

Head 46 — GENERAL EXPENSES OF THE CIVIL SERVICE

Controlling officers: expenditure under this Head will be accounted for as follows:

Permanent Secretary for the Civil Service (Subheads 001, 003, 010, 011, 023, 024, 025, 028, 037, 041 and 042)
 Registrar of Companies (Subhead 006)
 Chief Executive of Hong Kong Monetary Authority (Subhead 008)
 Land Registrar (Subhead 009)
 Director of Accounting Services (Subheads 013, 014, 020, 022, 032, 033, 038, 039 and 040)
 Director-General of Telecommunications (Subhead 081)
 Postmaster General (Subhead 082)
 Director of Electrical and Mechanical Services (Subhead 083)
 Permanent Secretary for Home Affairs (Subhead 084)
 Secretary-General, Independent Police Complaints Council (Subhead 086)

Estimate 2010–11 **\$2,792.7m**

Establishment ceiling for Subhead 001 in 2010–11 (notional annual mid-point salary value representing an estimated 359 non-directorate posts in the operational reserves as at 31 March 2010 and as at 31 March 2011) **\$124.0m**

Controlling Officer's Report

Programme

General Expenses of the Civil Service

This programme contributes to Policy Area 26: Central Management of the Civil Service (Secretary for the Civil Service).

Detail

	2008–09 (Actual)	2009–10 (Original)	2009–10 (Revised)	2010–11 (Estimate)
Financial provision (\$m)	2,913.3	3,007.7	2,668.4 (–11.3%)	2,792.7 (+4.7%)

(or –7.1% on
2009–10 Original)

Aim

2 The aim is to pay for expenditure on terms and conditions of service and other personnel related expenses.

Brief Description

3 The Secretary for the Civil Service is in charge of the central management of the civil service. The Permanent Secretary for the Civil Service and the Director of Accounting Services are responsible for overall resource control of the general expenses of the civil service. These expenses include:

- expenses for recruitment, civil service examinations and operational reserves posts;
- allowances under the Home Purchase, Home Financing, Private Tenancy Allowance, Accommodation Allowance, Rent Allowance and Non-accountable Cash Allowance Schemes;
- passage expenses and personal allowances; and
- expenses relating to the relief and welfare of eligible officers and pensioners, and various awards and assistance to eligible officers.

4 Performance under this programme was generally maintained in 2009 as compared with 2008.

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5 The key performance indicators in respect of general expenses of the civil service are:

Indicators

	2008 (Actual)	2009 (Actual)	2010 (Estimate)
candidates of common recruitment examinations and other examinations conducted by Civil Service Bureau.....	77 897	101 232	87 500
recipients of long and meritorious service travel award	1 899	2 031	2 026
housing benefits			
recipients of home purchase allowance	14 661	14 645	14 932
recipients of private tenancy allowance.....	673	662	655
recipients of home financing allowance	3 759	2 965	2 502
recipients of accommodation allowance.....	62	56	55
recipients of rent allowance	1	1	2
recipients of non-accountable cash allowance.....	332	518	905
recipients of leave passage allowance	1 525	1 442	1 610
students receiving school passage allowance	4 987	4 335	4 230
students receiving local education allowance	22 052	20 377	20 250
students receiving overseas education allowance	3 435	3 004	2 970

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ANALYSIS OF FINANCIAL PROVISION

