

Head 98 — MANAGEMENT SERVICES AGENCY

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

Estimate 2000–01	\$67.1m
Establishment ceiling 2000–01 (notional annual mid-point salary value) representing an estimated 89 non-directorate posts at 31 March 2000 rising by three posts to 92 posts at 31 March 2001	\$52.0m
In addition there will be an estimated five directorate posts at 31 March 2000 and at 31 March 2001.	
Capital Account commitment balance	\$16.0m

Controlling Officer's Report

Programme

Management Consultancy Services

This programme contributes to Policy Area 27: Intra-Governmental Services (Head, Efficiency Unit).

Detail

	1998–99 (Actual)	1999–2000 (Approved)	1999–2000 (Revised)	2000–01 (Estimate)
Financial provision (\$m)	69.1	69.1 (0.0%)	67.6 (–2.2%)	67.1 (–0.7%)

Aim

2 The aim is to provide and market quality management consultancy services to government bureaux and departments to help them deliver the best service possible within the resources available.

Brief Description

3 The Management Services Agency is responsible for providing management consultancy services to government bureaux and departments, and bringing about long-term improvement to the efficiency and management of the public sector and hence better service to the community. The Agency's work involves:

- Consultancy studies - to assist bureaux and departments to review policy objectives, business needs and levels of service, to identify opportunities for institutional change and to optimise the use of resources.
- Business Centre projects - to provide specialist advice on ways to obtain the productivity and service improvements offered by new technology, good office practice, standardisation of systems and procedures, etc.
- Consultancy procurement service - to advise and support departments in the procurement of external management consultancy services.
- Management Services Grade Management - to manage, develop and train the Management Services Grade staff who are currently deployed in the Agency and departmental units.

4 In 1999, the Agency has continued to achieve good results. The aim of the programme has been broadly achieved and the overall performance of the programme as reflected by the key indicators is satisfactory. Some key initiatives achieved are:

- completion of the Phase III of the Records Management Strategy;
- implementation of intelligent call centres in the Water Supplies Department and the Labour Department;
- support for the implementation of the Enhanced Productivity Programme; and
- training of Management Services Grade staff in the use of a newly developed and structured approach to process improvement.

5 The key performance measures in respect of the Agency are:

Targets

	Target	1998 (Actual)	1999 (Actual)	2000 (Plan)
business reviews completed and/or implemented	4	5	5	4
other consultancy studies completed	25	28	25	25
bureaux and departments receiving service (90 in total)	75	76	85	75

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Indicators

	1998 (Actual)	1999 (Actual)	2000 (Estimate)
Business Centre projects completed.....	78	80	80
clients' satisfaction rating with the Agency's service on major reviews and studies (% of very good and good)	100	100	100
clients' assessment of objectives achieved as agreed in the terms of reference of major reviews and studies (% of very good and good).....	100	95	95
major reviews and studies completed on time (%)	100	90	95

Matters Requiring Special Attention in 2000-01

6 During 2000-01, the Agency will:

- liaise closely with the Finance Bureau and the Efficiency Unit on the provision of support to bureaux and departments through in-house and external management consultancy services to:
 - support their implementation of the Enhanced Productivity Programme;
 - develop a standardised approach and conduct studies on benchmarking;
 - provide support for the outsourcing of government services;
 - provide Business Process Re-engineering support including Phase II of the Electronic Service Delivery Programme; and
- keep abreast of latest trends in technology.

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ANALYSIS OF FINANCIAL PROVISION

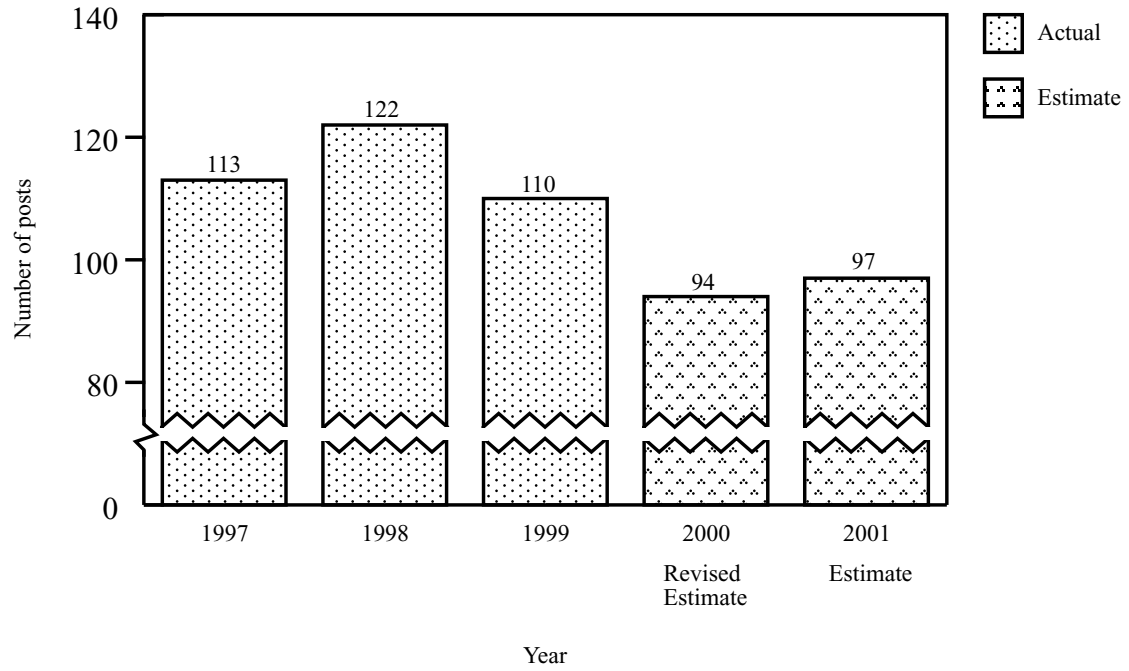
Programme	1998–99 (Actual) (\$m)	1999–2000 (Approved) (\$m)	1999–2000 (Revised) (\$m)	2000–01 (Estimate) (\$m)
Management Consultancy Services.....	69.1	69.1 (0.0%)	67.6 (–2.2%)	67.1 (–0.7%)

