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Replies to supplementary questions raised by Legislative Council Members in examining the Estimates of Expenditure 2026-27

Director of Bureau : Secretary for Financial Services and the Treasury

Session No. : 8

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CONTROLLING OFFICER'S REPLY

S-FSTB(Tsy)01

(Question Serial No. S018)

Head: (25) Architectural Services Department

Subhead (No. & title): ()

Programme: (2) Facilities Upkeep

Controlling Officer: Director of Architectural Services (Michael LI Kiu-yin)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

Further to Question Serial No. 0712, this is a follow-up question on facilities upkeep. In the reply provided by the Financial Services and the Treasury Bureau (FSTB), it is indicated that the Working Group for Smart Asset Maintenance has completed about 40 projects, in which integrated smart solutions were developed to enhance the efficacy of the Architectural Services Department (ArchSD) in maintaining government facilities. Among the solutions developed in such projects, how many of them have been incorporated into the routine processes of daily maintenance work, rather than serving as one-off measures or remaining at the trial stage? For example, how many government buildings are regularly inspected with the application of robots or drones? What I wish to know is the actual extent to which technology-assisted maintenance is adopted.

On the other hand, the ArchSD replies that it currently does not maintain detailed comparative data on the savings in man-hours or improvements in inspection efficiency, but will devote more effort to this area of study as adoption of technology expands to more projects. I express my understanding and acknowledge that it takes time for data to be accumulated. However, will the Secretary for Financial Services and the Treasury inform this Committee when the FSTB expects to establish a systematic effectiveness evaluation framework that can provide quantifiable performance data? Without such quantifiable data, it will be difficult to evaluate the effectiveness.

Finally, the FSTB replies that a budget of \$3.7 million has been set aside for the maintenance and upgrades of the relevant systems, as well as the training of frontline staff. However, the apportionment of such a budget has not been mentioned. Will the systems and the training of frontline staff each account for half of the amount? It will be appreciated if the FSTB would elaborate on the use of the budget.

Asked by: Hon LAU Man-kwan, Julia (LegCo internal reference no.: 16)

Reply:

The Working Group for Smart Asset Maintenance under the Architectural Services Department (ArchSD) strives to explore and develop integrated smart solutions to enhance the ArchSD's efficacy in maintaining government facilities. Of the 36 completed technical solutions, a total of 18 have been incorporated into the ArchSD's routine processes of daily maintenance work, with their scope of application covering the Building Information Modelling (BIM) Asset Management Platform, the Internet of Things (IoT) Asset Management System, and the use of drones for inspection of external wall of building, among others.

Taking the use of drones for facilitating inspections as an example, the ArchSD has incorporated the technology into the daily facilities upkeep since 2022. To date, over 140 government buildings have been selected as those suitable for the use of drones in facilitating regular inspections and surveys. There are also buildings aged 30 years or above adopting use of drone integrated with an artificial intelligence (AI) analytic system for identification of defects in building exteriors and report compilation. Subject to the area and the number of floors of the building, an inspection of external wall of building by using the traditional approach (where scaffolding is not involved) usually takes 4 to 8 days, while the inspection of the same building can be completed in merely about a day by using drones, i.e. saving more than 75% of time. Moreover, in some inspection tasks, the traditional approach might require scaffolding to reach specific locations, and it usually takes a month for the scaffolding work followed by the traditional approach of inspection. Not only does the use of drones save the scaffolding work and associated procedures, which in turn significantly shortens the work schedule, it also reduces the safety risks markedly for workers working at height. The ArchSD will actively adopt innovative technology, and incorporate more suitable technical solutions into its term maintenance contracts under the approach of launching the measures once they are ready.

As regards evaluation of effectiveness, apart from saving in manpower, smart transformation can also help enhance data collection and application, thus improving the safety, efficiency and accuracy. Given the differences in workflow, resource allocation and risk management between the traditional and smart approaches to asset maintenance, making a simple comparison solely by the number of man-hours is no easy task. The ArchSD will continue to monitor the application of smart solutions in various projects under smart asset maintenance and, in the course of implementation, make sustained efforts in collecting and reviewing the relevant data while maintaining close communication with the industry, so as to devise an evaluation mechanism in a gradual and orderly manner.