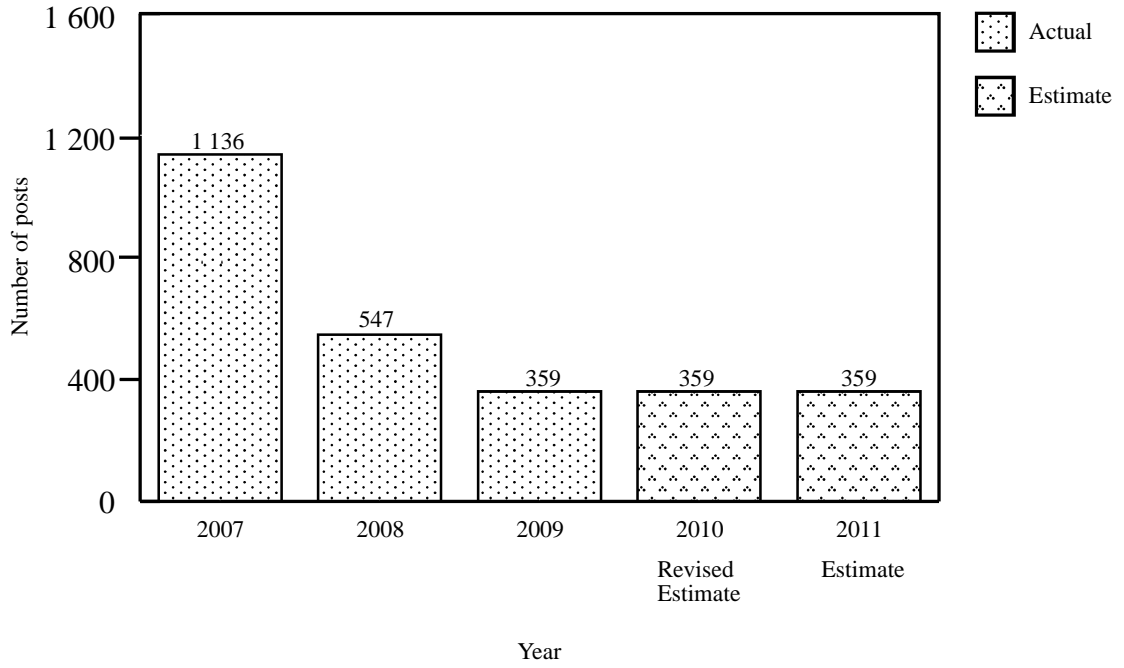
Programme	2008–09 (Actual) (\$m)	2009–10 (Original) (\$m)	2009–10 (Revised) (\$m)	2010–11 (Estimate) (\$m)
General Expenses of the Civil Service.....	2,913.3	3,007.7	2,668.4 (–11.3%)	2,792.7 (+4.7%)
				(or –7.1% on 2009–10 Original)

Analysis of Financial and Staffing Provision

Provision for 2010–11 is \$124.3 million (4.7%) higher than the revised estimate for 2009–10. This is mainly due to the projected increase in the expenditure on housing allowances (other than the home financing allowance), education allowances and passages, partly offset by the continued drop in the expenditure on home financing allowance.

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



Head 46 — GENERAL EXPENSES OF THE CIVIL SERVICE

Sub-head (Code)		Actual expenditure 2008–09	Approved estimate 2009–10	Revised estimate 2009–10	Estimate 2010–11
	\$'000	\$'000	\$'000	\$'000	\$'000
Operating Account					
Recurrent					
Personal Emoluments					
001	Salaries	65,023	61,142	60,703	60,387
003	Recoverable salaries and allowances (General).....691				
	<i>Deduct</i> reimbursements..... <i>Cr.691</i>	—	—	—	—
006	Recoverable salaries and allowances (Companies Registry Trading Fund).....113,000				
	<i>Deduct</i> reimbursements..... <i>Cr.113,000</i>	—	—	—	—
008	Recoverable salaries and allowances (Hong Kong Monetary Authority).....21,667				
	<i>Deduct</i> reimbursements..... <i>Cr.21,667</i>	—	—	—	—
009	Recoverable salaries and allowances (Land Registry Trading Fund).....175,507				
	<i>Deduct</i> reimbursements..... <i>Cr. 175,507</i>	—	—	—	—
081	Recoverable salaries and allowances (Office of the Telecommunications Authority Trading Fund).....118,760				
	<i>Deduct</i> reimbursements..... <i>Cr. 118,760</i>	—	—	—	—
082	Recoverable salaries and allowances (Post Office Trading Fund).....1,501,000				
	<i>Deduct</i> reimbursements..... <i>Cr. 1,501,000</i>	—	—	—	—
083	Recoverable salaries and allowances (Electrical and Mechanical Services Trading Fund).....1,202,748				
	<i>Deduct</i> reimbursements..... <i>Cr. 1,202,748</i>	—	—	—	—
084	Recoverable salaries and allowances (Legal Aid Services Council).....2,065				
	<i>Deduct</i> reimbursements..... <i>Cr.2,065</i>	—	—	—	—
086	Recoverable salaries and allowances (Independent Police Complaints Council).....3,964				
	<i>Deduct</i> reimbursements..... <i>Cr. 3,964</i>	—	—	—	—
	Total, Personal Emoluments.....	65,023	61,142	60,703	60,387
Personnel Related Expenses					
010	Recruiting expenses.....	742	900	900	900
011	Civil service examinations.....	7,576	7,717	11,671	8,717
013	Personal allowances.....	781,688	880,454	716,122	767,630
014	Home purchase allowance.....	751,254	790,000	745,838	785,000
020	Payments to estates of deceased officers.....	15,510	16,000	16,000	16,300
022	Passages.....	154,049	178,630	137,689	148,538
023	Quartering.....	11,913	20,782	13,907	18,410
024	Staff relief and welfare.....	2,982	3,229	4,029	7,274
025	Long and Meritorious Service Travel Award Scheme.....	63,257	69,258	67,841	69,600
028	Legal assistance.....	229	1,448	2,298	4,200
032	Accommodation allowance.....	18,256	20,000	18,521	19,800
033	Home financing allowance.....	806,474	663,000	585,242	504,000
037	Pensioners' welfare fund.....	910	910	910	910
038	Private tenancy allowance.....	162,115	176,000	171,772	182,000
039	Rent allowance.....	139	500	180	500
040	Non-accountable cash allowance.....	70,701	117,000	114,359	198,000
041	Mandatory Provident Fund contribution.....	156	194	120	132

