

財經事務及庫務局

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朱凱迪議員

朱議員：

2019-20 年度公務員薪酬調整

謝謝你於2020年1月2日就立法會財務委員會(財委會)文件FCR(2019-20)33「2019-20 年度公務員薪酬調整」來函，現就來函中的問題1及2回覆如下。

問題1

根據既定的年度公務員薪酬調整機制，行政長官會同行政會議在考慮相關因素後，會就年度薪酬調整作出決定。

年度薪酬調整會改變公務員薪級表，如薪酬上調，也需要額外資源才能落實。政府一貫會把年度薪酬調整建議及調整後的公務員薪級表提交財委會批准，繼而在此基礎上行使財委會所轉授不設限額的權力，按需要為各總目下的個人薪酬分目追加撥款，以及為資助學校、資助機構等追加撥款(見問題2回覆的附件)。

問題2

有關文件FCR(2019-20)33第30段提到的兩項授權，現夾附相關的文本於附件一及二以供參閱。

財經事務及庫務局局長

(衛世鈞



代行)

2020年1月9日

副本抄送：

立法會財務委員會主席陳健波議員, GBS, JP

Item B.170 DELEGATION OF FINANCIAL POWERS
(FIN B 1/2/
50 IV)

Members are invited to approve the delegation of financial powers as set out in the First and Second Schedules to this agenda item, in accordance with Section 8 of the Public Finance Ordinance and with the Resolution made by Legislative Council on 20th January 1982 setting up the Capital Works Reserve Fund.

Introduction

The Public Finance Ordinance will come into effect on 1st April 1983. Section 8 of the Ordinance provides that no changes may be made to the approved Estimates of Expenditure except with the approval of Finance Committee.

2. Section 8 of the Ordinance also provides -

- (a) for Finance Committee to delegate to the Financial Secretary powers to approve changes, subject to such conditions, exceptions and limitations as are specified in the delegation;
- (b) for Finance Committee's delegation to allow the Financial Secretary further to delegate his powers to any public officer, subject to such conditions, exceptions and limitations as may be specified; and
- (c) for the Financial Secretary, in further delegating his powers to a public officer, to specify further conditions, exceptions and limitations.

/3. The ...

3. The purpose of this agenda item is to seek Members' approval of delegations in accordance with paragraphs 2(a) and 2(b) above. For the sake of completeness, the further delegations proposed in accordance with paragraph 2(b) include references to the Deputy Financial Secretary, although this is strictly unnecessary as, under the Interpretation and General Clauses Ordinance, the term "Financial Secretary" includes "Deputy Financial Secretary".

4. The proposed delegations are explained in the following paragraphs under the categories of changes to Heads of Expenditure (that is the actual estimates pages), changes to Establishments of Posts (that is the statements of establishment pages) and changes to Non-Recurrent Commitments (that is the Capital Account commitments pages). They are set out in the First Schedule to this agenda item.

Heads of expenditure

5. It is proposed that powers should be delegated to the Financial Secretary to approve supplementary provision under subheads subject to the following conditions and limitations -

- (a) Personal emoluments subheads - unlimited powers are sought, provided the supplementary provision is required for the payment of salaries and allowances in accordance with approved pay scales and rates of allowances, and in respect of approved posts. As posts must be approved separately, either by Finance Committee or under delegated powers, and as pay scales and rates of allowances are also subject to separate approval by Finance Committee, there is no purpose in placing a limit on the delegated powers to approve supplementary provision as required to enable payments to be made. For the same reason, it is proposed that the Financial Secretary should be able further to delegate his powers to officers in Finance Branch down to the level of Finance Officers (that is Chief Executive Officers or Chief Management Services Officers paid on the top segment of the Master Pay Scale, points 48 - 51, and Administrative Officers) (First Schedule, item I.1(1)).

/(b) Other ...

- (b) Other recurrent subheads - powers are sought up to a limit of \$1,500,000 in any financial year under any recurrent subhead, other than personal emoluments subheads, provided that the supplementary provision is required for expenditure within the approved ambit of the subhead. It is proposed that the Financial Secretary should be able further to delegate his powers to officers in the Finance Branch with the following limitations under any subhead in any financial year -

Finance Officer	\$ 200,000
Assistant Financial Secretary	\$ 500,000
Principal Assistant Financial Secretary	\$ 900,000
Deputy Financial Secretary	\$1,500,000

These amounts are not cumulative - that is to say, the limitation at each level is inclusive of all supplementary provisions already approved under delegated powers by any officer. If an Assistant Financial Secretary approves supplementary provision under a subhead of, say, \$300,000, no Finance Officer may subsequently exercise his delegated powers in respect of that subhead, as his limitation of \$200,000 will already have been exceeded. If the Deputy Financial Secretary approves supplementary provision under a subhead of, say, \$1,000,000, this will effectively remove the delegated powers of officers at all the other levels for the rest of the financial year in respect of that subhead (First Schedule, item I.2(2)).

- (c) Capital subheads without commitments (block votes) - these subheads are the same as recurrent subheads, but are in the Capital Account only because expenditure charged to them is in the nature of capital investment (that is the creation or acquisition of a capital asset). The same delegated powers are therefore sought as in paragraph 5(b) above (First Schedule, item I.3).

