

**Head 142 — GOVERNMENT SECRETARIAT: OFFICES OF THE CHIEF
SECRETARY FOR ADMINISTRATION AND THE FINANCIAL SECRETARY**

Controlling officer: the Director of Administration will account for expenditure under this Head.

Estimate 2003–04	\$436.2m
Establishment ceiling 2003–04 (notional annual mid-point salary value) representing an estimated 484 non-directorate posts as at 31 March 2003 reducing by 15 posts to 469 posts as at 31 March 2004.....	\$160.4m
In addition there will be an estimated 30 directorate posts as at 31 March 2003 reducing by one post to 29 posts as at 31 March 2004.	
Capital Account commitment balance	\$20.4m

Controlling Officer's Report

Programmes

Programme (1) Efficiency Unit	These programmes contribute to Policy Area 27: Intra-Governmental Services (Director of Administration).
Programme (2) Government Records Service	
Programme (3) CSO-Administration Wing	
Programme (4) Protocol Division	
Programme (5) Hong Kong Guangdong Cooperation Coordination Unit	

Detail

Programme (1): Efficiency Unit

	2001–02 (Actual)	2002–03 (Approved)	2002–03 (Revised)	2003–04 (Estimate)
Financial provision (\$m)	34.0	69.4 (+104.1%)	87.0 (+25.4%)	126.1 (+44.9%)

Aim

2 The aim of the Efficiency Unit is to promote a measurable transformation in the management and delivery of public services so that the community's needs are met in the most effective and efficient manner.

Brief Description

3 In pursuing this aim, the Efficiency Unit seeks to provide bureaux and departments with high quality management consultancy services that identify opportunities for performance enhancement, design practical solutions, develop compelling business cases, and secure effective implementation. Key areas of focus are:

- re-engineering—to achieve overall improvements in public sector productivity and service quality;
- outsourcing and public private partnerships—to harness the flexibility, innovation and resources of the private sector to achieve greater flexibility and cost effectiveness;
- organisational restructuring—to support bureaux and departments in reviewing organisation structures and implementing changes to improve the performance of the organisation;
- application of technology—to identify business applications for new technology to drive productivity and service improvements; and
- performance measurement—to support bureaux and departments to develop clear objectives and targets, and to measure performance.

4 To-date, the Efficiency Unit has played a major role in many important reform initiatives: the creation of trading funds; customer service improvements including performance pledges; and the design and implementation of an integrated call centre (ICC). In pursuing these initiatives, the Efficiency Unit adopts a progressive approach by:

- focusing on practical results;
- offering a cross-departmental perspective;
- challenging current ways of working;

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- developing practical tools and techniques; and
- providing speedy access to expertise and resources.

5 With regard to the ICC, since its soft launch in July 2001, it has taken over the enquiry hotline services of 11 departments in four phases. It is now handling an average of over 100 000 calls and 4 500 emails per month. The key performance measures of the ICC are:

Targets

	Target	2001 (Actual)	2002 (Actual)#	2003 (Plan)
calls that can be answered within 12 seconds (%).....	80	—	70	80
callers that have their cases resolved at the first time of calling (%).....	90	—	90	90

These represent the performance of the ICC since its full operation in October 2002.

Matters Requiring Special Attention in 2003–04

6 During 2003–04, attention will be given to the continuous pursuit of the unit's aim with special emphasis on enhancing the quality of public services as well as seeking greater efficiency in the use of limited public resources.

Programme (2): Government Records Service

	2001–02 (Actual)	2002–03 (Approved)	2002–03 (Revised)	2003–04 (Estimate)
Financial provision (\$m)	34.4	37.3 (+8.4%)	34.0 (–8.8%)	35.0 (+2.9%)

Aim

7 The aim of the Government Records Service is to administer government records efficiently by formulating and implementing policies and plans for records management and archives administration.

Brief Description

8 The Government Records Service's main responsibilities under this programme are to:

- formulate and implement the Government's records management policies and programmes;
- advise and support bureaux and departments on issues and solutions related to records management;
- provide storage and disposal services for inactive records;
- identify and preserve records of archival value, including valuable government publications and printed materials; and
- enhance public awareness of Hong Kong's documentary heritage and provide research and reference services.

