

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 2008–09 **\$498.4m**

Establishment ceiling 2008–09 (notional annual mid-point salary value) representing an estimated 443 non-directorate posts as at 31 March 2008 reducing by two posts to 441 posts as at 31 March 2009 **\$159.0m**

In addition, there will be an estimated 31 directorate posts as at 31 March 2008 reducing by one post to 30 posts as at 31 March 2009.

Commitment balance **\$6.9m**

Controlling Officer's Report

Programmes

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

Programme (1): Efficiency Unit

	2006–07 (Actual)	2007–08 (Original)	2007–08 (Revised)	2008–09 (Estimate)
Financial provision (\$m)	112.0	128.5	124.5 (–3.1%)	132.8 (+6.7%)
				(or +3.3% on 2007–08 Original)

Aim

2 The aim of the Efficiency Unit is to be the preferred consulting partner for all government bureaux and departments and to advance the delivery of world-class public services to the people.

Brief Description

3 In pursuing this aim, the Efficiency Unit strives to provide strategic and implementable solutions to all its clients as they seek to deliver people-based government services. The Efficiency Unit does this by combining its extensive understanding of policies, its specialised knowledge and its broad contacts and linkages throughout the Government and the private sector. In doing so, it joins its clients in contributing to the advancement of the community while also providing a fulfilling career for all members of the Efficiency Unit. 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 efficiency and cost effectiveness;
- organisational restructuring—to support bureaux and departments in reviewing organisational structures and implementing changes to improve the performance of the organisations;
- 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.

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4 The Efficiency Unit plays a major role in many important reform initiatives: designing, implementing and developing an integrated call centre (ICC); supporting the introduction of outsourcing and public private partnership initiatives; implementing on a pilot basis customer management initiatives including the development of a Customer Management Assessment Framework; launching the “Be the Smart Regulator” programme in collaboration with the Economic Analysis and Business Facilitation Unit under the Financial Secretary’s Office; and supporting the implementation of the Citizen-centric Services Programme through the Youth Portal. 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;
- developing tools and techniques; and
- providing speedy access to expertise and resources.

5 The ICC has taken over the enquiry hotline services of 19 departments. In 2007, it handled over 3 077 000 calls and 88 800 emails from the public. The key performance measures of the ICC are:

Targets

	Target	2006 (Actual)	2007 (Actual)	2008 (Plan)
calls that can be answered within 12 seconds (%)	80	78	68#	80
callers that have their enquiries addressed at the first time of calling (%).....	90	92	90	90

The performance measure is a function of call volume, call duration as well as staff levels. The target was not met because the number of calls handled increased by some 11 per cent from 2 770 000 in 2006 to over 3 077 000 in 2007. The high staff turnover due to the economic recovery in the private sector also affected the service level of the call centre. The ICC will explore the possibility of making use of modern technology to manage its workload, hence improving this target in the coming year.

Matters Requiring Special Attention in 2008–09

6 During 2008–09, the Efficiency Unit will continue to pursue the aim of this programme with special emphasis on helping bureaux and departments to enhance the quality of public services delivery and achieve greater efficiency in the use of limited public resources.

Programme (2): Government Records Service

	2006–07 (Actual)	2007–08 (Original)	2007–08 (Revised)	2008–09 (Estimate)
Financial provision (\$m)	28.0	29.4	30.0 (+2.0%)	32.2 (+7.3%)
				(or +9.5% on 2007–08 Original)

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 government 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, valuable government publications and printed materials; and
- enhance public awareness of Hong Kong’s documentary heritage, and provide research and reference services.

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9 The key performance measures are:

Targets

	Target	2006 (Actual)	2007 (Actual)	2008 (Plan)
departmental records management studies ..	4	4	4	4
training for departmental records managers and their assistants on records management (no. of government officers trained).....	2 000	2 057	2 037	2 000

Indicators

	2006 (Actual)	2007 (Actual)	2008 (Estimate)
archival records acquired (linear meters).....	372	282	260
reference and research services rendered to the public			
no. of visitors	2 401	2 617	2 600
no. of enquiries	8 078	7 549	7 500
records management manuals, handbooks and newsletters published	0	1	1
intermediate storage facilities for inactive government records in terms of			
storage capacity (linear meters)	118 000	118 300	118 300
percentage utilised	98.1	98.7	98.5
records microfilmed for other government departments (no. of images)	3 109 809	2 918 057¶	2 800 000¶

¶ The microfilming projects undertaken in 2007 required a longer processing time as a larger proportion of the source documents are odd-sized or in poor condition, thus resulting in a slower rate of output and a reduced number of records microfilmed. The trend will continue in 2008.