/(d) Capital...

- (d) Capital subheads with commitments - unlimited powers are sought, provided the supplementary provision is within the actual unexpended balance of the approved commitment. As each commitment requires separate approval, either by Finance Committee or under delegated powers, and adequate funds must be provided as necessary to meet commitments entered into, there is no purpose in placing a limit on the delegated powers to approve supplementary provision. For the same reason, it is proposed that the Financial Secretary should be able further to delegate his powers to officers in Finance Branch down to the level of Finance Officers (First Schedule, item I.4(2)).

6. It is proposed that powers should be delegated to the Financial Secretary to create new departmental expenses subheads and new capital subheads, provided that any new departmental expenses subhead is listed as such in the General Memorandum Note and any new capital subhead is required for a new commitment approved under delegated powers. Delegated powers are not sought for the creation of new capital subheads for block votes - that is where there is no commitment. Nor is it proposed that powers should be delegated for the creation of any other type of subhead, as the need would normally only arise from a new service which should be referred to Members for approval. It is proposed that the Financial Secretary should be able further to delegate his powers to the Deputy Financial Secretary only (as explained in paragraph 3 above, this is strictly unnecessary, but is included for the sake of completeness) (First Schedule, items I.2(1) and I.4(1)).

7. Certain subheads have credit entries - for example the personal emoluments subhead in the Urban Services Department to which is credited reimbursements of salaries and allowances by the Urban Council, or the unallocated stores subhead in the Government Supplies Department to which is credited the value of stores issued from stock to other departments. These subheads comprise a gross sum, a credit sum and provision representing the difference between the two sums. The gross sum is the significant figure in terms of controlling expenditure, and is the equivalent of the provision under normal subheads. It is proposed, therefore, that the same powers should be delegated to the

/Financial ...

Financial Secretary to exceed the gross sum in a subhead with a credit entry as are proposed for supplementary provision in a normal subhead in paragraphs 5(a) and 5(b) above. It is proposed that the Financial Secretary should be able further to delegate his powers in respect of personal emoluments subheads with credit entries to the level of Finance Officers. An excess of the gross sum for recurrent subheads other than personal emoluments subheads is, however, a more serious matter and it is proposed that the Financial Secretary should be able further to delegate his power to the Deputy Financial Secretary only (First Schedule, items I.1(2) and I.2(3)).

8. As regards supplementary provision for subheads with credit entries, it is proposed that the Financial Secretary should have unlimited powers to approve this where required to meet an increase in the difference between the gross sum and the credit sum, and that he should be able to delegate his powers down to the level of Finance Officers (First Schedule, items I.1(3) and I.2(4)).

Establishments of posts

9. Controlling Officers at present have delegated powers to create or delete permanent non-directorate posts, provided that the establishment ceiling laid down in the Estimates is not thereby exceeded, that no new rank or grade is thereby created, and that approved pay scales are not altered. It is proposed that these powers should now be delegated to the Financial Secretary, with authority to further delegate to Controlling Officers, thus maintaining the present position (First Schedule, item II.1).

10. Supernumerary non-directorate posts may at present be created by Controlling Officers for periods of up to 12 months, provided they are required to replace officers on no-pay leave, on pre-retirement leave or leave prior to termination of agreement, or are held against vacant permanent posts in ranks with the same or a higher pay scale. The Secretary for the Civil Service has similar powers in respect of supernumerary directorate posts. The Public Finance Ordinance provides only for powers to be delegated by Finance Committee to the Financial Secretary, and through the Financial Secretary to other public officers. It is therefore proposed that these same powers should now be delegated to the Financial Secretary, with authority further to delegate his powers to Controlling Officers. As regards supernumerary directorate posts, it is proposed that a condition to the further delegation to Controlling Officers should be that the powers shall not be exercised except with the prior approval of the Secretary for the Civil Service (First Schedule, item II.2(1)).

/11. The ...

11. The Secretary for the Civil Service also at present has delegated powers to create additional supernumerary directorate posts to meet a temporary need lasting not longer than six months. It is proposed that these powers should be delegated to the Financial Secretary with authority further to delegate them to Controlling Officers subject to the prior approval of the Secretary for the Civil Service being obtained before the powers are exercised. It is also made clear that such posts are for a temporary purpose and are non-renewable after six months. The powers should not be used to create a supernumerary post in anticipation of approval by Finance Committee of a permanent post where it is apparent that the requirement will be for longer than six months (First Schedule, item II.2(2)).

Non-Recurrent commitments

12. It is proposed that the Financial Secretary should have delegated powers to approve a new non-recurrent commitment not exceeding \$1,500,000, and that he should be able further to delegate his powers to the Deputy Financial Secretary for the full amount, and to Principal Assistant Financial Secretaries for up to \$900,000 (First Schedule, item III.2).

13. As regards increases in non-recurrent commitments already approved by Finance Committee, it is proposed that the Financial Secretary should have delegated powers to increase such commitments by up to \$1,500,000. It is proposed that he should be able further to delegate his powers as follows -

Assistant Financial Secretary by up to	\$ 500,000
Principal Assistant Financial Secretary by up to	\$ 900,000
Deputy Financial Secretary by up to	\$1,500,000

These limits are, again, not cumulative. If the Deputy Financial Secretary approves an increase of, say, \$1,000,000, this will effectively remove the delegated powers of officers at the other levels (First Schedule, item III.1(1)).

