

ITEM FOR ESTABLISHMENT SUBCOMMITTEE OF FINANCE COMMITTEE

HEAD 21 – CHIEF EXECUTIVE’S OFFICE Subhead 000 Operational expenses

Members are invited to recommend to Finance Committee the following proposals with effect from 1 February 2006 –

- (a) the creation of the following permanent post -
 - 1 Administrative Officer Staff Grade A
(D6) (\$162,650);
- (b) the creation of the following new rank and permanent post/non-civil service position -
 - 1 Information Coordinator
(D4) (\$145,150 - \$149,600); and
- (c) the renewal of the following non-civil service position -
 - 1 Senior Special Assistant
(D2) (\$110,000 - \$116,800).

PROBLEM

The organisation of staff support for the Chief Executive (CE) at his own office is inadequate to deliver the level of efficiency and quality in day-to-day decision making and management of emergency situations expected of this high office.

/PROPOSAL

PROPOSAL

2. We propose to –
- (a) create one permanent Administrative Officer Staff Grade A (AOSGA) (D6) post as the Permanent Secretary, CE's Office;
 - (b) create one permanent post/position of Information Coordinator (IC) (D4) which can be filled by civil servant or non-civil servant; and
 - (c) renew and make permanent a non-civil service position of Senior Special Assistant (SSA) (D2)

under Head 21 Chief Executive's Office with effect from 1 February 2006.

JUSTIFICATION

3. On 12 October 2005, the CE clearly set out his vision of strong governance in his Policy Address. As stated in the Policy Address, the CE's foremost job is to fully grasp Hong Kong's rapidly evolving political and social landscapes. He must adequately understand public sentiment, anticipate future opportunities and challenges, decide on the overall policy direction, enhance the good relationship between the Central Authorities and the Special Administrative Region (SAR), secure the community's trust and support for the Government, strengthen cooperation with the Legislative Council and create a political and social environment conducive to effective governance. The CE plays a pivotal role in providing effective governance. To enable him to discharge his duties properly, the CE has decided that he urgently requires a reorganisation of his office.

4. At present, the CE's Office is divided into three sections, namely the Private Office, the Media Section and the Executive Council (ExCo) Secretariat. The Private Office assists the CE in discharging his official role in all aspects, including handling of papers and correspondence to and from the CE and logistical management of meetings and appointments for the CE. The Private Office also provides administrative support to and manages resources of the whole CE's Office. The Media Section coordinates and implements overall public relations (PR) strategies for the CE. The ExCo Secretariat provides secretariat support to ExCo Members and administers the weekly meetings of the Council. Apart from the three sections, the CE is also assisted by the SSA in his direct dealings with the Central People's Government and other Mainland authorities. The organisation chart of the CE's Office is at Enclosure 1.

Encl. 1

5. Under the current structure, the Director of CE's Office (DCEO) heads the CE's Office and is responsible for a wide range of functions including liaising and coordinating policy issues with members of the political team; overseeing the running of the CE's Office and the ExCo Secretariat; and undertaking the role as the information coordinator in the Government, who coordinates media and PR strategies on major policies and programmes, and monitors public opinion. The three sections of the CE's Office report to DCEO on daily operations. In practice, DCEO has to spend most of his time dealing with policy coordination, overseeing the implementation of the CE's decision, and liaising with political parties and other sectors of the community. While DCEO is also responsible for internal management of the office and coordinating the Government's PR strategy, including the launching of important government decisions or initiatives, often he is unable to devote sufficient time to these aspects of the work. Indeed, this range of work is already too wide for one person to handle effectively, as the volume is large and the nature of work involved demands a range of skills and experience rarely found in one individual.

6. A number of recent developments would add to the workload of DCEO –

- (a) In his Policy Address, the CE has put forward an integral package of measures and initiatives to strengthen governance, promote social harmony and enhance economic growth. The CE has pledged that these measures and initiatives will be implemented in the current term of his office, which will end on 30 June 2007. To ensure that these measures and initiatives are successfully delivered within the remaining 18 months of the CE's term, the CE needs the support of a senior directorate officer, with considerable civil service experience and excellent track record. This officer will oversee the implementation of the pledged measures and initiatives. He will liaise with the concerned bureaux and departments, and where necessary, identify solutions promptly when difficulties are encountered during the implementation phase.
- (b) The CE has expanded substantially the size of ExCo. The number of non-official ExCo Members has increased from seven to 15. The CE has also decided that non-official Members should have more opportunities to participate at an earlier stage of policy making, and would assist the Government to explain and promote policies to the public. With the expanded ExCo, the frequency and intensity of liaison between the CE's Office and the non-official ExCo Members would also increase substantially.