Out of the ArchSD's relevant estimate of \$3.7 million, about \$3.6 million will be set aside for the maintenance and upgrades of the relevant systems, including the BIM Asset Management Platform, the IoT Asset Management System and the AI analytic system, with some \$100,000 for the training of frontline staff.

- End -

CONTROLLING OFFICER'S REPLY

S-FSTB(Tsy)02

(Question Serial No. S017)

Head: (147) Government Secretariat: Financial Services and the Treasury Bureau (The Treasury Branch)

Subhead (No. & title): ()

Programme: Not Specified

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Treasury) (Andrew LAI)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

1. FSTB(Tsy)049

The estimate for acting allowance rose significantly from \$6.68 million in 2024-25 to \$14.41 million in 2025-26, an increase of 116%. In this connection, what was the number of posts for which acting appointments had been made by the Treasury Branch and the average duration of such appointments in 2025-26? What is the estimate for acting allowance in 2026-27? If a large number of the acting appointments made are due to vacancies, what was the number of vacancies in the Treasury Branch as at end-March 2026?

2. FSTB(Tsy)056

The Government has anticipated that the proportion of bonds with tenors of 5 years or more will continue to increase in 2026-27. In this regard, what is the Government's latest target for the proportion of bonds with tenors of 5 years or more in the total issuance?

Asked by: Hon LEUNG Tsz-wing, Dennis

Reply:

1. There are two types of acting appointments of the Treasury Branch (the Branch): (1) an officer recommended by the promotion board to act at a higher rank with a view to substantive appointment; and (2) an acting appointment made to fill a vacancy based on management or operational needs due to leave, duty visit, or departure of the post-holder concerned. According to relevant regulations of the civil service, acting allowance is granted only to an officer who fulfills the eligibility criteria and whose acting appointment meets the qualifying period of 30 calendar days.

In 2025-26, acting appointments involving payments of acting allowance were arranged for 59 posts in the Branch. Nearly 90% of the cases fell under the first type. The average acting period for the first and second types was around 231 days and 141 days respectively.

The estimate for acting allowance in 2026-27 is \$9.07 million, which is expected to mainly pay officers acting at a higher rank with a view to substantive appointments. Excluding vacancies filled by officers on acting appointments with a view to substantive appointments, there were a total of 8 vacancies in the Branch, all at non-directorate level, as of 31 March 2026. Among these, 4 posts were deleted on 1 April 2026 after the Branch's review of factors such as operational needs, etc. in line with the 2% reduction in the civil service establishment in 2026-27.

2. The Government is committed to increasing the proportion of longer-tenor bonds to better meet the longer-term financing needs of public works projects. The ratio of bonds issued with tenors of less than five years to those with tenors of five years or above increased from 8:2 in 2024-25 to 6:4 in 2025-26. Subject to market response, it is anticipated that the proportion of bonds with tenors of five years or above will continue to increase in 2026-27, exceeding 40%. In determining the actual proportion of annual bond issuance, the Government will take into account the prevailing fiscal position, market response and works progress when implementing the bond programmes for the year. It is therefore not advisable to set targets in advance.

- End -

CONTROLLING OFFICER'S REPLY

S-FSTB(Tsy)03

(Question Serial No. S019)

Head: (147) Government Secretariat: Financial Services and the Treasury Bureau (The Treasury Branch)

Subhead (No. & title): ()

Programme: (2) Revenue and Financial Control

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Treasury) (Andrew LAI)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

As set out in the Government's written reply, the Labour and Welfare Bureau has two instruments that are still "non-legally binding" even though they were entered into after the update of the Guidelines. Please explain why these documents are non-legally binding.

Regarding the two subvented organisations with which "non-legally binding" instruments were entered into after the update of the Guidelines and the 13 subvented organisations with which such instruments were entered into before the update of the Guidelines, please provide, in tabular form, the respective details of these organisations including their names, objectives, as well as the subvented services and projects delivered by them.