9 The key performance measures are:

Targets

	Target	2001 (Actual)	2002 (Actual)	2003 (Plan)
departmental records management studies..	3	3	7	7
training for departmental records managers and their assistants on records management (no. of government officers trained)	2 400	2 500	2 556	2 600

Indicators

	2001 (Actual)	2002 (Actual)	2003 (Estimate)
archival records acquired (linear meters)	650	384	500
reference and research services rendered to the public no. of visitors.....	5 700	5 953	6 000

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	2001 (Actual)	2002 (Actual)	2003 (Estimate)
no. of written and telephone enquiries.....	4 200	7 072	6 000
no. of records management manuals, handbooks and newsletters published	2	1	1
intermediate storage facilities for inactive government records in terms of			
storage capacity (linear meters).....	118 000	118 000	118 000
percentage utilised.....	96.0	96.2	97.0
records microfilmed for other government departments (no. of images)	3 610 000	3 890 035	4 000 000

Matters Requiring Special Attention in 2003–04

10 During 2003–04, attention will be given to:

- enhancing the integrated information access system offering on-line and remote access for the archival and library holdings;
- continuing the public education and publicity programme on Hong Kong’s documentary heritage; and
- reviewing business processes to realise quality and efficiency opportunities.

Programme (3): CSO-Administration Wing

	2001–02 (Actual)	2002–03 (Approved)	2002–03 (Revised)	2003–04 (Estimate)
Financial provision (\$m)	184.9	214.4 (+16.0%)	245.7 (+14.6%)	220.3 (–10.3%)

Aim

11 The aim of the Administration Wing is to ensure that policies and services within the purview of the Chief Secretary for Administration’s Office and the Financial Secretary’s Office are delivered effectively, to maintain effective communication between the Administration and the Legislature, and to ensure that the legislative programme is taken forward in an orderly manner and that government business in the Legislature is conducted efficiently.

Brief Description

12 The Administration Wing’s main responsibilities under this programme are to:

- provide support to the Chief Secretary for Administration and the Financial Secretary in monitoring progress in the development and implementation of Government policies and programmes;
- coordinate legal aid policy matters, including reviewing the law, policy and practice relating to the provision of publicly-funded legal aid services, carrying out house-keeping functions for the Legal Aid Department, and acting as the Government’s contact point with the Duty Lawyer Service and the Controlling Officer for the Duty Lawyer Service’s publicly-funded expenditure in respect of legal aid services;
- provide administrative support to the Chief Secretary for Administration and the Financial Secretary in coordinating the Administration’s dealings with the Legislature;
- steer and monitor initiatives related to sustainable development;
- act as the contact point between the Judiciary and the Administration;
- act as the contact point between the Consular Corps and the Administration on issues related to the Hong Kong Special Administrative Region (HKSAR);
- act as the contact point in the Administration for the Office of The Ombudsman and assume policy responsibility for The Ombudsman Ordinance;
- process appeals against administrative decisions which come before the Administrative Appeals Board and the Municipal Services Appeals Board;
- administer and coordinate the Justices of the Peace system;
- act as the contact point in the Administration for the Independent Commission Against Corruption; and
- provide centralised support for common services and accommodation for the Government Secretariat.

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Matters Requiring Special Attention in 2003–04

13 During 2003–04, attention will be given to:

- the coordination and preparation for the development project at Tamar, including the tendering of the design and build contract; and
- the integration of sustainable development concept by both the Government and the community, and the provision of effective support to the Council for Sustainable Development.

Programme (4): Protocol Division

	2001–02 (Actual)	2002–03 (Approved)	2002–03 (Revised)	2003–04 (Estimate)
Financial provision (\$m)	41.2	48.3 (+17.2%)	47.9 (–0.8%)	48.4 (+1.0%)

Aim

14 The aim of the Protocol Division is to maintain an efficient protocol service for the Government.

Brief Description

15 The Protocol Division's main responsibilities under this programme are to:

- maintain close liaison with the Office of the Commissioner of the Ministry of Foreign Affairs of the People's Republic of China (PRC) in the HKSAR in respect of the day-to-day management of the Consular Corps;
- liaise with and provide host government services to the Consular Corps in the HKSAR;
- extend courtesies to national and international dignitaries;
- advise on the display of flags, protocolaire matters and etiquette;
- maintain an efficient and cost-effective Government VIP service at the Hong Kong International Airport;
- administer the local honours and awards system; and
- plan and coordinate visits to the HKSAR by national leaders and overseas senior officials and arrange delivery of their visit programmes.

Matters Requiring Special Attention in 2003–04

16 During 2003–04, attention will be given to the maintenance of quality services in respect of liaison with the Office of the Commissioner of the Ministry of Foreign Affairs of the PRC in the HKSAR; visit programmes for national leaders and overseas senior officials; provision of the Government VIP service by the Airport Authority Hong Kong; and the administration of the local honours and awards system.

