

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 2016–17	\$958.0m
Establishment ceiling 2016–17 (notional annual mid-point salary value) representing an estimated 517 non-directorate posts as at 31 March 2016 rising by 14 posts to 531 posts as at 31 March 2017.....	\$292.0m
In addition, there will be an estimated 34 directorate posts as at 31 March 2016 and as at 31 March 2017.	
Commitment balance	\$4.0m

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	

Detail

Programme (1): Efficiency Unit

	2014–15 (Actual)	2015–16 (Original)	2015–16 (Revised)	2016–17 (Estimate)
Financial provision (\$m)	213.6	221.1	214.3 (–3.1%)	234.6 (+9.5%)
				(or +6.1% on 2015–16 Original)

Aim

2 The aim of the Efficiency Unit is to help identify and implement measures that increase the public value and effectiveness of public services and government initiatives.

Brief Description

3 Key areas of work are:

- business process re-engineering - to achieve overall improvements in public sector productivity and service quality;
- 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 achieve productivity and service improvements;
- performance measurement - to support bureaux and departments to develop clear objectives and targets, reflecting public benefits rather than internal processes, and to measure performance;
- social innovation - to support the Commission on Poverty’s Social Innovation and Entrepreneurship Development Fund Task Force to promote social innovation in the community and in the public sector to help address social needs; and
- outsourcing and public private partnerships - to harness the flexibility, innovation and resources of the private sector to enhance quality of public services and achieve greater value for money.

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4 The Efficiency Unit has designed and set up 1823; supported the introduction of outsourcing and public private partnership initiatives; implemented the Customer Management Assessment Framework for departments; launched the “Be the Smart Regulator” programme in collaboration with the Economic Analysis and Business Facilitation Unit under the Financial Secretary’s Office; and supported the implementation of the Citizen-centric Services Programme through the Youth Portal. The Efficiency Unit serves as the secretariat to the Social Innovation and Entrepreneurship Development Fund Task Force under the Commission on Poverty to oversee the administration of the Fund. In pursuing these initiatives, the Efficiency Unit:

- focuses on practical results,
- offers a cross-departmental perspective,
- challenges current ways of working,
- innovates to develop tools and techniques applicable to Hong Kong, and
- provides speedy access to expertise and resources.

5 1823 provides 24-hour one-stop service to handle public enquiries on behalf of 22 departments and public complaints against the Government. In 2015, it received around 4 121 000 calls and 356 000 emails from the public. The key performance measures of 1823 are:

Targets

	Target	2014 (Actual)	2015 (Actual)	2016 (Plan)
calls that can be answered within 12 seconds (%).....	80	67	66	80
callers that have their enquiries addressed at the first time of calling (%).....	95	98	99	99
customer satisfaction (out of a five-point scale).....	4.0	4.4	4.4	4.4

Matters Requiring Special Attention in 2016–17

6 During 2016–17, the Efficiency Unit will:

- work to develop partnerships, networks and other infrastructure to support public sector innovation and social innovation as part of the Government’s wider innovation programme;
- work to extend the development and use of shared services, in particular in the area of benefits administration;
- continue to assist bureaux and departments in conducting Enterprise Information Management Strategy reviews and in the introduction of electronic records management, knowledge management and collaboration systems;
- encourage innovation in design and delivery of more integrated, citizen-centric services through “user-centred design” methods, the Youth Portal and 1823; and
- work with the Social Innovation and Entrepreneurship Development Fund Task Force to further develop programmes for capacity building in social entrepreneurship, implementation of innovative programmes, collective impact, shared value and use of social innovation labs to seed ideas and collaborations that can test new approaches to meeting social needs.

Programme (2): Government Records Service

	2014–15 (Actual)	2015–16 (Original)	2015–16 (Revised)	2016–17 (Estimate)
Financial provision (\$m)	53.8	58.7	58.3 (–0.7%)	66.6 (+14.2%)
				(or +13.5% on 2015–16 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.