Matters Requiring Special Attention in 2008–09

10 During 2008–09, the Government Records Service will continue to:

- study the feasibility and implications of applying electronic records keeping system for managing government records; and
- implement the public education and publicity programme on Hong Kong's documentary heritage.

Programme (3): CSO-Administration Wing

	2006–07 (Actual)	2007–08 (Original)	2007–08 (Revised)	2008–09 (Estimate)
Financial provision (\$m)#	249.6	272.8	274.6 (+0.7%)	291.8 (+6.3%)

(or +7.0% on
2007–08 Original)

For comparison purpose, the figures exclude relevant provisions for sustainable development and legal aid policy which have been transferred to Head 137—Government Secretariat: Environment Bureau and Head 53—Government Secretariat: Home Affairs Bureau respectively due to the re-organisation of the Government Secretariat with effect from 1 July 2007.

Aim

11 The Administration Wing seeks 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; facilitates the smooth and efficient conduct of government business in the Legislature; and liaises with the Judiciary, the Independent Commission Against Corruption and the Office of The Ombudsman on matters that require input from the Administration.

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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;
- provide administrative support to the Chief Secretary for Administration and the Financial Secretary in co-ordinating the Administration's dealings with the Legislature;
- act as the contact point between the Judiciary and the Administration;
- act as the contact point in the Administration for the Independent Commission Against Corruption;
- act as the contact point in the Administration for the Office of The Ombudsman;
- act as the contact point between the Consular Corps and the Administration on issues related to the Hong Kong Special Administrative Region (HKSAR);
- process appeals against administrative decisions which come before the Administrative Appeals Board and the Municipal Services Appeals Board;
- administer and co-ordinate the Justices of the Peace system;
- provide centralised support for common services and accommodation for the Government Secretariat;
- provide timely, quality and strategic economic advice to support the formulation of the Government's policies and programmes including budgetary policies;
- provide support to the Business Facilitation Advisory Committee and its task forces on regulatory reviews, and take forward business facilitation initiatives which aim to improve the business environment of Hong Kong by cutting red-tape and eliminating over-regulation; and
- facilitate the implementation of measures in support of the population policy.

Matters Requiring Special Attention in 2008–09

13 During 2008–09, the Administration Wing will continue to take forward the Tamar development project. The Economic Analysis and Business Facilitation Unit under the Financial Secretary's Office will co-ordinate with bureaux and departments concerned to take forward the "Be the Smart Regulator" programme aiming to streamline business licensing processes and reduce compliance costs to business.

Programme (4): Protocol Division

	2006–07 (Actual)	2007–08 (Original)	2007–08 (Revised)	2008–09 (Estimate)
Financial provision (\$m)	38.0	41.1	41.5 (+1.0%)	41.6 (+0.2%)
				(or +1.2% on 2007–08 Original)

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, protocol matters and etiquette;
- ensure the provision of an efficient and cost-effective government VIP service at the Hong Kong International Airport;
- plan and co-ordinate visits to the HKSAR by national leaders and overseas senior officials and arrange delivery of their visit programmes; and
- administer the local honours and awards system.

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Matters Requiring Special Attention in 2008–09

16 During 2008–09, the Protocol Division will continue to maintain quality services in respect of liaison with the Office of the Commissioner of the Ministry of Foreign Affairs of the PRC in the HKSAR, delivery of visit programmes for national leaders and overseas senior officials, monitoring of the government VIP service provided by the Airport Authority, and administration of the local honours and awards system.

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ANALYSIS OF FINANCIAL PROVISION

Programme	2006–07 (Actual) (\$m)	2007–08 (Original) (\$m)	2007–08 (Revised) (\$m)	2008–09 (Estimate) (\$m)
(1) Efficiency Unit	112.0	128.5	124.5	132.8
(2) Government Records Service	28.0	29.4	30.0	32.2
(3) CSO-Administration Wing	249.6	272.8	274.6	291.8
(4) Protocol Division	38.0	41.1	41.5	41.6
	427.6§	471.8§	470.6§ (–0.3%)	498.4 (+5.9%)
				(or +5.6% on 2007–08 Original)

§ For comparison purpose, relevant provisions for the former programme on Subvention: Duty Lawyer Service, Legal Aid Services Council are excluded as a result of the transfer of legal aid portfolio to Head 53—Government Secretariat: Home Affairs Bureau due to the re-organisation of the Government Secretariat with effect from 1 July 2007.

Analysis of Financial and Staffing Provision

Programme (1)

Provision for 2008–09 is \$8.3 million (6.7%) higher than the revised estimate for 2007–08. This is mainly due to the anticipated increase in departmental expenses for the ICC and the Youth Portal, filling of vacancies, as well as increased cash flow requirement for non-recurrent items.

Programme (2)

Provision for 2008–09 is \$2.2 million (7.3%) higher than the revised estimate for 2007–08. This is mainly due to the filling of vacancies, salary increments for staff, as well as increased cash flow requirement for non-recurrent items.