Programme (5): Hong Kong Guangdong Cooperation Coordination Unit

	2001–02 (Actual)	2002–03 (Approved)	2002–03 (Revised)	2003–04 (Estimate)
Financial provision (\$m)	—	8.0	6.6 (–17.5%)	6.4 (–3.0%)

Aim

17 The aim of the Hong Kong Guangdong Cooperation Coordination Unit is to foster closer links between Hong Kong and Guangdong and to facilitate joint development of the Pearl River Delta (PRD).

Brief Description

18 The Hong Kong Guangdong Cooperation Coordination Unit's main responsibilities under this programme are to:

- act as the driving force and coordinator for cross-boundary facilitation and integrated development with the PRD; and
- in consultation with other policy bureaux, map out a long term strategy for Hong Kong-Guangdong cooperation with a view to enhancing the overall competitiveness of the PRD and assist the Chief Secretary for Administration and the Financial Secretary in overseeing its implementation.

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Matters Requiring Special Attention in 2003–04

19 During 2003–04, attention will be given to coordinating efforts within the Administration to further the cooperation between Hong Kong and Guangdong, and in particular the PRD, in areas such as boundary cooperation, economic cooperation, human resources development, infrastructure planning and environmental protection, etc.

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ANALYSIS OF FINANCIAL PROVISION

Programme	2001-02 (Actual) (\$m)	2002-03 (Approved) (\$m)	2002-03 (Revised) (\$m)	2003-04 (Estimate) (\$m)
(1) Efficiency Unit.....	34.0	69.4	87.0	126.1
(2) Government Records Service	34.4	37.3	34.0	35.0
(3) CSO-Administration Wing	184.9	214.4	245.7	220.3
(4) Protocol Division.....	41.2	48.3	47.9	48.4
(5) Hong Kong Guangdong Cooperation Coordination Unit	—	8.0	6.6	6.4
Secretariat: Executive Council Support	6.9	7.3	6.9	—
	301.4	384.7 (+27.6%)	428.1 (+11.3%)	436.2 (+1.9%)

Note: The provision for the Secretariat: Executive Council Support programme will be transferred to the Chief Executive's Office from 2003-04.

Analysis of Financial and Staffing Provision

Programme (1)

Provision for 2003-04 is \$39.1 million (44.9%) higher than the revised estimate for 2002-03. This is mainly due to salary increments for staff, full-year provision for posts created and vacancies filled in 2002-03, additional operating expenses for the ICC, increased cashflow requirement for capital projects and full-year effect of the integration of the former Management Services Agency into the Efficiency Unit, partly offset by full-year effect of civil service pay cut in 2002.

Programme (2)

Provision for 2003-04 is \$1.0 million (2.9%) higher than the revised estimate for 2002-03. This is mainly due to salary increments for staff and additional provision for maintaining the integrated information access system offering on-line and remote access for the archival and library holdings, partly offset by full-year effect of civil service pay cut in 2002.

Programme (3)

Provision for 2003-04 is \$25.4 million (10.3%) lower than the revised estimate for 2002-03. This is mainly due to reduced expenditure upon charging of remuneration of the Directors of Bureaux to respective bureaux from 2003-04 and full-year effect of civil service pay cut in 2002, partly offset by salary increments for staff, full-year provision for posts created and vacancies filled in 2002-03, and transfer of provision for electrical and mechanical services for Murray Building from the Government Property Agency.

Programme (4)

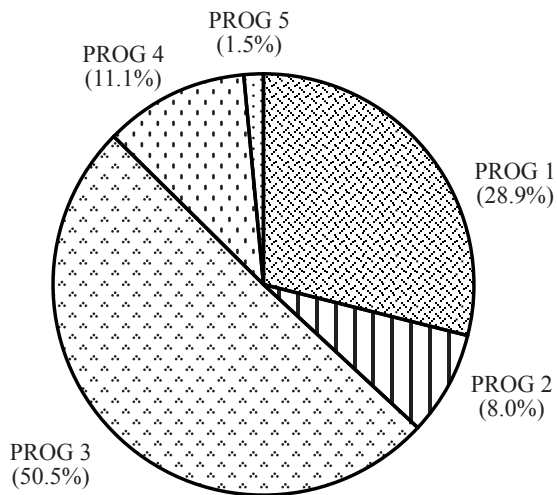
Provision for 2003-04 is \$0.5 million (1.0%) higher than the revised estimate for 2002-03. This is mainly due to salary increments for staff in 2003-04 and lower requirement for departmental expenses in 2002-03, partly offset by full-year effect of civil service pay cut in 2002.