14. As regards increases in non-recurrent commitments approved under delegated powers, it is proposed that the Financial Secretary should have powers to increase any such commitment to bring it up to a total value of \$1,500,000 only, and that he should have the authority further to delegate his powers to the Deputy Financial Secretary for the full amount, and to Principal Assistant Financial Secretaries for up to \$900,000 (First Schedule, item III.1(2)).

/Capital ...

Capital Works Reserve Fund

15. The proposed financial delegations in respect of the Capital Works Reserve Fund are set out in the Second Schedule to this agenda item, and are generally in line with those for the Estimates. The delegations are sought in accordance with the Resolution made in Legislative Council on 20th January 1982 setting up the Capital Works Reserve Fund.

16. It is proposed that the Financial Secretary should have powers to create new subheads where necessary for approved projects in Category A of the Public Works Programme, and should be able further to delegate his powers to the level of Assistant Financial Secretaries (Second Schedule, item 1).

17. Delegated powers are sought for the Financial Secretary to approve additional allocations of funds under subheads, provided that these do not exceed the actual unexpended balance of the project estimates. The Financial Secretary should be able further to delegate his powers down to Finance Officers. Where a subhead has no project estimate (that is block votes) it is proposed that the Financial Secretary should have powers to approve additional allocations up to \$1,500,000 in any financial year, and that he should be able further to delegate his powers as in paragraph 5(b) above (Second Schedule, items 2(1) and 2(2)).

18. It is proposed that the Financial Secretary should have powers to increase project estimates approved by Finance Committee by up to \$1,500,000, and that he should be able further to delegate his powers as follows -

Assistant Financial Secretary by up to	\$ 500,000
Principal Assistant Financial Secretary by up to	\$ 900,000
Deputy Financial Secretary by up to	\$1,500,000

These limits are not cumulative, and each level of officer will be able to approve up to the limits proposed less increases already approved under delegated powers (Second Schedule, item 3(1)).

/19. From ...

19. From time to time, it may be necessary to reduce a project estimate. It is proposed that the Financial Secretary should have powers to do so provided that the scope of the project as approved by Finance Committee is not thereby altered, and that he should be able further to delegate his powers down to the level of Assistant Financial Secretary (Second Schedule, item 3(2)).

20. It is proposed that the present limit for Category D projects of \$500,000 should be raised to \$1,500,000. This means that the Financial Secretary will have delegated powers to approve the inclusion of new Category D projects in the Public Works Programme with a project estimate not exceeding \$1,500,000. It is proposed that he should be able further to delegate his powers to the Deputy Financial Secretary and, up to a limit of \$900,000, to Principal Assistant Financial Secretaries. It is proposed that these officers should also have powers to increase the project estimate for a Category D project to bring it up to these same limits (Second Schedule, item 3(3)).

Delegations by Financial Secretary

21. These proposals, if approved, will come into effect on 1st April 1983, and the delegations will replace those set out in a Resolution made by Legislative Council on 18th July 1973, which will be rescinded by a resolution to be introduced into the Legislative Council before 1st April.

22. It is intended that the Financial Secretary, in accordance with paragraph 2(c) above, will lay down the condition that the approval of supplementary provision by officers to whom he delegates his powers will be subject to offsetting savings being deleted under other subheads or under the Additional commitments subheads, thus preserving the cash limit rule.

FIRST SCHEDULE

(Delegations by Finance Committee to the Financial Secretary to make changes to the approved Estimates of Expenditure in accordance with the Public Finance Ordinance)

(1) Classification	(2) Type of change : Section 8(2) of the Public Finance Ordinance	(3) Conditions, exceptions and limitations : Section 8(3) of the Public Finance Ordinance	(4) Officers to whom the Financial Secretary may delegate powers, subject to the further conditions, exceptions and limitations specified: Section 8(4) of the Public Finance Ordinance
I. HEADS OF EXPENDITURE			
Recurrent account -			
1 personal emoluments subheads	(1) supplementary provision under subheads without credit entries	provided that the supplementary provision is required for salaries and allowances in accordance with approved pay scales and rates	Finance Officer Assistant Financial Secretary Principal Assistant Financial Secretary Deputy Financial Secretary
	(2) excess over the gross sum under subheads with credit entries	provided that the excess is required for salaries and allowances in accordance with approved pay scales and rates	Finance Officer Assistant Financial Secretary Principal Assistant Financial Secretary Deputy Financial Secretary
	(3) supplementary provision under subheads with credit entries	provided that the supplementary provision is required to meet an increase in the difference between the gross sum and the credit sum	Finance Officer Assistant Financial Secretary Principal Assistant Financial Secretary Deputy Financial Secretary
2 personnel related expenses, departmental expenses, other charges and subventions subheads	(1) creation of new departmental expenses subheads	provided that the new subhead is listed as a departmental expenses subhead in the General Memorandum Note	Deputy Financial Secretary
	(2) supplementary provision under subheads without credit entries	provided that - (a) the supplementary provision is required for expenditure within the approved ambit of the subhead; and (b) the total supplementary provision approved under delegated powers during the financial year does not exceed \$1,500,000	Finance Officer up to \$200,000; Assistant Financial Secretary up to \$500,000; Principal Assistant Financial Secretary up to \$900,000; Deputy Financial Secretary up to \$1,500,000; and in every case less supplementary provision already approved under delegated powers during the financial year
	(3) excess over the gross sum under subheads with credit entries	the same conditions and limitations as at I.2(2) above	Deputy Financial Secretary
	(4) supplementary provision under subheads with credit entries	provided that the supplementary provision is required to meet an increase in the difference between the gross sum and the credit sum	Finance Officer Assistant Financial Secretary Principal Assistant Financial Secretary Deputy Financial Secretary