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Sub-head (Code)	Actual expenditure 2008–09	Approved estimate 2009–10	Revised estimate 2009–10	Estimate 2010–11
	\$'000	\$'000	\$'000	\$'000
Operating Account — <i>Cont'd.</i>				
Personnel Related Expenses— <i>Cont'd.</i>				
042 Civil Service Provident Fund contribution	297	554	294	449
Total, Personnel Related Expenses	2,848,248	2,946,576	2,607,693	2,732,360
Total, Recurrent	2,913,271	3,007,718	2,668,396	2,792,747
Total, Operating Account.....	2,913,271	3,007,718	2,668,396	2,792,747
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Total Expenditure.....	<u>2,913,271</u>	<u>3,007,718</u>	<u>2,668,396</u>	<u>2,792,747</u>

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Details of Expenditure by Subhead

The estimate of the amount required in 2010–11 for general expenses of the civil service, including the operational reserves and recurrent personnel related expenses, is \$2,792,747,000. This represents an increase of \$124,351,000 over the revised estimate for 2009–10 and a decrease of \$120,524,000 against actual expenditure in 2008–09.

Operating Account

Recurrent

Personal Emoluments

2 Provision of \$60,387,000 for personal emoluments represents a decrease of \$316,000 against the revised estimate for 2009–10.

3 Provision under *Subhead 001* is for operational reserves, i.e. staff in the administrative, executive, secretarial and clerical grades who are required by departments to replace officers on leave or full-time training or for handover purposes and for staff required to undertake special and ad hoc projects.

4 Gross provision of \$691,000 under *Subhead 003* is for staff seconded to the Hong Kong Council for Accreditation of Academic and Vocational Qualifications. Gross provision of \$113,000,000 under *Subhead 006* is for staff working in the Companies Registry. Gross provision of \$21,667,000 under *Subhead 008* is for staff seconded to the Hong Kong Monetary Authority. Gross provision of \$175,507,000 under *Subhead 009* is for staff working in the Land Registry. Gross provision of \$118,760,000 under *Subhead 081* is for staff working in the Office of the Telecommunications Authority. Gross provision of \$1,501,000,000 under *Subhead 082* is for staff working in the Post Office. Gross provision of \$1,202,748,000 under *Subhead 083* is for staff working wholly on trading fund activities in the Electrical and Mechanical Services Department. Gross provision of \$2,065,000 under *Subhead 084* is for staff seconded to the Legal Aid Services Council. Gross provision of \$3,964,000 under *Subhead 086* is for staff seconded to the Independent Police Complaints Council.