Programme (5)

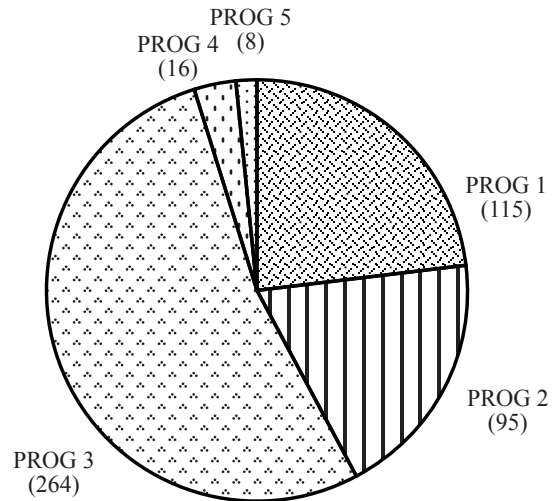
Provision for 2003-04 is \$0.2 million (3.0%) lower than the revised estimate for 2002-03. This is mainly due to full-year effect of civil service pay cut in 2002 and reduced requirement for employment of non-civil service contract staff, partly offset by salary increments for staff.

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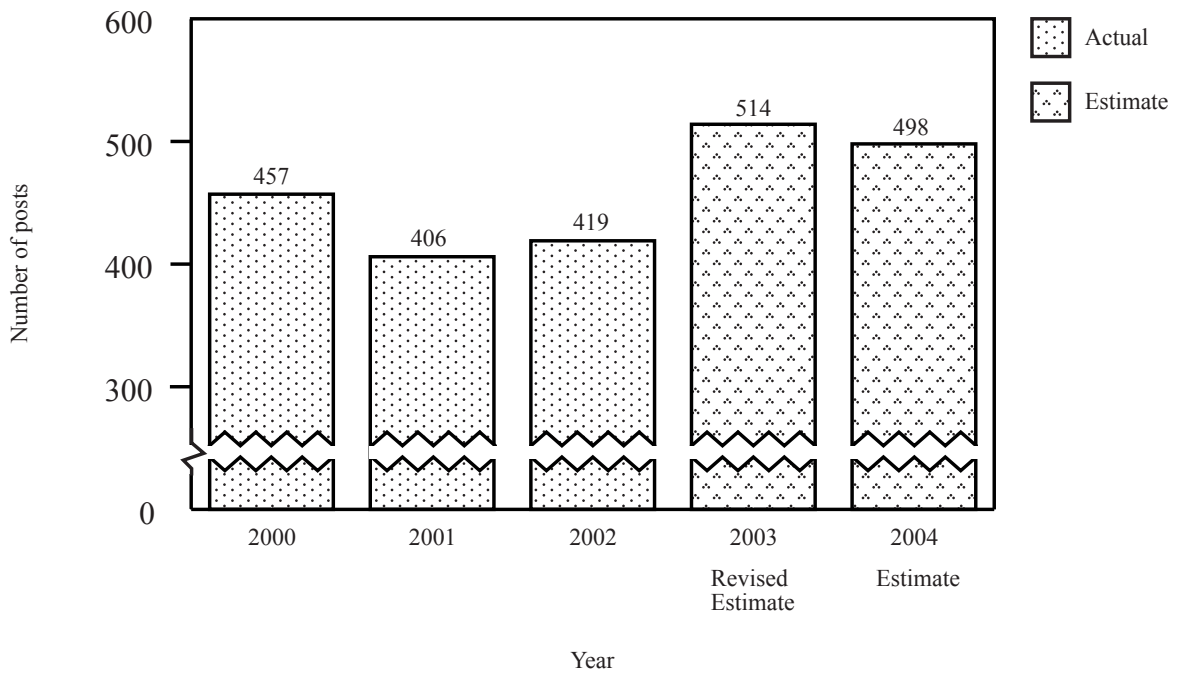
Allocation of provision to programmes (2003-04)



Staff by programme (as at 31 March 2004)



Changes in the size of the establishment (as at 31 March)



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Sub-head (Code)	Actual expenditure 2001-02	Approved estimate 2002-03	Revised estimate 2002-03	Estimate 2003-04
	\$'000	\$'000	\$'000	\$'000
Recurrent Account				
000	Operational expenses.....	—	—	402,100
	Salaries	153,274	170,175	—
	Allowances	8,706	11,283	—
	Job-related allowances	197	51	—
	Remuneration for special appointments	12,904	13,904	—
	Honoraria for members of committees	826	1,593	—
	Hire of services and professional fees	37,061	49,461	—
	General departmental expenses	70,196	102,601	—
	Total, Recurrent Account	283,164	349,068	402,100
Capital Account				
I — Plant, Equipment and Works				
661	Minor plant, vehicles and equipment (block vote).....	1,186	1,510	3,322
	Total, Plant, Equipment and Works	1,186	1,510	3,322
II — Other Non-Recurrent				
700	General other non-recurrent	9,813	19,554	16,214
838	Minor consultancy studies (block vote).....	7,278	14,555	14,555
	Total, Other Non-Recurrent	17,091	34,109	30,769
	Total, Capital Account	18,277	35,619	34,091
	Total Expenditure.....	301,441	384,687	436,191

