

Eight sentenced for fraud over \$85m FEHD pest control contract**04.09.09**

Eight former staff members of a cleaning contractor of the Food and Environmental Hygiene Department (FEHD), charged by the ICAC, were today (Friday) sentenced to various jail terms up to 22 months for conspiracy to defraud in relation to wages paid to cleaning workers and the subcontracting of a rodent and pest control contract worth \$85 million.

Barry Chan Kam-man, 48, former general manager of Centuryan Services Limited (Centuryan), received a jail term of 19 months, while Kot Ka-kui, 58, former contract manager of Centuryan, was jailed for 22 months.

Co-defendants Po Chau-yin, 45, Chung Fuk, 41; Ho Ka-wo, 51; Po Ka-chun, 32; and Cheung Pui-ying, 51, all former foremen of Centuryan, were each sentenced to 13 months' imprisonment. Another co-defendant Kui Wai-chung, 43, former foreman of Centuryan, was jailed for 15 months, suspended for three years.

District Court Judge Mary Yuen Lai-wah adjourned sentencing another former foreman, Lau Ka-wai, 28, until September 17, pending a community service order report.

In sentencing, the judge reprimanded the defendants for exploiting wages paid to cleaning workers for their own benefits.

The judge added that heavier jail terms were meted out to Chan and Kot as they were masterminds of the scams.

Chan was earlier found guilty of 12 counts of conspiracy to defraud, while Kot was convicted of 13 similar offences. Po Chau-yin, Chung, Ho, Po Ka-chun, Kui, Cheung and Lau were each found guilty of one count of conspiracy to defraud.

The case arose from corruption complaints. Subsequent ICAC enquiries revealed the above fraud offences.

The court heard that at the time of the offences, the FEHD had awarded Centuryan a contract, worth over \$85 million, for providing rodent and pest control services in 19 districts.

Between December 2004 and March 2006, the defendants conspired to defraud the FEHD by concealing the fact that part of the contract had been or were to be subcontracted to Po Chau-yin, Chung, Ho, Po Ka-chun, Kui, Cheung and Lau.

The court heard that the defendants also failed to disclose to the FEHD the actual wages of foremen and cleaning workers employed under the respective FEHD contract.

While the workers each received the minimum wage of \$7,382 per month as stipulated in the FEHD contract, the defendants falsely represented to the workers that they had to return to Centuryan \$300 to \$1,900 per month.

The defendants' fraudulent acts caused FEHD not to take proper action against Centuryan, including the right to terminate the said contract, the court was told.

The prosecution was today represented by prosecuting counsel Wong Po-wing, assisted by ICAC officer Joey Lee.