVE IN THE FOOD AND ENVIRONMENTAL HYGIENE DEPARTMENT AND THE HOUSING DEPARTMENT

### Summary

1. The Civil Service Regulations (CSRs) set out the leave entitlements of civil servants. The leave entitlements of contract staff are determined by the employing departments and specified in their contracts. The Audit Commission (Audit) has recently conducted a review of the management of leave in government departments, covering the Food and Environmental Hygiene Department (FEHD), the Housing Department (HD) and the Hong Kong Police Force (HKPF). The audit findings are contained in two separate reports, namely: (a) management of leave in the FEHD and the HD (the subject matter of this summary); and (b) management of leave in the HKPF (Chapter 6 of the Director of Audit's Report No. 55).

#### Management of leave in the Food and Environmental Hygiene Department

2. ***Leave management systems.*** Since 2004, the FEHD has been using the e-Leave System, developed by the Civil Service Bureau (CSB), for recording the leave taken by its civil service staff. They may submit leave applications electronically or in paper form. The processing of applications in paper form is susceptible to input errors, leading to unrecorded or incorrectly recorded leave. Audit found that, in February 2010, only 25% of FEHD civil service staff submitted leave applications electronically. *Audit has recommended that the Director of Food and Environmental Hygiene should take effective measures to increase the use of the e-Leave System for submitting and processing leave applications electronically.*

3. ***Leave application and approval.*** Audit found that many vacation leave applications were submitted after the leave commencement date, and some leave applications had remained unprocessed for a long time. *Audit has made recommendations to the Director of Food and Environmental Hygiene to address the issues.*

4. **Leave recording.** Audit found that some FEHD leave registries did not conduct quarterly random checks of leave records, contrary to the CSB guidelines. Audit's sample check found cases of unrecorded leave and time-off for medical treatment, examination or consultation. *Audit has recommended that the Director of Food and Environmental Hygiene should: (a) take measures to ensure that all the leave registries conduct checks of leave records in compliance with the CSB guidelines; (b) consider conducting checks of the past records to ascertain whether there are other cases of unrecorded leave and time-off; (c) investigate the cases of unrecorded leave and time-off to identify control deficiencies; and (d) take improvement measures to ensure the proper recording of leave and time-off.*

5. **Sick leave level.** Audit found that, during 2005 to 2009, the sick leave levels of FEHD civil service staff were significantly higher than those of civil servants as a whole. Audit's analysis revealed that the staff of different FEHD district offices had very different sick leave levels. *Audit has recommended that the Director of Food and Environmental Hygiene should: (a) set a clear two-pronged strategy to strengthen the management of sick leave and enhance occupational safety and health; (b) require regular reporting to the senior management of the implementation progress of the strategy and any problems encountered; and (c) regularly conduct detailed analyses of sick leave, particularly for district offices with higher sick leave levels, with a view to identifying the factors leading to the higher levels and devising specific measures to address them.*

6. **Frequent sick leave.** The FEHD guidelines require the leave registries to report frequent sick leave cases (i.e. sick leave exceeding the trigger point) involving civil service staff to the responsible officers for considering follow-up actions. Audit found that: (a) some leave registries did not conduct a review to identify such cases in some months; (b) some leave registries failed to identify certain cases in their reviews; and (c) one leave registry did not take any action on some cases identified. *Audit has recommended that the Director of Food and Environmental Hygiene should regularly remind the leave registries to conduct reviews of sick leave thoroughly, and to take timely follow-up action as appropriate on cases identified with sick leave exceeding the trigger point.*

7. **Frequent time-off.** The FEHD guidelines require the leave registries to report frequent time-off cases (i.e. time-off exceeding the trigger point) involving civil service staff to the responsible officers for considering follow-up actions. Audit found that two leave registries did not conduct a review to identify such cases in some months. *Audit has recommended that the Director of Food and Environmental Hygiene should regularly remind the leave registries to conduct reviews of time-off against the trigger point.*