/(c)

- (c) To help gauge community views and secure a broader and firmer support base for the Government, the CE has expanded the role and membership of the Commission on Strategic Development. The Commission will provide a platform for all sectors of the community to explore with Government major issues pertaining to our long-term development, and will become the Government's most important advisory body. The CE will personally chair the Executive Committee as well as the Committee on Governance and Political Development. In view of the importance of the work of the Commission, the CE's Office has to maintain close and effective communication with the Commission and its 150 odd members to ensure that the views and suggestions of the Commission are followed up properly.

7. Taking into account all these factors, we need to strengthen the senior directorate support of the CE's Office. Specifically, we need to provide enhanced support to the CE in policy formulation, delivery of pledges made in the Policy Address, enhancing communication with ExCo, the Legislative Council, the Commission on Strategic Development and various sectors in the community, gauging public sentiment and securing community support for the Government and its policies and programmes.

8. We have also taken the opportunity to regularise the establishment of the non-civil service position of SSA, the appointment of which was originally intended to be co-terminus with the term of the former CE.

Permanent Secretary

9. We propose to create an AOSGA (D6) post to be designated as the Permanent Secretary in the CE's Office to strengthen its internal management. The Permanent Secretary will oversee the coordination with the Offices of the Chief Secretary for Administration and the Financial Secretary, bureaux and departments to ensure effective implementation of the CE's directives and agreed policies and programmes. He will also help keep track of the progress of policy implementation. The Permanent Secretary will attend meetings of ExCo and oversee the ExCo Secretariat. He will be responsible for liaison with ExCo Members on the Council's business. The Permanent Secretary will also assist the CE in overseeing the work of the Private Secretary to Chief Executive (PSCE) and the proposed IC, both ranked at D4 level. Taking account of the responsibilities, experience and knowledge required, we propose that the post of Permanent Secretary should be ranked at AOSGA (D6) level.

Encls.
2 & 3

10. At present, PSCE is the Controlling Officer and the administrative head of the CE's Office. We propose that the Permanent Secretary should serve as the controller of resources allocated to the CE's Office and manage the staffing resources. Subject to Members' approval of the present reorganisation and staffing proposals, Permanent Secretary, CE's Office will be designated as the Controlling Officer of Head 21 Chief Executive's Office with effect from 1 February 2006. The job descriptions of Permanent Secretary and PSCE are at Enclosures 2 and 3 respectively.

Information Coordinator

11. At present, the Media Section of the CE's Office is headed by Assistant Director (Media) (AD(M)), which is a D2 post on loan from the Information Services Department (ISD) to the CE's Office. AD(M) reports to DCEO and assists the latter on the implementation of agreed PR strategies and coordination of the PR-related work of the Office, including planning and managing the CE's publicity programmes and handling of press enquiries.

12. As explained in paragraph 5 above, one of the main tasks of DCEO is to coordinate the Government's media and PR strategies and monitor public opinion. This is a tall order. Consequently, on many occasions, the Director of Information Services (DIS) has to be roped in to help steer the Government's overall PR strategy in addition to her duties as the Head of ISD. This, in our view, is not sustainable and would impair on ISD's services and programmes.

13. To secure public trust and support for the Government when introducing major policies and programmes, it is essential that the PR strategies for these policies and programmes should be effectively formulated and implemented in a timely and coordinated manner. We have come to the view that the communication and PR work of the CE's Office has to be undertaken by a dedicated person at the senior directorate level. We therefore propose to create a new rank and post/non civil-service position of IC in the CE's Office. The work of IC demands highly specialised public relations skills. He should be wholly familiar with the operation, sensitivities, sense of priority and key personalities of the mass media community in Hong Kong. Taking account of the responsibilities, experience and knowledge required, we propose to rank the post/position of IC at D4 level. Similar to the arrangement relating to the appointment of Press Secretaries of Directors of Bureaux, this position can be filled by civil servants on postings or by way of direct appointment to a non-civil service position. In the latter case, a person taking up the non-civil service position of IC will receive salary, fringe benefits and gratuity similar to and no better than those prevailing for the equivalent rank of D4 in the civil service. He will be subject to the Civil Service

/Regulations

Regulations and requirements on conduct and avoidance of conflict of interest. He, however, is not part of the civil service and will depart as and when the incumbent CE leaves the Government or unless he is re-appointed by the next CE.

14. The IC will be the head of the Media Section of the CE's Office. AD(M) will support the IC in assisting the CE in drawing up media and PR strategies for launching of major Government policies and programmes. AD(M) will also assist the IC in implementing these PR strategies and plans. This is essential, especially when the IC comes from outside the civil service. The IC, on the other hand, will be responsible for coordinating the timetable for the launching of major policies of different bureaux and departments. When the strategies are agreed, he will closely liaise with DIS and Bureau Press Offices to ensure their smooth implementation. As the PR advisor to the CE, IC will also help plan and implement CE's programme of public functions involving media interactions. The job description of the IC is at Enclosure 4.