When will the Government review these instruments? Will the Government consider making them legally binding? If so, what are the details? If not, what are the reasons?

Asked by: Hon KAN Wai-mun, Carmen

Reply:

Controlling Officers (COs) are responsible and accountable for the expenditure of public funds under their control and should satisfy themselves that an appropriate system of cost control and monitoring is in place for overseeing the spending of public money by subvented organisations, having regard to economy, efficiency and effectiveness in the delivery of public service and use of public funds. Financial Circular No. 9/2004 "Guidelines on the Management and Control of Government Funding for Subvented Organisations" (the Guidelines) provides a reference to Directors of Bureaux (DoBs) and COs on how to manage and control government funding for subvented organisations to ensure that public money is used properly and cost-effectively. DoBs and COs should draw up suitable management measures, taking into account the objectives, nature and circumstances of individual subvented organisations and the subvented services or projects delivered by them.

Overall speaking, most of the instruments entered into with subvented organisations are non-legally binding. This is due to the fact that the operation of these organisations is subject to statutory regulation under relevant ordinances, and that COs considered that there was no pressing need to enter into legally binding instruments, having regard to the nature and actual circumstances of the organisations.

Two non-legally binding instruments of the Labour and Welfare Bureau (LWB) came into effect after the update of the Guidelines, viz. the Administrative Arrangements drawn up by the LWB for the Guardianship Board and Shine Skills Centre. Their operations are subject to statutory regulation under the Mental Health Ordinance (Cap. 136) and the Vocational Training Council Ordinance (Cap. 1130) respectively. To manage the subventions more effectively, the LWB has been including, when notifying these organisations of their annual subventions each year, a set of Administrative Arrangements drawn up in accordance with the Guidelines, detailing the responsibilities of all parties concerned and the principles governing the use of the subventions. The LWB will continue to follow this practice to monitor the operation of the two organisations and ensure their compliance with the Administrative Arrangements. The Administrative Arrangements will also be reviewed annually and the terms will be updated when appropriate.

After consulting the bureaux/departments (B/Ds) concerned, the relevant details of the two non-legally binding instruments that came into effect after the update of the Guidelines and the 13 non-legally binding instruments that were entered into before the update, including the names and objectives of the subvented organisations, the subvented services and projects delivered by them, the review of the instruments and the consideration given to making them legally binding, are set out at Annex 1 and Annex 2 respectively.

The Treasury Branch has again reminded the B/Ds concerned to review the latest circumstances and consider prudently whether entering into legally binding instruments can assist COs in overseeing the use of public funds by the subvented organisations more effectively.

The 2 non-legally binding instruments coming into effect after the update of the Guidelines

Policy Bureau	No.	Subvented organisation	Objective of subvented organisation	Subvented services and projects delivered	Review of relevant instruments and consideration of making them “legally binding”
Labour and Welfare Bureau (LWB)	1	Guardianship Board	To make guardianship orders for persons aged 18 or above with decision-making incapacities.	The Guardianship Board is a statutory tribunal established under the Mental Health Ordinance (Cap. 136). Its main statutory function is to commence and conduct hearings in order to make guardianship orders and appoint a private guardian or the public guardian for persons aged 18 or above with decision-making incapacities.	<p>The operation of the Guardianship Board is subject to statutory regulation under the Mental Health Ordinance (Cap. 136), and its chairperson and members are both appointed by the Government. To manage the subventions more effectively, the LWB has been including, when notifying the Guardianship Board of its annual subventions each year, a set of Administrative Arrangements drawn up in accordance with the Guidelines, detailing the responsibilities of all parties concerned and the principles governing the use of the subventions. The Administrative Arrangements will be reviewed annually and the terms will be updated when appropriate.</p> <p>Under the Administrative Arrangements, the Guardianship Board is required to submit a budget to the LWB to fulfill its statutory functions, as well as audited accounts and annual financial statements. The subvention is disbursed by quarterly installments.</p>