Programme (3)

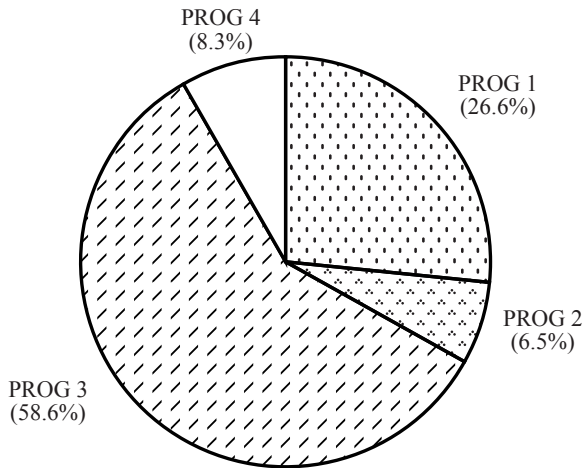
Provision for 2008–09 is \$17.2 million (6.3%) higher than the revised estimate for 2007–08. This is mainly due to the anticipated increase in requirement for strategic research and studies, increased provisions for salary and general departmental expenses arising from the creation of two positions of Political Assistant under the Political Appointment System, anticipated requirement for promotion of public policy research, as well as salary increments for staff, partly offset by the net decrease of three posts.

Programme (4)

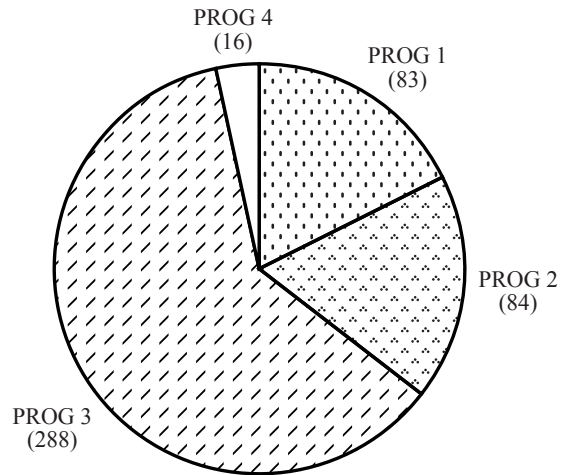
Provision for 2008–09 is \$0.1 million (0.2%) higher than the revised estimate for 2007–08. This is mainly due to the salary increments for staff.

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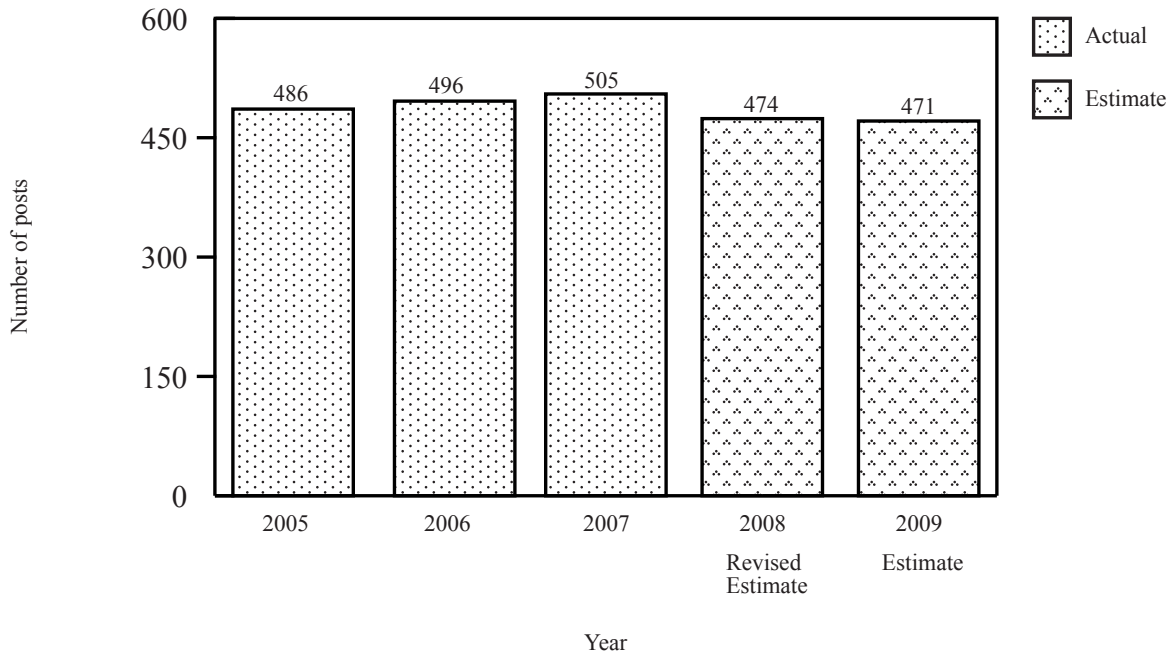
*Allocation of provision
to programmes
(2008-09)*



