

A member of the Wanchai District Council (WDC), charged by the ICAC, was today (Tuesday) sentenced to five months' imprisonment at the District Court for offences of fraud and misconduct in relation to his false claims of Operating Expenses Allowance (OEA).

Lee Kai-hung, 48, who is a district manager of an insurance company by profession, was also ordered by Deputy Judge Li Wai-chi to pay \$19,149 as restitution to the government.

In sentencing, the judge remarked that the defendant's dishonest conduct was not a one-off act of greed, but lasted a period of time. The defendant would carry on doing it had the offences not come to light, he said.

The judge said he had not found the defendant remorseful because he did not plead guilty at the first available opportunity, and challenged the prosecution by applying for a permanent stay of proceedings.

The judge added that fraud was a very serious offence, and that when it involved a person holding public office and cheating the government, an immediate custodial sentence was warranted.

The defendant yesterday pleaded guilty to five counts of fraud and one of misconduct in public office after the judge dismissed his application for a permanent stay of proceedings. The prosecution offered no evidence to the remaining two counts of fraud against him.

The court heard that at the time of the offences, the defendant was an elected member of the WDC.

As a member of the WDC, the defendant was provided with an OEA to cover expenses wholly and solely for discharging District Council duties, including hiring councillor assistants and running ward offices.

Between May 2006 and February 2007, the defendant, with intent to defraud, had overstated the salaries of three of his councillor assistants by \$19,149 in the OEA Reimbursement Forms, and by deceit, induced the WDC Secretariat to grant him OEA payments.

The court also heard that between January 2004 and March 2007, the defendant, being a public officer, in the course of or in relation to his public office, had willfully and intentionally culpably misconducted himself by assigning non-District Council duties to councillor assistants, whose salaries were reimbursed by the OEA. Such non-District Council duties included preparing insurance documents for his private insurance business, the court was told.

The prosecution was today represented by prosecuting counsel Wong Hay-yiu, assisted by ICAC officer Tim So.