Policy Bureau	No.	Subvented organisation	Objective of subvented organisation	Subvented services and projects delivered	Review of relevant instruments and consideration of making them “legally binding”
					<p>The LWB will continue to monitor the operation of the Guardianship Board and ensure its compliance with the Administrative Arrangements through the above measures.</p>
	2	Shine Skills Centres (SSCs)	To provide vocational training programmes and ancillary services for persons with disabilities aged 15 or above who are assessed as having potential for open employment, with a view to improving their employment prospects and preparing them for open employment.	The Government provides subvention to three SSCs of the Vocational Training Council located in Kwun Tong (currently re-provisioned to Kowloon Tong), Tuen Mun and Pokfulam, to provide a range of vocational training programmes and ancillary services for persons with disabilities aged 15 or above who are assessed as having potential for open employment, with a view to improving their employment prospects and	<p>The operation of the SSCs is subject to statutory regulation under the Vocational Training Council Ordinance (Cap. 1130). To manage the subventions more effectively, the LWB has been including, when notifying the SSCs of their annual subventions each year, a set of Administrative Arrangements drawn up in accordance with the Guidelines, detailing the responsibilities of all parties concerned and the principles governing the use of the subventions. The Administrative Arrangements will be reviewed annually and the terms will be updated when appropriate.</p> <p>Under the Administrative Arrangements, the SSCs are required to submit an annual programme on activities, a budget, audited accounts and annual financial statements to the LWB. The subvention is disbursed by quarterly installments. In addition, the Vocational Training Board for People with Disabilities consists of representatives from the LWB to advise on the services and operation of the SSCs.</p>

Policy Bureau	No.	Subvented organisation	Objective of subvented organisation	Subvented services and projects delivered	Review of relevant instruments and consideration of making them “legally binding”
				<p>preparing them for open employment.</p> <p>660 full-time and 400 part-time subvented training places are provided each year.</p>	<p>The LWB will continue to monitor the operation of the SSCs and ensure its compliance with the Administrative Arrangements through the above measures.</p>

The 13 non-legally binding instruments entered into before the update of the Guidelines

Policy Bureau	No.	Subvented organisation	Objective of subvented organisation	Subvented services and projects delivered	Review of relevant instruments and consideration of making them “legally binding”
Offices of the Chief Secretary for Administration and the Financial Secretary	1	The Legislative Council of the Hong Kong Special Administrative Region (LegCo)	The legislature of the Hong Kong Special Administrative Region.	The key functions are to enact, amend or repeal laws; examine and approve budgets, taxation and public expenditure; and raise questions on the work of the Government.	<p>The operation of the LegCo is subject to statutory regulation under the Legislative Council Commission Ordinance (Cap. 443) (LCCO). The LCCO provides the legal framework for the Legislative Council Secretariat to operate with managerial and financial autonomy. The Secretary General of the Legislative Council Secretariat is deemed under the LCCO to be the Controlling Officer in respect of the Estimates of Expenditure.</p> <p>As the operation of the LegCo is subject to statutory regulation under the LCCO, the Government has no plans to make the relevant instrument legally binding at this stage.</p>
	2	Office of The Ombudsman	To redress grievances and address issues arising from maladministration in the public sector and bring about	To investigate complaints of maladministration, identify administrative	The Office of The Ombudsman is an independent statutory body. Its operation is subject to statutory regulation under the Ombudsman Ordinance (Cap. 397). Under