(1) Classification	(2) Type of change : Section 8(2) of the Public Finance Ordinance	(3) Conditions, exceptions and limitations : Section 8(3) of the Public Finance Ordinance	(4) Officers to whom the Financial Secretary may delegate powers, subject to the further conditions, exceptions and limitations specified: Section 8(4) of the Public Finance Ordinance
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Capital account -

3 subheads without commitments (i.e. block votes)	supplementary provision	the same conditions and limitations as at I.2(2) above	the same officers and limitations as at I.2(2) above
4 subheads with commitments	(1) creation of new subheads (2) supplementary provision	provided that the new subhead is required for a new commitment approved under delegated powers provided that the actual unexpended balance of the approved commitment is not thereby exceeded	Deputy Financial Secretary Finance Officer Assistant Financial Secretary Principal Assistant Financial Secretary Deputy Financial Secretary

II. ESTABLISHMENTS OF POSTS

1 permanent non-directorate posts	creation or deletion of posts	provided that - (a) the establishment ceiling is not thereby exceeded; (b) a new rank or grade is not thereby created; and (c) approved pay scales are not thereby altered	Controlling Officer
2 supernumerary posts	(1) creation of posts in circumstances specified in column (3)	provided that the post - (a) is created for periods not exceeding 12 months on each occasion; and (b) (i) is required to replace an officer on no-pay leave, pre-retirement leave or leave prior to termination of agreement; or (ii) is held against a vacant permanent post in a rank with the same or a higher pay scale	Controlling Officer, subject to the prior approval of the Secretary for the Civil Service in the case of directorate posts
	(2) creation of additional directorate posts	provided that the post - (a) is for a period not exceeding six months; (b) is required for a temporary purpose; and (c) is non-renewable	Controlling Officer, subject to the prior approval of the Secretary for the Civil Service

(1) Classification	(2) Type of change : Section 8(2) of the Public Finance Ordinance	(3) Conditions, exceptions and limitations : Section 8(3) of the Public Finance Ordinance	(4) Officers to whom the Financial Secretary may delegate powers, subject to the further conditions, exceptions and limitations specified: Section 8(4) of the Public Finance Ordinance
III. NON-RECURRENT COMMITMENTS			
(i.e. CAPITAL ACCOUNT COMMITMENTS)			
1 approved commitments	(1) increases in approved commitments where the commitments were approved by Finance Committee	provided that the total increase does not at any time exceed \$1,500,000	Assistant Financial Secretary up to \$500,000; Principal Assistant Financial Secretary up to \$900,000; Deputy Financial Secretary up to \$1,500,000;
	(2) increases in approved commitments where the commitments were approved under delegated powers	provided that the total commitment does not thereby exceed \$1,500,000	and in every case less any increase already approved under delegated powers Principal Assistant Financial Secretary provided that the total commitment does not thereby exceed \$900,000; Deputy Financial Secretary
2 new commitments	creation of new commitments	provided that the new commitment does not exceed \$1,500,000	Principal Assistant Financial Secretary up to \$900,000; Deputy Financial Secretary up to \$1,500,000

SECOND SCHEDULE

(Delegations by Finance Committee to the Financial Secretary to make changes to the printed estimates for the Capital Works Reserve Fund in accordance with the Resolution made on 20 January 1982 - L.N. No. 18/82)