5 The establishment of the operational reserves will be 359 permanent non-directorate posts as at 31 March 2010 and remain the same as at 31 March 2011.

6 Subject to certain conditions, the controlling officer for *Subhead 001* may under delegated power create or delete non-directorate posts during 2010–11, but the notional annual mid-point salary value of all such posts must not exceed \$124,011,000.

7 The establishment of staff for which the salaries and allowances are recoverable under *Subheads 003, 006, 008, 009, 081, 082, 083, 084 and 086* as at 31 March 2010 will be 9 921 permanent posts and four supernumerary directorate posts. It is expected that there will be a net decrease of 13 permanent posts in 2010–11.

8 Subject to certain conditions, the controlling officers for *Subheads 003, 006, 008, 009, 081, 082, 083, 084 and 086* may under delegated power create or delete non-directorate posts during 2010–11, the cost of which is reimbursed by the Hong Kong Council for Accreditation of Academic and Vocational Qualifications (for *Subhead 003*), the Companies Registry Trading Fund (for *Subhead 006*), the Hong Kong Monetary Authority (for *Subhead 008*), the Land Registry Trading Fund (for *Subhead 009*), the Office of the Telecommunications Authority Trading Fund (for *Subhead 081*), the Post Office Trading Fund (for *Subhead 082*), the Electrical and Mechanical Services Trading Fund (for *Subhead 083*), the Legal Aid Services Council (for *Subhead 084*) and the Independent Police Complaints Council (for *Subhead 086*). Before exercising his delegated power, the controlling officer is required to ensure that the gross estimate under each respective subhead must not be exceeded without the prior approval of the Secretary for Financial Services and the Treasury. The controlling officers for *Subheads 003, 084 and 086* are required to obtain the endorsement of the relevant organisations that their proposals and the associated financial implications are acceptable.

Personnel Related Expenses

9 Expenses on allowances under the following subheads include provisions for civil servants, Judges and Judicial Officers and Independent Commission Against Corruption (ICAC) officers where applicable.

10 Provision of \$900,000 under *Subhead 010 Recruiting expenses* is for expenses in respect of recruitment for administrative and general grades, and for other miscellaneous recruiting expenses.

11 Provision of \$8,717,000 under *Subhead 011 Civil service examinations* is mainly for the payment of remuneration to examiners, moderators and invigilators and for other minor expenses for examinations within, and for appointments to, the civil service. The decrease of \$2,954,000 (25.3%) against the revised estimate for 2009–10 is mainly due to the higher than expected requirement arising from an unusually large number of candidates for civil service examinations in 2009–10.

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12 Provision of \$767,630,000 under *Subhead 013 Personal allowances* is for the payment of standard personal allowances to eligible officers. It comprises—

- \$751,320,000 for the payment of local and overseas education allowances to officers whose eligible children are receiving education either locally or overseas. Only officers offered appointment before 1 August 1996 are eligible for overseas education allowance, and only officers offered appointment before 1 June 2000 are eligible for local education allowance;
- \$16,300,000 for the payment of allowance in lieu of the provision of furniture and domestic appliances (only eligible officers offered appointment before 1 May 1999 are eligible for furniture and domestic appliances allowances); and the payment of house allowance to officers with a substantive monthly salary at Point 34 of the Master Pay Scale (or equivalent) or above who live in accommodation which they own themselves or which is owned by a member of their immediate family (only eligible officers offered appointment before 1 October 1990 are eligible for house allowance); and
- \$10,000 for the payment of air-conditioning allowance to eligible Judges and Judicial Officers. Provision of air-conditioning allowance has been ceased for civil servants and ICAC officers with effect from 1 October 2006.

13 Provision of \$785,000,000 under *Subhead 014 Home purchase allowance* is for the payment of home purchase allowance to eligible officers offered appointment before 1 June 2000.

14 Provision of \$16,300,000 under *Subhead 020 Payments to estates of deceased officers* is for the payment in respect of earned vacation leave to the estates of eligible officers who die in service.

15 Provision of \$148,538,000 under *Subhead 022 Passages* is for the payment of leave passage allowance, passages and related expenditure, including baggage and travelling allowances, in respect of eligible officers and their dependants, and children of eligible officers being educated overseas. The provision comprises—

- \$70,571,000 for the payment of leave passage allowance; and
- \$77,967,000 for the payment of school passage.