Policy Bureau	No.	Subvented organisation	Objective of subvented organisation	Subvented services and projects delivered	Review of relevant instruments and consideration of making them “legally binding”
			improvement in the quality and standard of and promote fairness in public administration through independent, objective and impartial investigation.	deficiencies and recommend remedial measures to redress grievances and improve public administration.	<p>the Ordinance, the Ombudsman enjoys management autonomy with respect to administration, manpower, and facilities. The Ombudsman is also deemed under the Ordinance to be the Controlling Officer in respect of the Estimates of Expenditure, and is required to prepare audited statements of accounts annually for submission to the Chief Executive (CE) and for laying on the table of the LegCo.</p> <p>As the operation of the Office of The Ombudsman is subject to statutory regulation under the Ombudsman Ordinance, the Government has no plans to make the relevant instrument legally binding at this stage.</p>
Commerce and Economic Development Bureau (CEDB)	3	The Hong Kong Trade Development Council (HKTDC)	To assist HKTDC in implementing its statutory functions in accordance with section 4 of the Hong Kong Trade Development Council Ordinance (Cap. 1114).	The statutory functions of the HKTDC are to promote, assist, and develop Hong Kong’s trade with places outside Hong Kong, with particular reference to exports; and to make recommendations to the Government	<p>The operation of the HKTDC is subject to statutory regulation under the Hong Kong Trade Development Council Ordinance (Cap. 1114). To manage the subvention more effectively, the CEDB issues a letter to the HKTDC each year, setting out the amount of government subvention and the relevant arrangements.</p> <p>The Ordinance sets forth relevant statutory provisions regarding the management of the HKTDC’s accounts, including section 22</p>

Policy Bureau	No.	Subvented organisation	Objective of subvented organisation	Subvented services and projects delivered	Review of relevant instruments and consideration of making them “legally binding”
				<p>which would achieve an increase in Hong Kong’s trade.</p> <p>The subvention provided by the Government to the HKTDC each financial year is a block allocation to support part of its operating expenses, its organisation of trade promotion-related activities, and provision of relevant advisory services to the Government. The subvention is not allocated for specific projects or purposes.</p>	<p>(Estimates), section 23 (Accounts), section 24 (Audit), section 25 (Reports to be laid on the table of the LegCo, and published), and Section 26 (Investment of surplus funds).</p> <p>As the operation of the HKTDC is subject to statutory regulation under the Hong Kong Trade Development Council Ordinance, the Government has no plans to make the relevant instrument legally binding at this stage.</p>
	4	The Consumer Council (Council)	To assist the Council in implementing its statutory functions in accordance with the Consumer Council Ordinance (Cap. 216).	The statutory functions of the Council include handling of complaints concerning goods and services from consumers and giving	The operation of the Council is subject to statutory regulation under the Consumer Council Ordinance (Cap. 216). Subject to the provisions of the Ordinance, the CEDB and the Council have entered into a Memorandum of Administrative Arrangements, detailing the relevant

Policy Bureau	No.	Subvented organisation	Objective of subvented organisation	Subvented services and projects delivered	Review of relevant instruments and consideration of making them “legally binding”
				<p>advice to them, and resolving disputes between consumers and traders.</p> <p>The subvention provided by the Government to the Council each financial year is a block allocation to support the Council’s endeavours to study and promote the protection of consumer rights and interests. The subvention is not allocated for specific projects or purposes.</p>	<p>administrative arrangements, including financial arrangements and the reports that the Council is required to submit to the Government on a regular basis. The CEDB will review the relevant instrument when appropriate.</p> <p>As the operation of the Council is subject to statutory regulation under the Consumer Council Ordinance and its overall operation remains smooth, the Government has no plans to make the relevant instrument legally binding at this stage.</p>
	5	Competition Commission (CC)	To assist the CC in implementing its statutory functions in accordance with the Competition Ordinance (Cap. 619) (CO).	<p>The statutory functions of the CC include:</p> <ul style="list-style-type: none"> investigating conduct that may contravene the competition rules 	<p>The operation of the CC is subject to statutory regulation under the CO (Cap. 619).</p> <p>The CO provides for the CC’s functions, its relationship with the Special Administrative Region Government and its statutory obligations, such as the submission of estimates, annual reports, and audited</p>