*Staff by programme
(as at 31 March 2009)*



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



**Head 142 — GOVERNMENT SECRETARIAT: OFFICES OF THE CHIEF
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Sub-head (Code)		Actual expenditure 2006–07	Approved estimate 2007–08	Revised estimate 2007–08	Estimate 2008–09
		\$'000	\$'000	\$'000	\$'000
Operating Account					
Recurrent					
000	Operational expenses	514,906	577,770	518,173	496,338
	Total, Recurrent.....	514,906	577,770	518,173	496,338
Non-Recurrent					
700	General non-recurrent	17,997	17,504	7,558	2,068
	Total, Non-Recurrent.....	17,997	17,504	7,558	2,068
	Total, Operating Account	532,903	595,274	525,731	498,406
Capital Account					
Plant, Equipment and Works					
	Minor plant, vehicles and equipment (block vote)	3,991	—	—	—
	Total, Plant, Equipment and Works.....	3,991	—	—	—
	Total, Capital Account.....	3,991	—	—	—
	Total Expenditure	536,894	595,274	525,731	498,406

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Details of Expenditure by Subhead

The estimate of the amount required in 2008–09 for the salaries and expenses of the Offices of the Chief Secretary for Administration and the Financial Secretary is \$498,406,000. This represents a decrease of \$27,325,000 against the revised estimate for 2007–08 and of \$38,488,000 against actual expenditure in 2006–07.

Operating Account

Recurrent

2 Provision of \$496,338,000 under *Subhead 000 Operational expenses* is for the salaries, allowances and other operating expenses of the Offices of the Chief Secretary for Administration and the Financial Secretary. The provision also includes a non-accountable entertainment allowance of \$384,200 and \$294,500 for the Chief Secretary for Administration and for the Financial Secretary respectively.

3 The establishment as at 31 March 2008 will be 472 permanent and two supernumerary posts. It is expected that there will be a net decrease of two permanent posts and one supernumerary post in 2008–09. Subject to certain conditions, the controlling officer may under delegated power create or delete non-directorate posts during 2008–09, but the notional annual mid-point salary value of all such posts must not exceed \$158,951,000.

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

	2006–07 (Actual) (\$'000)	2007–08 (Original) (\$'000)	2007–08 (Revised) (\$'000)	2008–09 (Estimate) (\$'000)
Personal Emoluments				
- Salaries	206,166	215,906	207,549	211,156
- Allowances	7,489	8,522	7,740	7,445
- Job-related allowances	1	44	43	43
Personnel Related Expenses				
- Mandatory Provident Fund contribution	179	239	176	240
- Civil Service Provident Fund contribution	5	193	256	472
Departmental Expenses				
- Remuneration for special appointments ...	18,202	17,566	18,855	21,241
- Honoraria for members of committees	1,984	2,144	2,144	2,224
- Hire of services and professional fees	86,212	109,795	113,317	128,108
- General departmental expenses	105,778	126,757	119,791	125,409
Subventions				
- Duty Lawyer Service	84,368	91,951	45,976	— ^Δ
- Legal Aid Services Council	4,522	4,653	2,326	— ^Δ
	<u>514,906</u>	<u>577,770</u>	<u>518,173</u>	<u>496,338</u>

Δ Recurrent subventions for the Duty Lawyer Service and the Legal Aid Services Council are included under Head 53—Government Secretariat: Home Affairs Bureau due to the transfer of legal aid portfolio to the Home Affairs Bureau upon the re-organisation of the Government Secretariat with effect from 1 July 2007.

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Commitments

Sub-head (Code)	Item (Code)	Ambit	Approved commitment	Accumulated expenditure to 31.3.2007	Revised estimated expenditure for 2007–08	Balance
			\$'000	\$'000	\$'000	\$'000
<i>Operating Account</i>						
700		<i>General non-recurrent</i>				
	001	Undertaking economic research projects for the Asia-Pacific Economic Cooperation.....	2,400	2,082	255	63
	004	Contracting out economic projects	5,450	5,257	100	93
	019	Acquisition of archival materials about Hong Kong.....	1,400	312	40	1,048
	033	Managing for results at departmental level to support delivery of policy objectives	5,000	1,889	—	3,111
	035	Periodic surveys and reviews of satisfaction and needs of the community.....	3,200	913	—	2,287
	047	Seminars on private sector involvement.....	1,200	717	171	312
		Total	18,650	11,170	566	6,914