

Appendix I**Information on the change in the number and rank of staff from 1999 to 2002 as well as the forecast of future changes at March 2003**

The establishment change since 1999 and the forecast establishment of LCSD at March 2003 are summarized below –

Posts in municipal services departments for leisure and cultural services (directorate posts)	Leisure and Cultural Services Department (directorate posts)			
	1.1.2000	1.1.2001	1.1.2002	31.3.2003 (estimate)
10 046 (17)	9554 (12)	9 258 (12)	8 746 (10)	8 279 (10)

Compared with the establishment of the municipal services departments for leisure and cultural services in 1999, the establishment of LCSD has been reduced by 492 posts (4.9%) at 1 January 2000, and further reduced by 296 posts (3.1%) at 1 January 2001, by 512 posts (5.5%) at 1 January 2002, and is expected to drop by another 467 posts (5.3%) at 31 March 2003. The substantial reduction of establishment in the non-directorate posts over the year was due to –

- deletion of vacancies in line with Government's policy to contain the size of the civil service; and
- outsourcing of services made possible by the high subscription to the Voluntary Retirement Scheme.

— Breakdown of the changes in establishment by rank of staff and year is at the Annex.

Appendix II

The impact of outsourcing on staff deployment and their promotion prospect

Some major services (such as security guard services, cleansing services, computer maintenance, professional sound and technical support services for cultural venues) were outsourced many years ago by the Municipal Councils. Most of these services were not operated by government staff and have little effect on staff deployment and promotion prospect.

Other outsourcing initiatives have been carefully planned with due regard to staffing implications, and would be launched to tie in with natural wastage and the Voluntary Retirement Scheme as far as possible. Staff will be adequately consulted and briefed on any impending outsourcing schemes. The aim is to work out a coordinated and balanced approach to avoid creating staff redundancy. Staff affected by the outsourcing schemes have been absorbed and re-deployed to other posts within LCSD or the civil service. Most of the deleted posts are in the basic recruitment rank and would have little impact on the promotion prospect of staff.

Appendix III

The existing wage levels of staff of various ranks in the service contracts awarded

LCSD does not have readily available records of the existing wage levels of all staff in the service contracts awarded. The recent monthly wage levels offered by contractors on major outsourced services are as follows -

- \$4,200 - \$5,160 for Cleansing Workers for 8 working hours per day
- \$5,500 - \$7,500 for Security Guards for 11 working hours per day
- \$5,380 - \$6,000 for Gardeners for 8 working hours per day.

For the purpose of monitoring the service contracts awarded, LCSD has put in place a control mechanism to ensure that contractors comply with the terms of contract including the wage level specified in the tender. So far, LCSD has not observed any breach of contractual obligations in this regard.

Appendix IV

Progress of the Outsourcing Schemes

The progress on the various outsourcing schemes are set out below –

- *management of fee-paying car-parks* - 18 venues have been outsourced from 1 April 2002, and 11 additional ones will be outsourced later in 2002.
- *electrical and mechanical maintenance of facilities in North District and Yuen Long District* - will be outsourced by the end of 2002.
- *development of a new and improved ticketing service* - a Request for Information exercise has been conducted and detailed specifications are being drawn up for tender in late 2002. New system is expected to be in place in 2003.
- *Programme Partnership Schemes* – the pilot scheme for North District Town Hall has been launched in May 2002 whereas the scheme for Yuen Long Theatre will be launched in July 2002. The schemes will last for one year and their effectiveness will be reviewed.
- *Consultancy Study on the four Community Arts Centres (CACs)*– action is in hand/will be taken to -
 - prepare the tender specification for engaging a professional public relations company for marketing the CACs by April 2003;
 - explore and to launch a pilot service contract for all non-stage facilities management services for Ko Shan Theatre by April 2003;
 - consider programme partnership of two of the CACs in mid 2003 in the light of the effectiveness of the pilot programme partnership schemes at Yuen Long Theatre and North District Town Hall.