Policy Bureau	No.	Subvented organisation	Objective of subvented organisation	Subvented services and projects delivered	Review of relevant instruments and consideration of making them “legally binding”
				<p>of the CO and enforce the provisions of the CO;</p> <ul style="list-style-type: none"> • promoting public understanding of the value of competition and how the CO promotes competition; • promoting the adoption by undertakings carrying on business in Hong Kong of appropriate internal controls and risk management systems and ensuring their compliance with the CO; • advising the Government on competition matters in Hong Kong and outside 	<p>accounts as stipulated in the financial provisions. The Memoranda of Administrative Arrangements entered into between the CEDB and the CC mainly address the detailed administrative arrangements in respect of the CO. The CEDB will review the relevant instrument when appropriate.</p> <p>As the operation of the CC is subject to statutory regulation under the CO, and its overall operation remains smooth, the Government has no plans to make the relevant instrument legally binding at this stage.</p>

Policy Bureau	No.	Subvented organisation	Objective of subvented organisation	Subvented services and projects delivered	Review of relevant instruments and consideration of making them “legally binding”
				Hong Kong; <ul style="list-style-type: none"> • conducting market studies into matters affecting competition in markets in Hong Kong; and • promoting research into and the development of skills in relation to the legal, economic and policy aspects of competition law in Hong Kong. 	
Culture, Sports and Tourism Bureau (CSTB)	6	Hong Kong Tourism Board (HKTB)	To promote inbound tourism and maximise the socio-economic contribution that tourism makes to Hong Kong.	To promote Hong Kong globally as a leading international city in Asia and a world-class tourist destination.	<p>The operation of the HKTB is subject to statutory regulation under the Hong Kong Tourism Board Ordinance (Cap. 302) (HKTBO). The Memorandum of Administrative Arrangements entered into between the CSTB and the HKTB stipulates the financial and administrative arrangements, which the CSTB will review when appropriate.</p> <p>As the operation of the HKTB is subject to statutory regulation under the HKTBO, the</p>

Policy Bureau	No.	Subvented organisation	Objective of subvented organisation	Subvented services and projects delivered	Review of relevant instruments and consideration of making them “legally binding”
					Government has no plans to make the relevant instrument legally binding at this stage.
Constitutional and Mainland Affairs Bureau (CMAB)	7	Office of the Privacy Commissioner for Personal Data (PCPD)	To oversee the implementation of and compliance with the provisions of the Personal Data (Privacy) Ordinance (Cap. 486) (PDPO) which protects the privacy of individuals in relation to personal data.	<p>The key functions and powers of the Office of the PCPD are to:</p> <ul style="list-style-type: none"> • monitor and supervise compliance with the provisions of the PDPO; • approve and issue codes of practice, guidance notes and information leaflets to give practical guidance for compliance with the provisions of the PDPO; • promote awareness and understanding of the provisions of the PDPO and inter-regional regulatory 	<p>The operation of the Office of the PCPD is subject to statutory regulation under the PDPO. To manage the subvention more effectively, the CMAB and the Office of the PCPD have entered into a Memorandum of Administrative Arrangements, detailing the relevant administrative arrangements. The CMAB will review the provisions of the memorandum on a regular basis.</p> <p>As the operation of the Office of the PCPD is subject to statutory regulation under the PDPO, the Government has no plans to make the relevant instrument legally binding at this stage.</p>

Policy Bureau	No.	Subvented organisation	Objective of subvented organisation	Subvented services and projects delivered	Review of relevant instruments and consideration of making them “legally binding”
				<p>frameworks;</p> <ul style="list-style-type: none"> • upon receipt of data breach notifications, investigate suspected breaches of the requirements of the PDPO; • carry out inspections of personal data systems, including those of government departments and statutory bodies; • upon receipt of complaints from data subjects or on the Commissioner’s own initiative, investigate suspected breaches of the requirements of the PDPO; and • carry out criminal investigations of doxxing-related 	