(1) Type of change	(2) Conditions, exceptions and limitations	(3) Officers to whom the Financial Secretary may delegate powers, subject to the further conditions, exceptions and limitations specified
1 creation of new subheads	provided that the project is in Category A of the Public Works Programme	Assistant Financial Secretary Principal Assistant Financial Secretary Deputy Financial Secretary
2 (1) additional allocations of funds under subheads with approved project estimates	provided that the actual unexpended balance of the approved project estimate is not thereby exceeded	Finance Officer Assistant Financial Secretary Principal Assistant Financial Secretary Deputy Financial Secretary
(2) additional allocations of funds under subheads without approved project estimates (i.e. block votes)	provided that - (a) the additional allocation is required for expenditure within the ambit of the subhead; and (b) the total additional allocation approved under delegated powers during the financial year does not exceed \$1,500,000	Finance Officer up to \$200,000; Assistant Financial Secretary up to \$500,000; Principal Assistant Financial Secretary up to \$900,000; Deputy Financial Secretary up to \$1,500,000;
3 (1) increases in approved project estimates	(1) provided that, where the project estimate was approved by Finance Committee, the total increase does not at any time exceed \$1,500,000	Assistant Financial Secretary up to \$500,000; Principal Assistant Financial Secretary up to \$900,000; Deputy Financial Secretary up to \$1,500,000;
	(2) provided that, where the project is in Category D of the Public Works Programme, the total project estimate does not thereby exceed \$1,500,000	and in every case less any additional allocation already approved under delegated powers during the financial year Principal Assistant Financial Secretary provided that the total project estimate does not thereby exceed \$900,000; Deputy Financial Secretary
(2) decreases in approved project estimates	provided that the scope of the project as approved by Finance Committee is not thereby altered	Assistant Financial Secretary Principal Assistant Financial Secretary Deputy Financial Secretary
(3) creation of new Category D items in the Public Works Programme	provided that the project estimate does not exceed \$1,500,000	Principal Assistant Financial Secretary up to \$900,000; Deputy Financial Secretary up to \$1,500,000

For discussion
on 23 July 1986

FCR(86-87)76

ITEM FOR FINANCE COMMITTEE

DELEGATION OF FINANCIAL POWERS

Members are invited to approve a revised delegation of financial powers in accordance with sections 8 and 38 of the Public Finance Ordinance.

Introduction

Section 8 of the Public Finance Ordinance provides that no changes may be made to the approved Estimates of Expenditure except with the approval of Finance Committee. Section 8 of the Ordinance also provides -

- (a) for Finance Committee to delegate to the Financial Secretary the power to approve changes subject to such conditions, exceptions and limitations as are specified in the delegation;
- (b) for Finance Committee's delegation to allow the Financial Secretary further to delegate his power to any public officer, subject to such conditions, exceptions and limitations as may be specified; and
- (c) for the Financial Secretary, in further delegating his power to a public officer, to specify further conditions, exceptions and limitations.

2. On 9 March 1983 Members approved the delegation of certain financial powers in accordance with section 8 of the Ordinance. Minor amendments to the delegation were approved by Members on 27 April 1983 and 9 April 1986. The delegation, as amended, is at Enclosure 1.

Encl. 1

/3. ...

Encl. 2

3. A review of the delegation has recently been carried out, as a result of which it is proposed that certain further amendments should be made. If approved, the delegation will become as set out at Enclosure 2. The proposed amendments are described in paragraphs 4 to 10 below.

Proposals

4. Under the existing delegation (item I.2(a)) the Financial Secretary may delegate to the Deputy Financial Secretary the power to create new departmental expenses subheads in any head of expenditure provided that the new subhead is listed as a departmental expenses subhead in the General Memorandum Note to the Estimates. There are currently 21 such subheads. Not all of them appear in every head of expenditure because the requirement to incur expenditure on them does not exist in every head. Sometimes the need to incur expenditure arises in the course of the year and the subhead has to be created. Because the number of such subheads is limited and their ambits are defined and because expenditure cannot be incurred until supplementary provision is approved, it is considered that the power to create these subheads could be delegated further. It is proposed that the Financial Secretary should be enabled to delegate the power to create standard departmental expenses subheads to Principal Assistant Financial Secretaries and Assistant Financial Secretaries.

5. Power to approve supplementary provision in departmental expenses subheads has been delegated to officers in Finance Branch (item I.2(b)) subject to certain conditions, exceptions and limitations. It is considered that there would be a gain in flexibility outweighing the reduction in control if there could be a further delegation to Controlling Officers. It is proposed that the Financial Secretary should be able to empower Controlling Officers to approve supplementary provision up to \$100,000 a year in any departmental expenses subhead provided that the supplementary provision is required for expenditure within the approved ambit of the subhead and the amount is fully offset by the deletion of funds from another departmental expenses subhead in the same head.

6. The existing delegation (item I.1(a)) allows officers in Finance Branch down to the level of Finance Officer to approve supplementary provision in personal emoluments subheads without limit provided that the supplementary provision is required for salaries and allowances in accordance with approved pay scales and rates. This means that when a civil service pay adjustment is approved the necessary supplementary provision can readily be made available. However, the

/procedure ...

procedure is not so straightforward for staff in the subvented sector. The existing delegation (item I.2(b)) requires Finance Committee to be approached for supplementary provision in recurrent subventions subheads exceeding \$1,500,000. It is considered unnecessary to trouble Members with such submissions when Finance Committee has already considered and approved the pay adjustment. It is therefore proposed that authority be delegated to the Financial Secretary to approve supplementary provision without limit in recurrent subventions subheads provided that the supplementary provision is required for salaries and allowances in accordance with approved Government pay scales and rates within the approved ambit of the subhead. It is also proposed that the Financial Secretary should be able to delegate these powers to the Deputy Financial Secretary.

7. New capital account commitments (item III.2) may be created by Principal Assistant Financial Secretaries up to \$900,000 and by the Deputy Financial Secretary up to \$1,500,000. It is proposed that the Financial Secretary should also be able to delegate powers to Assistant Financial Secretaries up to \$500,000 (but see also paragraph 10 below). The limits in each case refer, insofar as plant, vehicles and equipment are concerned, to individual items capable of being used on their own.