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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.
- 9 The key performance measures are:

Targets

	Target	2014 (Actual)	2015 (Actual)	2016 (Plan)
departmental records management studies/reviews.....	2	2	2	2
training for departmental records managers and their assistants on records management (no. of government officers trained).....	2 400	2 426	2 441	2 400

Indicators

	2014 (Actual)	2015 (Actual)	2016 (Estimate)
archival records acquired (linear metres).....	596	808#	600#
reference and research services rendered to the public			
no. of visitors.....	4 756	5 475^	5 600^
no. of enquiries.....	8 681	10 612^	10 500^
records management manuals, handbooks and newsletters published.....	2	2	2
intermediate storage facilities for inactive government records in terms of			
storage capacity (linear metres)	124 000	124 000	116 000@
percentage utilised.....	97.3	94.7	95.0
records microfilmed for other government departments (no. of images)	2 707 195	2 792 226	2 750 000

The amount of archival records acquired fluctuates depending on the nature and number of records to be disposed of by bureaux and departments. The increase in the amount of archival records acquired in 2015 was mainly due to the Government Records Service's efforts in clearing the backlog.

^ The increase in the numbers of visitors and enquiries in 2015 was mainly due to the Government Records Service's promotional initiatives including the broadcasting of an Announcement in the Public Interest and a series of user education programme. With the continuation of promotional initiatives, it is expected that the number of visitors and enquiries in 2016 will be maintained at a level similar to that of the previous year.

@ The projected decrease in storage capacity for inactive government records is due to conversion of 8 000 linear metres of storage space to archival repositories.

Matters Requiring Special Attention in 2016–17

- 10 During 2016–17, the Government Records Service will continue to:
- promote electronic records management in the Government and provide support and assistance to bureaux and departments to adopt or develop an electronic recordkeeping system,
 - implement public education and publicity programme on Hong Kong's documentary heritage, and
 - undertake work relating to appraisal of records and accessioning of archival records to facilitate disposal of time-expired records and public access to archival records.

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Programme (3): CSO-Administration Wing

	2014–15 (Actual)	2015–16 (Original)	2015–16 (Revised)	2016–17 (Estimate)
Financial provision (\$m)	485.4	527.8	517.7 (–1.9%)	610.9 (+18.0%)
				(or +15.7% on 2015–16 Original)

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 Government.

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 Government's dealings with the Legislature;
- act as the contact point between the Judiciary and the Government;
- act as the contact point in the Government for the Independent Commission Against Corruption;
- act as the contact point in the Government for the Office of The Ombudsman;
- act as the contact point between the Consular Corps and the Government on issues related to the Hong Kong Special Administrative Region (HKSAR);
- provide secretariat support for 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 in the Central Government Offices;
- provide timely, quality and strategic economic advice to support the formulation of the Government's policies and programmes including budgetary policies; and
- 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.

Programme (4): Protocol Division

	2014–15 (Actual)	2015–16 (Original)	2015–16 (Revised)	2016–17 (Estimate)
Financial provision (\$m)	42.3	45.6	45.7 (+0.2%)	45.9 (+0.4%)
				(or +0.7% on 2015–16 Original)

Aim

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

Brief Description

14 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;

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- 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;
- administer the local honours and awards system; and
- organise commemorative ceremonial events.

Matters Requiring Special Attention in 2016–17

15 During 2016–17, 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 Hong Kong, and administration of the local honours and awards system.

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ANALYSIS OF FINANCIAL PROVISION

	2014-15 (Actual) (\$m)	2015-16 (Original) (\$m)	2015-16 (Revised) (\$m)	2016-17 (Estimate) (\$m)
Programme				
(1) Efficiency Unit	213.6	221.1	214.3	234.6
(2) Government Records Service.....	53.8	58.7	58.3	66.6
(3) CSO-Administration Wing.....	485.4	527.8	517.7	610.9
(4) Protocol Division	42.3	45.6	45.7	45.9
	<hr/>	<hr/>	<hr/>	<hr/>
	795.1	853.2	836.0 (-2.0%)	958.0 (+14.6%)
				(or +12.3% on 2015-16 Original)

Analysis of Financial and Staffing Provision

Programme (1)

Provision for 2016-17 is \$20.3 million (9.5%) higher than the revised estimate for 2015-16. This is mainly due to increased provision for filling of vacancies, staff changes and salary increment for staff, as well as anticipated increase in general departmental expenses, partly offset by the anticipated reduction in expenditure for hire of services and cash flow requirement for non-recurrent items.

Programme (2)

Provision for 2016-17 is \$8.3 million (14.2%) higher than the revised estimate for 2015-16. This is mainly due to the net increase of one post to meet operational needs, filling of vacancies and salary increment for staff, as well as anticipated increase in general departmental expenses and cash flow requirement for non-recurrent items, partly offset by the anticipated reduction in expenditure for hire of services.