Eligible officers offered appointment on or after 1 June 2000 are eligible for non-accountable leave passage allowance for themselves only and not their family members. Only dependants of officers offered appointment before 1 August 1996 are eligible for school passage.

16 Provision of \$18,410,000 under *Subhead 023 Quartering* is for expenses incidental to the provision of housing benefits to eligible officers, and also expenses incurred when temporary accommodation needs to be provided to eligible officers. It represents an increase of \$4,503,000 (32.4%) over the revised estimate for 2009–10. Expenditure on the housing allowance for disciplined services in 2009–10 is expected to be lower than normal because of the Government's initiative to pay two months' rent for public rental housing tenants and the rates concession in the 2009–10 financial year.

17 Provision of \$7,274,000 under *Subhead 024 Staff relief and welfare* is for the relief and welfare of eligible officers, including the purchase of retirement souvenirs and commemorative awards for long and meritorious service. It represents an increase of \$3,245,000 (80.5%) over the revised estimate for 2009–10. This is mainly due to a significant increase in the number of officers who will have 30 years of government service in 2010–11 and be eligible for the award.

18 Provision of \$69,600,000 under *Subhead 025 Long and Meritorious Service Travel Award Scheme* is for recreational overseas travel for eligible officers and their spouses, in recognition of long and meritorious service.

19 Provision of \$4,200,000 under *Subhead 028 Legal assistance* is for legal assistance to officers involved or likely to be involved in court proceedings and coroners' and other formal inquiries as a result of their official duties. The increase of \$1,902,000 (82.8%) over the revised estimate for 2009–10 is mainly due to the projected expenditure from the ongoing actions of cases approved in or before 2009–10 and to cater for the possible expenditure arising from new cases.

20 Provision of \$19,800,000 under *Subhead 032 Accommodation allowance* is for the payment of accommodation allowance to eligible officers offered appointment between 1 October 1990 and 31 December 1998.

21 Provision of \$504,000,000 under *Subhead 033 Home financing allowance* is for the payment of home financing allowance to eligible officers offered appointment before 1 June 2000. The decrease of \$81,242,000 (13.9%) against the revised estimate for 2009–10 is mainly due to the anticipated decrease in the average number of recipients in 2010–11.

22 Provision of \$910,000 under *Subhead 037 Pensioners' welfare fund* is for the payment of one-off grants to pensioners and dependants in financial hardship.

23 Provision of \$182,000,000 under *Subhead 038 Private tenancy allowance* is for the payment of private tenancy allowance to eligible officers offered appointment before 1 October 1990.

24 Provision of \$500,000 under *Subhead 039 Rent allowance* is for the payment of rent allowance to eligible officers offered appointment between 1 January 1999 and 31 May 2000. The increase of \$320,000 (177.8%) over the revised estimate for 2009–10 is mainly due to the anticipated increase in the average number of recipients in 2010–11 through salary progression and promotion. There is only one recipient in 2009–10.

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25 Provision of \$198,000,000 under *Subhead 040 Non-accountable cash allowance* is for the payment of non-accountable cash allowance to eligible officers who are offered appointment on or after 1 June 2000. The increase of \$83,641,000 (73.1%) over the revised estimate for 2009–10 is mainly due to the anticipated increase in the average number of recipients in 2010–11 through salary progression, promotion and new appointment. The number of recipients in 2009–10 is relatively small.

26 Provision of \$132,000 under *Subhead 041 Mandatory Provident Fund contribution* is for the employer's contribution under Mandatory Provident Fund Scheme for staff put under operational reserves. The increase of \$12,000 (10.0%) over the revised estimate for 2009–10 is mainly due to the expected increase in requirement in 2010–11.

27 Provision of \$449,000 under *Subhead 042 Civil Service Provident Fund contribution* is for the Government's contribution under the Civil Service Provident Fund Scheme for staff put under operational reserves. The increase of \$155,000 (52.7%) over the revised estimate for 2009–10 is mainly due to the expected increase in requirement in 2010–11.