8. The creation of new capital account subheads other than block votes may at present be authorized in Finance Branch only by the Deputy Financial Secretary (item I.4(a)). Since capital account expenditure is controlled through commitments rather than provision it is considered that a further delegation would be justified. It is proposed that the Financial Secretary be permitted to delegate to Principal Assistant Financial Secretaries and Assistant Financial Secretaries the power to create a new capital account subhead provided that it is required for an approved commitment.

9. Approved non-recurrent commitments often need to be increased because of price rises and exchange rate changes. In making provision for such increases, the delegation (item III.1) distinguishes between commitments approved by Finance Committee and commitments approved under delegated powers. It is proposed that the Financial Secretary should be permitted to extend the delegation to allow Assistant Financial Secretaries to approve increases in approved commitments where the commitments were approved under delegated powers provided that the total commitment does not thereby exceed \$500,000. This would be consistent with the proposal described in paragraph 7 above. (But see also paragraph 10 below.)

10. The limits on the powers delegated to officers in Finance Branch (items I.2(b), I.2(c), I.3, III.1 and III.2) were set in March 1983 and are considered to need some adjustment in order to restore their real value and make further changes unnecessary for the next year or two. The existing and proposed limits are as follows :

	<u>current limit of authority</u>	<u>proposed limit of authority</u>
	\$	\$
Finance Officer	200,000	300,000
Assistant Financial Secretary	500,000	800,000
Principal Assistant Financial Secretary	900,000	1,200,000
Deputy Financial Secretary	1,500,000	2,000,000

It should be noted that this adjustment, if approved, will affect the delegations proposed in paragraphs 7 and 9 above.

Powers of write-off

11. On 11 May 1983, acting under section 38 of the Public Finance Ordinance, Members delegated the power to write off losses not exceeding \$250,000 which involved fraud, negligence or an important point of principle to the Deputy Financial Secretary. On 10 July 1985 Members further approved a proposal that losses arising from theft or suspected theft not exceeding \$500 should be excluded from the general requirement that they be treated for the purposes of write-off as fraud or negligence on the part of a public officer. This means that such losses may be investigated and written off departmentally without the need for a second extensive enquiry by the Deputy Financial Secretary, an additional procedure which is considered to be unwarranted where the loss is small. It is proposed that the limit not exceeding which losses will be investigated and may be written off departmentally should be increased from \$500 to \$2,000.

Financial implications

12. The proposals in this item have no financial implications.

(FIN F 3/1/4 III)

(FIN W 3/1 III)

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Existing delegations by Finance Committee to the Financial Secretary to make changes to the approved Estimates of Expenditure in accordance with section 8 of the Public Finance Ordinance

(1)	(2)	(3)	(4)
Classification	Type of change : Section 8(2) of the Public Finance Ordinance	Conditions, exceptions and limitations : Section 8(3) of the Public Finance Ordinance	Officers to whom the Financial Secretary may delegate powers, subject to the further conditions, exceptions and limitations specified : Section 8(4) of the Public Finance Ordinance
I. HEADS OF EXPENDITURE			
Recurrent account -			
1 personal emoluments subheads	(a) supplementary provision under subheads without credit entries	provided that the supplementary provision is required for salaries and allowances in accordance with approved pay scales and rates	Finance Officer Assistant Financial Secretary Principal Assistant Financial Secretary Deputy Financial Secretary
	(b) excess over the gross sum under subheads with credit entries	provided that the excess is required for salaries and allowances in accordance with approved pay scales and rates	Finance Officer Assistant Financial Secretary Principal Assistant Financial Secretary Deputy Financial Secretary
	(c) supplementary provision under subheads with credit entries	provided that the supplementary provision is required to meet an increase in the difference between the gross sum and the credit sum	Finance Officer Assistant Financial Secretary Principal Assistant Financial Secretary Deputy Financial Secretary
2 personnel related expenses, departmental expenses, other charges and subventions subheads	(a) creation of new departmental expenses subheads	provided that the new subhead is listed as a departmental expenses subhead in the General Memorandum Note	Deputy Financial Secretary
	(b) supplementary provision under subheads without credit entries	provided that - (i) the supplementary provision is required for expenditure within the approved ambit of the subhead; and (ii) the total supplementary provision approved under delegated powers during the financial year does not exceed \$1,500,000	Finance Officer up to \$200,000; Assistant Financial Secretary up to \$500,000; Principal Assistant Financial Secretary up to \$900,000; Deputy Financial Secretary up to \$1,500,000; and in every case less supplementary provision already approved under delegated powers during the financial year
	(c) excess over the gross sum under subheads with credit entries	the same conditions and limitations as at I.2(b) above	Deputy Financial Secretary
	(d) supplementary provision under subheads with credit entries	provided that the supplementary provision is required to meet an increase in the difference between the gross sum and the credit sum	Finance Officer Assistant Financial Secretary Principal Assistant Financial Secretary Deputy Financial Secretary