Programme (3)

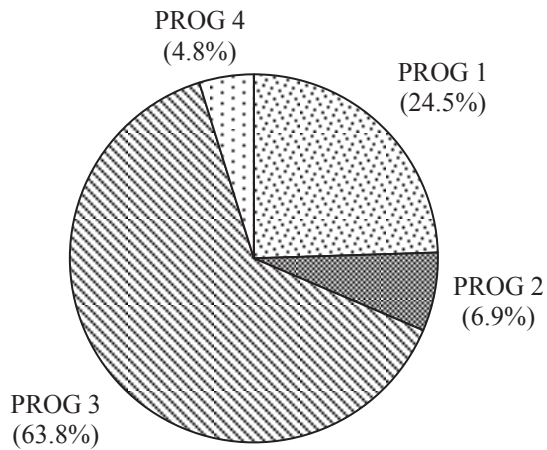
Provision for 2016-17 is \$93.2 million (18.0%) higher than the revised estimate for 2015-16. This is mainly due to the net increase of 13 posts to meet operational needs, filling of vacancies and salary increment for staff, as well as anticipated increase in expenditure for hire of services and general departmental expenses.

Programme (4)

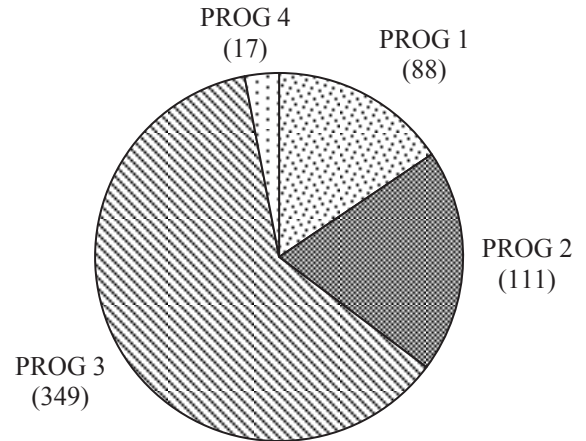
Provision for 2016-17 is \$0.2 million (0.4%) higher than the revised estimate for 2015-16. This is mainly due to increased provision for salary increment for staff, as well as anticipated increase in expenditure for hire of services, partly offset by anticipated reduction in general departmental expenses.

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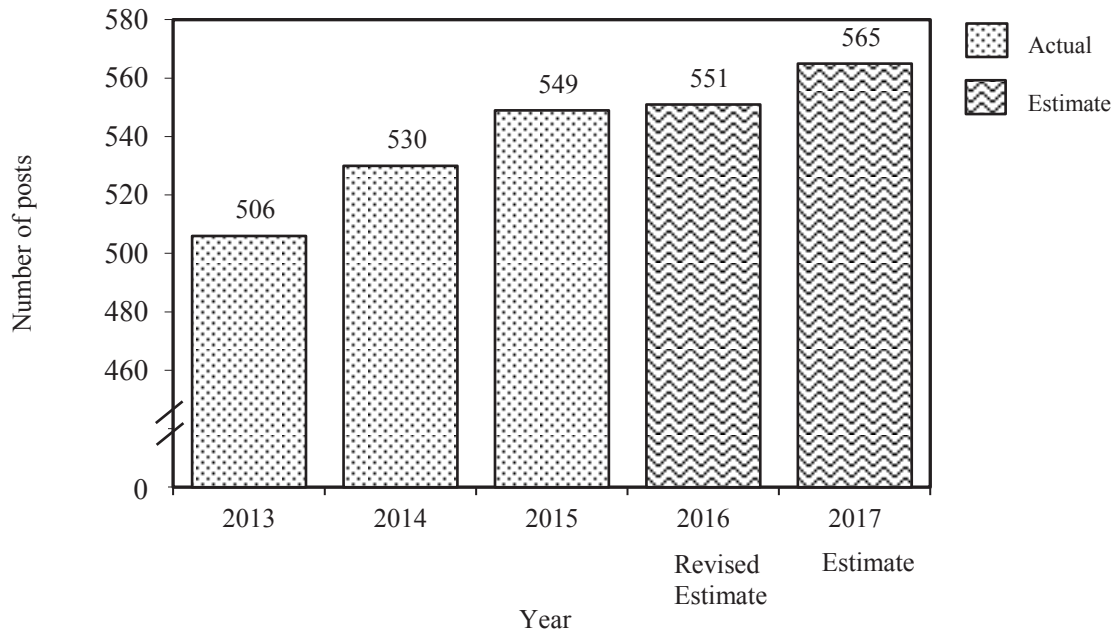
Allocation of provision to programmes (2016-17)