Encl. 4

15. With the creation of the posts of Permanent Secretary and IC, the DCEO will dedicate his efforts to assisting the CE in political work. He will primarily be responsible for the liaison with various political parties and groups, the Legislative Council, the Commission on Strategic Development and its members, representatives of various sectors of the community and district personalities. He will meet political parties and groups, and Legislative Council Members on a regular basis. He will liaise with Principal Officials in the process of policy formulation and setting policy objectives and priorities. The DCEO will also be the head of CE's Office. He is the CE's Chief of Staff. The existing and revised job descriptions of DCEO are at Enclosures 5 and 6. The position of DCEO remains to be a political and non-civil service appointment equivalent to the civil service rank of D8. All other terms of appointment as endorsed by Members in June 2002 vide EC (2002-03)2 remain unchanged.

Encls.
5 & 6

Senior Special Assistant

16. The non-civil service appointment of SSA, at the equivalent civil service rank of D2, took effect from 1 September 1997, upon the advice of the Establishment Subcommittee on 2 September 1997 vide EC(97-98)18 and the approval of the Finance Committee on 19 September 1997, until the end of the tenure of service of the former CE.

17. The SSA's key functions are to assist the CE in handling Mainland related issues and his direct dealings with the Central People's Government and Mainland organisations. These functions are essential in supporting the CE's work. The job description of SSA is at Enclosure 7.

Encl. 7

/18.

18. With the departure of the former CE, the appointment of SSA, which is supposed to be co-terminus with the incumbent CE, has lapsed. Given the vital functions of SSA, a non-civil service position of SSA has been created by the Controlling Officer for 12 months up to 12 March 2006.

19. Maintaining good relationship between the Central Authorities and the SAR is the cornerstone for the successful implementation of “One Country, Two Systems”. The CE has now decided to renew the position of SSA. Instead of renewing the term of the position on a periodical basis, we intend to make SSA a permanent non-civil service position at the equivalent civil service rank of D2 under the establishment of the CE’s Office. This will save the administrative work involved in the periodical renewal of this position. The incumbent, however, is not part of the civil service and will depart when the CE who has appointed him leaves the Government, or unless he is re-appointed by the next CE.

Encl. 8 20. The revised organisation chart of the CE’s Office taking account of all the above proposals is at Enclosure 8. We would look into the need for additional supporting staff required for the expanded structure and seek provision under the established mechanism, if necessary.

FINANCIAL IMPLICATIONS

21. The proposed changes in directorate posts will bring about an additional notional annual salary cost at mid-point of \$3,747,000 as follows –

	Notional annual salary at mid-point (\$)	No. of Post
New Permanent Posts		
AOSGA (D6)	1,951,800	1
IC (D4)/non-civil service position at D4-equivalent	1,795,200	1
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Additional cost	3,747,000	2
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The additional cost expressed in terms of full annual average staff cost, including salaries and staff on-costs, amounts to \$5,035,000.

22. We have not included provision in the 2005-06 Estimates to meet the cost of these proposals for the remainder of the financial year. Subject to Members' approval of the proposal, and our consideration of whether additional supporting staff is required for the expanded structure of the CE's Office, we shall provide the supplementary provision required for 2005-06 under delegated authority. For 2006-07 and beyond, we shall include the necessary provision in future Estimates.

BACKGROUND INFORMATION

23. The structure of the CE's Office was last revamped in July 2002 with the creation of the non-civil service position of DCEO. The ExCo Secretariat was transferred to the CE's Office then. On 12 October 2005, the CE, said in his Policy Address that he had decided to reorganise the CE's Office and create additional directorate posts/position to assist him in discharging his duties properly.

ESTABLISHMENT CHANGES

24. The establishment changes under the CE's Office in the past two years are as follows –

Establishment (Note)	Number of Posts			
	Existing (as at 1 November 2005)	As at 1 April 2005	As at 1 April 2004	As at 1 April 2003
A	3 + (1)*	3	3	3
B	9	9	9	9
C	84	84	90	90
Total	96 + (1)#	96	102	102

Note :

A - ranks in the directorate pay scale or equivalent

B - non-directorate ranks the maximum pay point of which is above MPS Point 33 or equivalent

C - non-directorate ranks the maximum pay point of which is at or below MPS Point 33 or equivalent

() - number of supernumerary directorate post

* As at 1 November 2005, there is no unfilled directorate post

Figures do not include the non-civil service positions of DCEO and SSA

/CONSULTATION

CONSULTATION WITH LEGISLATIVE COUNCIL PANELS

25. We consulted the Legislative Council Panel on Public Service and Panel on Constitutional Affairs on this proposal on 21 November 2005. Some Members expressed support for the proposal whilst others raised concerns on the division of work amongst the DCEO, the proposed Permanent Secretary and IC.