(1)	(2)	(3)	(4)
Classification	Type of change : Section 8(2) of the Public Finance Ordinance	Conditions, exceptions and limitations : Section 8(3) of the Public Finance Ordinance	Officers to whom the Financial Secretary may delegate powers, subject to the further conditions, exceptions and limitations specified : Section 8(4) of the Public Finance Ordinance
Capital account -			
3 subheads without commitments (i.e. block votes)	supplementary provision	the same conditions and limitations as at 1.2(b) above	the same officers and limit- ations as at 1.2(b) above
4 subheads with commitments	(a) creation of new subheads (b) supplementary provision	provided that the new subhead is required for an approved commitment provided that the actual unexpended balance of the approved commitment is not thereby exceeded	Deputy Financial Secretary Finance Officer Assistant Financial Secretary Principal Assistant Financial Secretary Deputy Financial Secretary
II. ESTABLISHMENTS OF POSTS			
1 permanent non- directorates posts	creation or deletion of posts	provided that - (i) the establishment ceiling is not thereby exceeded; (ii) a new rank or grade is not thereby created; and (iii) approved pay scales are not thereby altered	Controlling Officer
2 supernu- merary posts	(a) creation of posts in circumstances specified in column (3) (b) creation of additional directorates posts	provided that the post - (i) is created for periods not exceeding 12 months on each occasion; and (ii) (A) is required to replace an officer on no-pay leave, pre-retirement leave or leave prior to resignation or termination of agreement; or (B) is held against a vacant permanent post in a rank with the same or a higher notional annual mid-point salary value. provided that the post - (i) is for a period not exceeding six months; (ii) is required for a temporary purpose; and (iii) is non-renewable	Controlling Officer, subject to the prior approval of the Secretary for the Civil Service in the case of directorates posts Controlling Officer, subject to the prior approval of the Secretary for the Civil Service

(1)	(2)	(3)	(4)
Classification	Type of change : Section 8(2) of the Public Finance Ordinance	Conditions, exceptions and limitations : Section 8(3) of the Public Finance Ordinance	Officers to whom the Financial Secretary may delegate powers, subject to the further conditions, exceptions and limitations specified : Section 8(4) of the Public Finance Ordinance
III. NON-RECURRENT COMMITMENTS			
(i.e. CAPITAL ACCOUNT COMMITMENTS)			
1 approved commitments	(a) increases in approved commitments where the commitments were approved by Finance Committee	provided that the total increase does not at any time exceed \$1,500,000	Assistant Financial Secretary up to \$500,000; Principal Assistant Financial Secretary up to \$900,000; Deputy Financial Secretary up to \$1,500,000; and in every case less any increase already approved under delegated powers
	(b) increases in approved commitments where the commitments were approved under delegated powers	provided that the total commitment does not thereby exceed \$1,500,000	Principal Assistant Financial Secretary provided that the total commitment does not thereby exceed \$900,000; Deputy Financial Secretary
2 new commitments	creation of new commitments	provided that the new commitment does not exceed \$1,500,000;	Principal Assistant Financial Secretary up to \$900,000; Deputy Financial Secretary up to \$1,500,000

Proposed delegations by Finance Committee to the Financial Secretary to make changes to the approved Estimates of Expenditure in accordance with section 8 of the Public Finance Ordinance

(1)	(2)	(3)	(4)
Classification	Type of change : Section 8(2) of the Public Finance Ordinance	Conditions, exceptions and limitations : Section 8(3) of the Public Finance Ordinance	Officers to whom the Financial Secretary may delegate powers, subject to the further conditions, exceptions and limitations specified : Section 8(4) of the Public Finance Ordinance
I. HEADS OF EXPENDITURE			
Recurrent account -			
1 personal emoluments subheads	(a) supplementary provision under subheads without credit entries	provided that the supplementary provision is required for salaries and allowances in accordance with approved pay scales and rates	Finance Officer Assistant Financial Secretary Principal Assistant Financial Secretary Deputy Financial Secretary
	(b) excess over the gross sum under subheads with credit entries	provided that the excess is required for salaries and allowances in accordance with approved Government pay scales and rates	Finance Officer Assistant Financial Secretary Principal Assistant Financial Secretary Deputy Financial Secretary
	(c) supplementary provision under subheads with credit entries	provided that the supplementary provision is required to meet an increase in the difference between the gross sum and the credit sum	Finance Officer Assistant Financial Secretary Principal Assistant Financial Secretary Deputy Financial Secretary
2 personnel related expenses and other charges subheads	(a) supplementary provision under subheads without credit entries	provided that - (i) the supplementary provision is required for expenditure within the approved ambit of the subhead; and (ii) the total supplementary provision approved under delegated powers during the financial year does not exceed \$2,000,000	Finance Officer up to \$300,000; Assistant Financial Secretary up to \$800,000; Principal Assistant Financial Secretary up to \$1,200,000; Deputy Financial Secretary up to \$2,000,000; and in every case less supplementary provision already approved under delegated powers during the financial year
	(b) excess over the gross sum under subheads with credit entries	the same conditions and limitations as at 1.2(a) above	Deputy Financial Secretary
	(c) supplementary provision under subheads with credit entries	provided that the supplementary provision is required to meet an increase in the difference between the gross sum and the credit sum	Finance Officer Assistant Financial Secretary Principal Assistant Financial Secretary Deputy Financial Secretary