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Details of Expenditure by Subhead

The estimate of the amount required in 2003–04 for the salaries and expenses of the Offices of the Chief Secretary for Administration and the Financial Secretary is \$436,191,000. This represents an increase of \$8,075,000 over the revised estimate for 2002–03 and of \$134,750,000 over actual expenditure in 2001–02.

Recurrent Account

2 Provision of \$402,100,000 under *Subhead 000 Operational expenses* is for the salaries and allowances of staff of the Offices of the Chief Secretary for Administration and the Financial Secretary and their other operating expenses. The provision also includes a non-accountable entertainment allowance of \$384,300 for the Chief Secretary for Administration and of \$294,500 for the Financial Secretary.

3 The establishment as at 31 March 2003 will be 511 permanent and three supernumerary posts. It is expected that 16 permanent posts will be deleted in 2003–04. Subject to certain conditions, the controlling officer may under delegated powers create or delete non-directorate posts during 2003–04, but the notional annual mid-point salary value of all such posts must not exceed \$160,368,000.

4 An analysis of financial provision under *Subhead 000 Operational expenses* is as follows:

	2001–02 (Actual) (\$'000)	2002–03 (Original Estimate) (\$'000)	2002–03 (Revised Estimate) (\$'000)	2003–04 (Estimate) (\$'000)
Personal Emoluments				
- Salaries.....	153,274	170,175	196,416	200,169
- Allowances.....	8,706	11,283	9,483	10,032
- Job-related allowances.....	197	51	88	51
Personnel Related Expenses				
- Mandatory Provident Fund contribution.....	—	—	—	140
Departmental Expenses				
- Remuneration for special appointments ...	12,904	13,904	47,387	19,267
- Honoraria for members of committees.....	826	1,593	1,274	2,193
- Hire of services and professional fees.....	37,061	49,461	53,092	56,095
- General departmental expenses.....	70,196	102,601	92,751	114,153
	283,164	349,068	400,491	402,100

Capital Account

Plant, Equipment and Works

5 Provision of \$3,322,000 under *Subhead 661 Minor plant, vehicles and equipment (block vote)* represents an increase of \$2,103,000 (172.5%) over the revised estimate for 2002–03. This is mainly due to the additional provision for scheduled replacement of minor plant and equipment.

Other Non-Recurrent

6 Provision of \$14,555,000 under *Subhead 838 Minor consultancy studies (block vote)* is for the Administration Wing, the Central Policy Unit and the Efficiency Unit to conduct minor consultancy studies each costing above \$100,000 but not exceeding \$3,000,000 on a wide variety of policy issues and issues related to transfer of public services.

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Capital Account

Commitments

Sub-head (Code)	Item (Code)	Ambit	Approved commitment	Accumulated expenditure to 31.3.2002	Revised estimated expenditure for 2002–03	Balance
			\$'000	\$'000	\$'000	\$'000
700		<i>General other non-recurrent</i>				
	017	Employment of a Curator for the Public Records Office	3,239	1,219	850	1,170
	019	Acquisition of archival materials about Hong Kong	1,400	184	300	916
	020	Acquisition of acid free folders in GRSD	1,400	497	90	813
	027	Exercise on socio-economic-political development trends in the Mainland (with particular emphasis on Guangdong Province)	7,770	3,770	500	3,500
	028	Consultancy study on socio-economic- political development trends in the Mainland	10,000	8,282	1,467	251
	033	Managing for results at departmental level to support delivery of policy objectives	5,000	1,592	200	3,208
	034	Customer satisfaction model for use in departments	1,200	902	62	236
	035	Periodic surveys and reviews of satisfaction and needs of the community	3,200	340	454	2,406
	036	Holding an international conference on Archives among East Asian countries in Hong Kong	320	202	—	118
	037	Purchase of equipment and making duplicates for Film Archives	400	254	100	46
	047	Seminars on private sector involvement.	1,200	—	—	1,200
	048	Consultancy studies and public consultation on sustainable development	2,900	—	—	2,900
	049	Publicity and community education activities on sustainable development	5,540	25	1,855	3,660
		Total	43,569	17,267	5,878	20,424