Analysis of Financial and Staffing Provision

Provision for 2000–01 is \$0.5 million (0.7%) lower than the revised estimate for 1999–2000. This is mainly due to the reduction in cashflow requirement for implementation of the Records Management Strategy upon the completion of the project in 1999–2000 and the deletion of two posts in 2000–01 under the Enhanced Productivity Programme, partly offset by the full-year provision for vacancies filled in 1999–2000 and the creation of five posts in 2000–01 for undertaking a major project.

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



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Sub-head (Code)	Actual expenditure 1998-99	Approved estimate 1999-2000	Revised estimate 1999-2000	Estimate 2000-01	
	\$'000	\$'000	\$'000	\$'000	
Recurrent Account					
I — Personal Emoluments					
001	Salaries	48,678	47,049	50,638	53,318
002	Allowances	2,146	2,686	2,346	2,686
	Total, Personal Emoluments	<u>50,824</u>	<u>49,735</u>	<u>52,984</u>	<u>56,004</u>
III — Departmental Expenses					
149	General departmental expenses	8,319	7,355	7,355	7,501
	Total, Departmental Expenses	<u>8,319</u>	<u>7,355</u>	<u>7,355</u>	<u>7,501</u>
	Total, Recurrent Account	<u>59,143</u>	<u>57,090</u>	<u>60,339</u>	<u>63,505</u>
Capital Account					
I — Plant, Equipment and Works					
	Minor plant, vehicles and equipment (block vote)	360	200	200	—
	Total, Plant, Equipment and Works	<u>360</u>	<u>200</u>	<u>200</u>	<u>—</u>
II — Other Non-Recurrent					
700	General other non-recurrent	9,560	11,847	7,043	3,620
	Total, Other Non-Recurrent	<u>9,560</u>	<u>11,847</u>	<u>7,043</u>	<u>3,620</u>
	Total, Capital Account	<u>9,920</u>	<u>12,047</u>	<u>7,243</u>	<u>3,620</u>
	Total Expenditure	<u><u>69,063</u></u>	<u><u>69,137</u></u>	<u><u>67,582</u></u>	<u><u>67,125</u></u>

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Details of Expenditure by Subhead

The estimate of the amount required in 2000–01 for the salaries and expenses of the Management Services Agency is \$67,125,000. This represents a decrease of \$457,000 against the revised estimate for 1999–2000 and of \$1,938,000 against actual expenditure in 1998–99.

Recurrent Account

Personal Emoluments

2 Provision of \$56,004,000 for personal emoluments represents an increase of \$3,020,000 over the revised estimate for 1999–2000 and takes into account salary increments for existing staff and the full-year provision for vacancies filled in 1999–2000.

3 The establishment at 31 March 2000 will be 94 permanent posts. Taking into account the creation of five posts for undertaking a major project and the deletion of two posts under the Enhanced Productivity Programme, it is expected that a net three permanent posts will be created in 2000–01.

4 Subject to certain conditions, the controlling officer may under delegated powers create or delete non-directorate posts during 2000–01, but the notional annual mid-point salary value of all such posts must not exceed \$51,960,000.

5 Provision of \$2,686,000 under *Subhead 002 Allowances* is for standard allowances. The increase of \$340,000 (14.5%) over the revised estimate for 1999–2000 is mainly due to an increased requirement for acting allowances.

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Capital Account

Commitments

Sub-head (Code)	Item (Code)	Ambit	Approved commitment	Accumulated expenditure to 31.3.99	Revised estimated expenditure for 1999–2000	Balance
			<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
700		<i>General other non-recurrent</i>				
	004	Implementation of Records Management Strategy—Phase II.....	25,620	15,792	2,220	7,608
	006	Implementation of Records Management Strategy—Phase III.....	13,900	755	4,800	8,345
		Total.....	<u>39,520</u>	<u>16,547</u>	<u>7,020</u>	<u>15,953</u>