Policy Bureau	No.	Subvented organisation	Objective of subvented organisation	Subvented services and projects delivered	Review of relevant instruments and consideration of making them “legally binding”
				<p>offences and institute prosecutions for summary offences upon collection of sufficient evidence.</p>	
	8	<p>Equal Opportunities Commission (EOC)</p>	<p>To oversee the implementation of the Sex Discrimination Ordinance (Cap. 480), the Disability Discrimination Ordinance (Cap. 487), the Family Status Discrimination Ordinance (Cap. 527) and the Race Discrimination Ordinance (Cap. 602).</p>	<p>The key functions of the EOC are to:</p> <ul style="list-style-type: none"> • receive complaints, conduct investigations, encourage conciliation between the parties in dispute and take actions in accordance with the powers provided for in the concerned ordinances; • develop and issue codes of practice for the concerned ordinances; • keep under review the operation of the concerned 	<p>The operation of the EOC is subject to statutory regulation under relevant ordinances. To manage the subvention more effectively, the CMAB and the EOC have entered into a Memorandum of Administrative Arrangements, detailing the EOC’s functions and the obligation to exercise its powers in accordance with relevant laws and regulations. The CMAB will review the provisions of the memorandum on a regular basis.</p> <p>As the operation of the EOC is subject to statutory regulation under relevant ordinances, the Government has no plans to make the relevant instrument legally binding at this stage.</p>

Policy Bureau	No.	Subvented organisation	Objective of subvented organisation	Subvented services and projects delivered	Review of relevant instruments and consideration of making them “legally binding”
				<p>ordinances and when necessary, draw up proposals for amendment;</p> <ul style="list-style-type: none"> • conduct research on issues relevant to discrimination and equal opportunities as provided by the concerned ordinances; and • implement public education and publicity activities to promote equal opportunities and anti-discrimination. 	
Security Bureau (SB)	9	Independent Police Complaints Council (IPCC)	To observe, monitor and review the handling and investigation of Reportable Complaints against the Police by the Commissioner of Police.	<p>The key functions of the IPCC as provided for under the Independent Police Complaints Council Ordinance (Cap. 604) (IPCCO) are to:</p> <ul style="list-style-type: none"> • observe, monitor and review the handling and 	<p>The operation of the IPCC is subject to statutory regulation under the IPCCO (Cap. 604). To manage the subvention more effectively, the SB and the IPCC have entered into a Memorandum of Administrative Arrangements, detailing the responsibilities of the relevant parties in the delivery and monitoring of government-subvented services, and the administrative arrangements of the IPCC as a subvented organisation receiving recurrent funding from the</p>

Policy Bureau	No.	Subvented organisation	Objective of subvented organisation	Subvented services and projects delivered	Review of relevant instruments and consideration of making them “legally binding”
				<p>investigation of Reportable Complaints by the Commissioner of Police;</p> <ul style="list-style-type: none"> • monitor actions taken or to be taken in respect of any police officer by the Commissioner of Police in connection with Reportable Complaints; • identify any fault or deficiency in police practices or procedures that has led to or might lead to a Reportable Complaint; • advise the Commissioner of Police and/or the CE of its opinion and/or recommendation in connection with Reportable 	<p>Government. The SB will review the relevant instrument when appropriate.</p> <p>As the operation of the IPCC is subject to statutory regulation under the IPCCO, and the existing arrangements have proven effective, the Government has no plans to make the relevant instrument legally binding at this stage.</p>

Policy Bureau	No.	Subvented organisation	Objective of subvented organisation	Subvented services and projects delivered	Review of relevant instruments and consideration of making them “legally binding”
				Complaints; and <ul style="list-style-type: none"> • promote public awareness of the role of the IPCC. 	
	10	Hong Kong Air Cadet Corps (HKACC)	The mission of the HKACC is to develop members’ leadership, self-reliance, initiative, character, good citizenship, a love for the home country and an interest in aviation in general.	The Government Flying Service (GFS) provides subvention to the HKACC to support its youth development work, with the aim of nurturing confident, responsible, and patriotic young citizens with a love for the home country and Hong Kong through aviation education, discipline and leadership training, community service, exchange activities, and life planning. The subvention is dedicated to supporting the HKACC’s core youth projects and certain	<p>To manage the subvention more effectively, the GFS and the HKACC have entered into an instrument detailing the responsibilities of the relevant parties and the principles governing the use of the subvention, including the requirements for the subvented organisation to submit a budget, programme of activities, annual performance report, and audited financial statements each year. The GFS will review the instruments when appropriate.</p> <p>The GFS maintains sound working relationship with the subvented organisation and the current governance structure of the HKACC includes two government officials. As the above arrangements have proven effective, the Government has no plans to make the relevant instrument legally binding at this stage.</p>