(1)	(2)	(3)	(4)
Classification	Type of change : Section 8(2) of the Public Finance Ordinance	Conditions, exceptions and limitations : Section 8(3) of the Public Finance Ordinance	Officers to whom the Financial Secretary may delegate powers, subject to the further conditions, exceptions and limitations specified : Section 8(4) of the Public Finance Ordinance
3 departmental expenses subheads	(a) creation of new departmental expenses subheads	provided that the new subhead is listed as a departmental expenses subhead in the General Memorandum Note	Assistant Financial Secretary Principal Assistant Financial Secretary Deputy Financial Secretary
	(b) supplementary provision	the same conditions and limitations as at 1.2(a) above	Controlling Officer up to \$100,000 provided that the amount is fully offset by the deletion of funds from another departmental expenses subhead in the same head; Finance Officer up to \$300,000; Assistant Financial Secretary up to \$800,000; Principal Assistant Financial Secretary up to \$1,200,000; Deputy Financial Secretary up to \$2,000,000; and in every case less supplementary provision already approved under delegated powers during the financial year
4 subventions subheads	(a) supplementary provision for salaries and allowances in accordance with approved Government pay scales and rates	provided that the supplementary provision is required for expenditure within the approved ambit of the subhead	Deputy Financial Secretary
	(b) supplementary provision other than for salaries and allowances	provided that - (i) the supplementary provision is required for expenditure within the approved ambit of the subhead; and (ii) the total supplementary provision approved under delegated powers during the financial year other than for salaries and allowances does not exceed \$2,000,000	Finance Officer up to \$300,000; Assistant Financial Secretary up to \$800,000; Principal Assistant Financial Secretary up to \$1,200,000; Deputy Financial Secretary up to \$2,000,000; and in every case less supplementary provision already approved under delegated powers during the financial year
Capital account -			
5 subheads without commitments (i.e. block votes)	supplementary provision	the same conditions and limitations as at 1.2(a) above	the same officers and limitations as at 1.2(a) above

(1) Classification	(2) Type of change : Section 8(2) of the Public Finance Ordinance	(3) Conditions, exceptions and limitations : Section 8(3) of the Public Finance Ordinance	(4) Officers to whom the Financial Secretary may delegate powers, subject to the further conditions, exceptions and limitations specified : Section 8(4) of the Public Finance Ordinance
6 subheads with commitments	(a) creation of new subheads (b) supplementary provision	provided that the new subhead is required for an approved commitment provided that the actual unexpended balance of the approved commitment is not thereby exceeded	Assistant Financial Secretary Principal Assistant Financial Secretary Deputy Financial Secretary Finance Officer Assistant Financial Secretary Principal Assistant Financial Secretary Deputy Financial Secretary

II. ESTABLISHMENTS OF POSTS

1 permanent non- director posts	creation or deletion of posts	provided that - (i) the establishment ceiling is not thereby exceeded; (ii) a new rank or grade is not thereby created; and (iii) approved pay scales are not thereby altered	Controlling Officer
2 supernu- merary posts	(a) creation of posts in circumstances specified in column (3)	provided that the post - (i) is created for periods not exceeding 12 months on each occasion; and (ii) (A) is required to replace an officer on no-pay leave, pre-retirement leave or leave prior to resignation or termination of agreement; or (B) is held against a vacant permanent post in a rank with the same or a higher notional annual mid-point salary value.	Controlling Officer, subject to the prior approval of the Secretary for the Civil Service in the case of director posts
	(b) creation of additional director posts	provided that the post - (i) is for a period not exceeding six months; (ii) is required for a temporary purpose; and (iii) is non-renewable	Controlling Officer, subject to the prior approval of the Secretary for the Civil Service

(1)	(2)	(3)	(4)
Classification	Type of change : Section 8(2) of the Public Finance Ordinance	Conditions, exceptions and limitations : Section 8(3) of the Public Finance Ordinance	Officers to whom the Financial Secretary may delegate powers, subject to the further conditions, exceptions and limitations specified : Section 8(4) of the Public Finance Ordinance
III. NON-RECURRENT COMMITMENTS			
(i.e. CAPITAL ACCOUNT COMMITMENTS)			
1 approved commitments	(a) increases in approved commitments where the commitments were approved by Finance Committee	provided that the total increase does not at any time exceed \$2,000,000	Assistant Financial Secretary up to \$800,000; Principal Assistant Financial Secretary up to \$1,200,000; Deputy Financial Secretary up to \$2,000,000; and in every case less any increase already approved under delegated powers
	(b) increases in approved commitments where the commitments were approved under delegated powers	provided that the total commitment does not thereby exceed \$2,000,000	Assistant Financial Secretary provided that the total commitment does not thereby exceed \$800,000; Principal Assistant Financial Secretary provided that the total commitment does not thereby exceed \$1,200,000; Deputy Financial Secretary
2 new commitments	creation of new commitments	provided that the new commitment does not exceed \$2,000,000	Assistant Financial Secretary up to \$800,000; Principal Assistant Financial Secretary up to \$1,200,000; Deputy Financial Secretary up to \$2,000,000