Details of the beaches where shark prevention nets would not be kept in winter

Sharks prevention nets at the following 29 beaches will be removed in winter for overhaul maintenance, cleansing and applying antifoulants against marine growth:

1. Hung Shing Yeh Beach
2. Lo So Shing Beach
3. Kwun Yam Wan Beach
4. Tung Wan Beach, Cheung Chau
5. Silvermine Bay Beach
6. Pui O Beach
7. Upper Cheung Sha Beach
8. Tong Fuk Beach
9. Butterfly Beach
10. Kadoorie Beach
11. Cafeteria New Beach
12. Casam Beach
13. Lido Beach
14. Tung Wan (Ma Wan) Beach
15. Trio Beach
16. Kiu Tsui Beach
17. Hap Mun Bay Beach
18. Silverstrand Beach
19. Clear Water Bay 1st Beach
20. Big Wave Bay Beach
21. Chung Hom Kok Beach
22. Hairpin Beach
23. Middle Bay Beach
24. Repulse Bay Beach
25. Shek O Beach
26. South Bay Beach
27. St. Stephen's Beach
28. Stanley Main Beach
29. Turtle Cove Beach

Appendix VI

A comparison between the cost of outsourcing the services and that of providing the services by LCSD; and the change in efficiency before and after outsourcing

The major outsourced services such as cleansing, security guard services, horticulture maintenance and venue management of indoor games halls have achieved cost savings ranging from 20% to 60%.

Outsourcing has optimized the use of market skills, resources, technology and innovation to –

- enhance quality, efficiency and cost savings;
- reduce operating costs through productivity gains, economies of scale, scope and specialization
- inject new initiatives, skills and technology in public services
- relieve staffing constraints in implementing new initiatives/services; and
- minimize the lead time for service provision and more rapidly delivering new services to the community.

**Establishment of the Former Municipal Services Departments
and the Leisure and Cultural Services Department**

Grade	Establishment of the former municipal services departments [@] (a)	Establishment of LCSD as at 1.1.2000* (b)	(b) – (a) (%)	Establishment of LCSD as at 1.1.2001* (c)	(c) – (b) (%)	Establishment of LCSD as at 1.1.2002* (d)	(d) – (c) (%)	Projected Establishment of LCSD as at 31.3.2003* (e)	(e) – (d) (%)
Directorate Establishment	17	12 #	-5 (-29.4%)	12 #	0 (0%)	10	-2 (-16.7%)	10	0 (0%)
Non-Directorate Establishment									
Departmental Grades (i.e. Leisure Services Manager, Librarian, Curator, Manager (Cultural Services), Amenities Assistant, etc.)	2,838	2,704	-134 (-4.7%)	2,716	12 (0.4%)	2,728	12 (0.4%)	2,773	45 (1.6%)
Common Grades (i.e. Foreman, Artisan, Workman, etc.)	4,809	4,671	-138 (-2.9%)	4,370	-301 (-6.4%)	3,858	-512 (-11.7%)	3,383	-475 (-12.3%)
General Grades (i.e. Clerical, Secretarial, Motor Driver, Chinese Language Officer, etc.)	2,382	2,167	-215 (-9%)	2,160	-7 (-0.3%)	2,150	-10 (-0.5%)	2,113	-37 (-1.7%)
Sub-total	10,029	9,542	-487 (-4.9%)	9,246	-296 (-3.1%)	8,736	-510 (-5.5%)	8,269	-467 (-5.3%)
Grand Total	10,046	9,554	-492 (-4.9%)	9,258	-296 (-3.1%)	8,746	-512 (-5.5%)	8,279	-467 (-5.3%)

@Only including posts deployed on the delivery of leisure and cultural services.

*Excluding posts created to accommodate surplus staff arising from the reorganization.

Including the supernumerary DD(A) and AD(F) posts.