Policy Bureau	No.	Subvented organisation	Objective of subvented organisation	Subvented services and projects delivered	Review of relevant instruments and consideration of making them “legally binding”
				<p>related operating expenses, including skills training, discipline training, leadership training, regular meetings and activities, life planning, national security and national identity activities, community involvement services, as well as local and overseas exchange programmes.</p>	
Financial Services and the Treasury Bureau (FSTB)	11	Financial Services Development Council (FSDC)	To conduct strategic studies, provide advice, foster market development and nurture talent, with a view to enhancing Hong Kong’s competitiveness in the international financial market.	<ul style="list-style-type: none"> advising the Government on strategies and measures to expand the scope of Hong Kong’s financial markets and enhancing the competitiveness of Hong Kong as an international financial centre; 	The FSDC was established in 2013 by the Government as a high-level advisory body and incorporated as a company limited by guarantee in September 2018. It comprises a non-executive chairman and a Board of Directors (with the Secretary for Financial Services and the Treasury as ex-officio member), who are all appointed by the CE or under the CE’s delegated authority, to oversee its operation. In addition, a Corporate Governance Committee (of which members include a representative from the FSTB) is

Policy Bureau	No.	Subvented organisation	Objective of subvented organisation	Subvented services and projects delivered	Review of relevant instruments and consideration of making them “legally binding”
				<ul style="list-style-type: none"> • supporting the financial services industry in developing the core competence and knowledge of its practitioners; and • promoting Hong Kong’s financial services industry and Hong Kong as an international financial centre in the Chinese Mainland and overseas. 	<p>established under the Board of the FSDC to provide recommendations to the Board on overall policies and procedures relating to human resources, finance, and administration.</p> <p>The FSTB has entered into a Memorandum of Administrative Arrangements with the FSDC. Under the premise of not interfering in the daily operation of the FSDC, the Government requires the FSDC to adopt appropriate measures for accountability and enhanced transparency, including the annual submission to the Government its work plan, budget, annual report, audited financial statements, etc.</p> <p>In addition, the FSDC briefs the Panel on Financial Affairs annually on its work to enable the Legislative Council and the public to monitor its performance.</p> <p>As the existing governance structure and relevant measures can effectively monitor the FSDC’s operation and ensure that the FSDC’s work plan is in line with its objectives, the Government has no plans to make the relevant instrument legally binding at this stage.</p>

Policy Bureau	No.	Subvented organisation	Objective of subvented organisation	Subvented services and projects delivered	Review of relevant instruments and consideration of making them “legally binding”
Labour and Welfare Bureau	12	Hong Kong Society for Rehabilitation (Rehabus Scheme)	To provide Rehabus service for persons with disabilities who have difficulties in using public transport in order to facilitate their travel and help them fully integrate into the community.	To provide scheduled route service and dial-a-ride service to transport persons with disabilities to and from work, school, vocational training, medical appointments, treatment sessions, social activities, etc.	After reviewing the Memoranda of Understanding entered into with the operators, the Transport Department (TD) considers that legally binding service agreements could be adopted for more effective monitoring of the Rehabus service. The TD is drafting the detailed terms of the relevant service agreements in consultation with the policy bureaux/departments concerned. Upon completion of the drafts, the TD will commence negotiations with the operators on the signing of the service agreements. The negotiations are expected to complete in mid-2026, and new service agreements will be signed with the operators.
	13	Kwoon Chung Inclusive and Accessible Transport Services Company Limited (Rehabus Scheme)		To provide feeder service to transport persons with disabilities to and from hospitals, clinics, Mass Transit Railway stations and other places with a high demand for transportation service.	

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