Staff by programme (as at 31 March 2017)



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



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Sub-head (Code)	Actual expenditure 2014–15	Approved estimate 2015–16	Revised estimate 2015–16	Estimate 2016–17	
	\$'000	\$'000	\$'000	\$'000	
Operating Account					
Recurrent					
000	Operational expenses	791,120	852,851	832,328	950,624
	Total, Recurrent.....	<u>791,120</u>	<u>852,851</u>	<u>832,328</u>	<u>950,624</u>
Non-Recurrent					
700	General non-recurrent	2,073	355	3,710	2,758
	Total, Non-Recurrent.....	<u>2,073</u>	<u>355</u>	<u>3,710</u>	<u>2,758</u>
	Total, Operating Account	<u>793,193</u>	<u>853,206</u>	<u>836,038</u>	<u>953,382</u>
Capital Account					
Plant, Equipment and Works					
661	Minor plant, vehicles and equipment (block vote).....	1,874	—	—	4,575
	Total, Plant, Equipment and Works.....	<u>1,874</u>	<u>—</u>	<u>—</u>	<u>4,575</u>
	Total, Capital Account.....	<u>1,874</u>	<u>—</u>	<u>—</u>	<u>4,575</u>
	Total Expenditure	<u><u>795,067</u></u>	<u><u>853,206</u></u>	<u><u>836,038</u></u>	<u><u>957,957</u></u>

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Details of Expenditure by Subhead

The estimate of the amount required in 2016–17 for the salaries and expenses of the Offices of the Chief Secretary for Administration and the Financial Secretary is \$957,957,000. This represents an increase of \$121,919,000 over the revised estimate for 2015–16 and \$162,890,000 over the actual expenditure in 2014–15.

Operating Account

Recurrent

2 Provision of \$950,624,000 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 \$448,700 and \$343,900 for the Chief Secretary for Administration and for the Financial Secretary respectively. The increase of \$118,296,000 (14.2%) over the revised estimate for *Subhead 000 Operational expenses* for 2015–16 is mainly due to the net increase of 14 posts to meet operational needs, the increased salary provision for filling of vacancies, staff changes and salary increments for staff, anticipated increase in hire of services and general departmental expenses.

3 The establishment as at 31 March 2016 will be 551 posts including four supernumerary posts. It is expected that there will be a net increase of 14 permanent posts in 2016–17. Subject to certain conditions, the controlling officer may under delegated power create or delete non-directorate posts during 2016–17, but the notional annual mid-point salary value of all such posts must not exceed \$292,025,000.

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

	2014–15 (Actual) (\$'000)	2015–16 (Original) (\$'000)	2015–16 (Revised) (\$'000)	2016–17 (Estimate) (\$'000)
Personal Emoluments				
- Salaries.....	286,941	305,162	315,215	339,237
- Allowances.....	8,053	9,891	8,385	10,892
- Job-related allowances.....	1	21	21	21
Personnel Related Expenses				
- Mandatory Provident Fund contribution.....	1,059	794	1,013	1,122
- Civil Service Provident Fund contribution.....	5,704	7,384	7,130	9,511
Departmental Expenses				
- Remuneration for special appointments	23,290	20,841	20,908	22,762
- Honoraria for members of committees	1,980	2,127	2,162	2,185
- Hire of services and professional fees	167,344	189,283	179,462	224,443
- General departmental expenses	296,748	317,348	298,032	340,451
	791,120	852,851	832,328	950,624

Capital Account

Plant, Equipment and Works

5 Provision of \$4,575,000 under *Subhead 661 Minor plant, vehicles and equipment (block vote)* represents an increase of \$4,575,000 over the revised estimate for 2015–16. This is due to the replacement of equipment.

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Commitments

Sub-head (Code)	Item (Code)	Ambit	Approved commitment \$'000	Accumulated expenditure to 31.3.2015 \$'000	Revised estimated expenditure for 2015–16 \$'000	Balance \$'000
<i>Operating Account</i>						
700		<i>General non-recurrent</i>				
	019	Acquisition of archival material about Hong Kong.....	1,400	1,108	—	292
	033	Managing for results at departmental level to support delivery of policy objectives.....	5,000	4,124	—	876
	829	Consultancy services on centralized approach for administering social benefits schemes.....	8,000	1,743	3,380	2,877
		Total	<u>14,400</u>	<u>6,975</u>	<u>3,380</u>	<u>4,045</u>