8. **Prolonged sick leave.** Audit's sample check revealed cases of prolonged sick leave in which the FEHD did not convene a Medical Board, or there was a delay in convening a Medical Board, contrary to the CSRs. *Audit has recommended that the Director of Food and Environmental Hygiene should: (a) put in place arrangements for timely identifying cases of prolonged sick leave and convening Medical Boards; and (b) timely seek the CSB's approval for exemption if consulting a Medical Board is considered inappropriate.*

### **Management of leave in the Housing Department**

9. **Leave management systems.** The HD uses the CSB-developed e-Leave System for recording the leave taken by its civil service staff. For Housing Authority (HA) contract staff, the Human Resource Management Information System (HRMIS), developed in 2001, is used. Audit found that, although both systems supported electronic leave applications, most HA contract staff and some HD civil service staff submitted leave applications in paper form. Moreover, the HRMIS had various limitations, including inadequate leave management reports. *Audit has recommended that the Director of Housing should: (a) take measures to increase the use of the e-Leave System and HRMIS for submitting and processing leave applications electronically; and (b) consider enhancing the HRMIS to address its limitations.*

10. **Leave application and approval.** Audit found that: (a) many vacation leave applications were submitted after the leave commencement date; (b) some maternity leave applications were submitted later than three months before the expected date of confinement, contrary to the CSRs; (c) some leave applications had remained unprocessed for a long time; and (d) in two cases, the officers were granted sick leave while on vacation leave, contrary to the CSRs. *Audit has made recommendations to the Director of Housing to address the issues.*

11. **Leave recording.** Audit found instances of non-compliance with the CSB guidelines on conducting quarterly random checks of leave records. Audit's sample check found cases of unrecorded study leave and time-off for medical treatment, examination or consultation. *Audit has recommended that the Director of Housing should: (a) take measures to ensure that all the three personnel registries conduct checks of leave records in compliance with the CSB guidelines; and (b) take improvement measures to ensure that study leave and time-off are recorded properly.*

12. **Sick leave level.** Audit found that the sick leave level of HA contract staff was, in general, higher than that of HD civil service staff, and that the sick leave levels of different ranks of staff could vary significantly. *Audit has recommended that the Director of Housing should: (a) regularly conduct analyses of the sick leave of civil service staff and contract staff at different levels (e.g. individual sections or ranks); and (b) where the sick leave level of, say, a particular section or rank is unreasonably high, ascertain the causes with a view to taking appropriate actions to reduce or contain it.*

13. **Frequent sick leave.** Audit found that one HD personnel registry did not bring up cases with sick leave exceeding the trigger point to supervisors for review and appropriate action, contrary to the HD guidelines. For the other two registries, no documented reasons were given as to why some cases were not brought up to supervisors. In most of the cases brought up to supervisors, the supervisors did not provide feedback regarding whether they had taken any action. *Audit has recommended that the Director of Housing should: (a) regularly remind the three personnel registries to bring up cases with sick leave exceeding the trigger point to supervisors for review and appropriate action; and (b) take measures to ensure that supervisors review and take appropriate action on cases of frequent sick leave brought up to them.*

14. **Frequent time-off.** The HD has not set a trigger point in respect of time-off for taking follow-up actions. Audit's examination of the time-off statistics revealed cases which may warrant follow-up actions. *Audit has recommended that the Director of Housing should: (a) monitor the time-off, paying particular attention to cases involving frequent applications for time-off; and (b) consider setting a trigger point to facilitate time-off monitoring.*

15. **Prolonged sick leave.** Audit's sample check revealed cases of prolonged sick leave in which, contrary to the CSRs, the HD did not convene a Medical Board or there was a delay in convening (or seeking the CSB's approval for exemption from convening) a Medical Board. Audit also notes that the HD does not have an established system to monitor the prolonged sick leave of HA contract staff. *Audit has recommended that the Director of Housing should: (a) put in place arrangements for timely identifying cases of prolonged sick leave of civil service staff and convening Medical Boards in compliance with the CSRs; (b) timely seek the CSB's approval for exemption if consulting a Medical Board is considered inappropriate; and (c) consider the need to establish a system to monitor the prolonged sick leave of HA contract staff.*

#### **Response from the Administration**

16. The Director of Food and Environmental Hygiene and the Director of Housing agree with the audit recommendations.

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