CIVIL SERVICE BUREAU COMMENTS

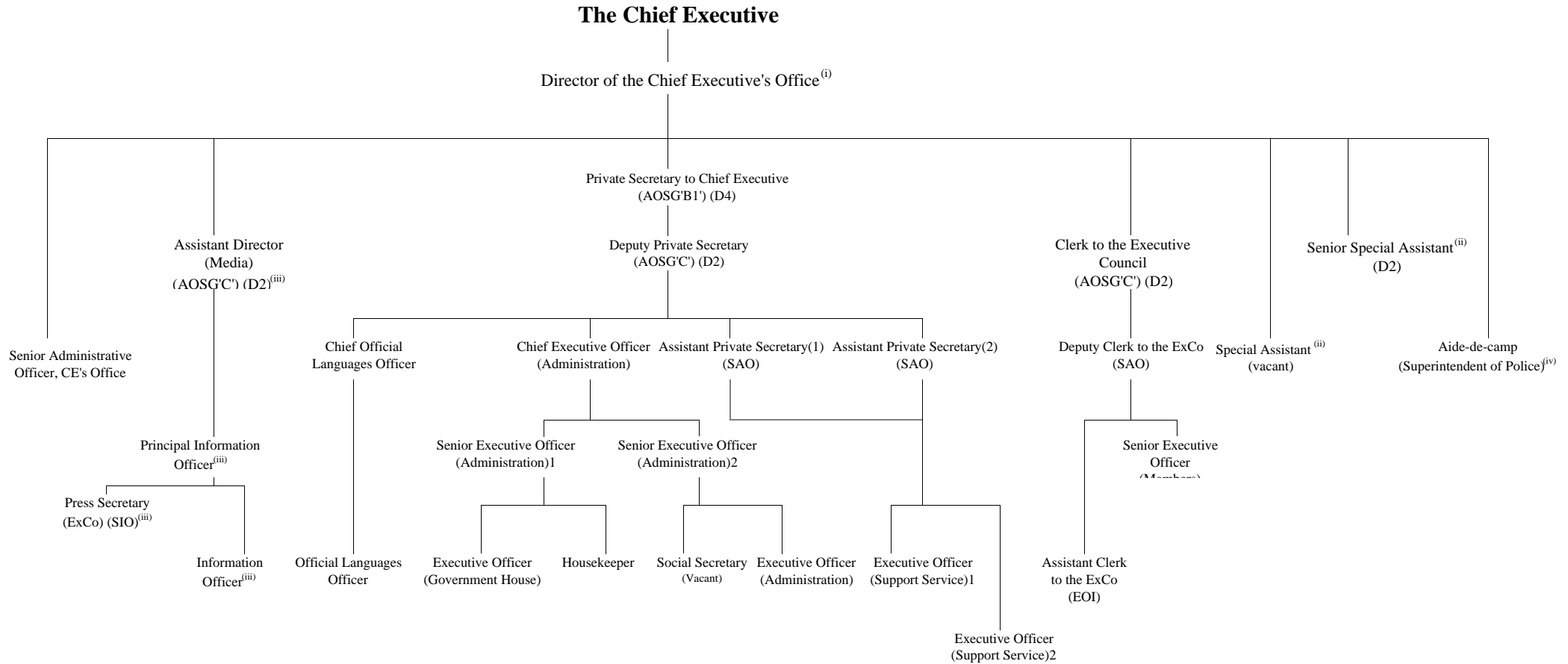
26. The Civil Service Bureau (CSB) supports the proposed reorganisation of the CE's Office and considers the proposed creation of civil service posts/non-civil service position appropriate, having regard to the need to provide efficient and effective support to the CE for effective governance. CSB is satisfied with the grading and ranking of the proposed posts/positions outlined in the reorganisation proposal, taking into account the level and responsibilities required.

ADVICE OF THE STANDING COMMITTEE ON DIRECTORATE SALARIES AND CONDITIONS OF SERVICE

27. The Standing Committee on Directorate Salaries and Conditions of Service has advised that the grading proposed for the posts would be appropriate if the proposal were to be implemented.

Chief Executive's Office
November 2005

Existing Organisation Chart of the Chief Executive's Office



Legend:

- (i) DCEO is a non-civil service appointment and vacant since 7.1.2005. A supernumerary AOSG'A'1(D8) post, designated as Permanent Secretary, CE's Office is created for the period 1.8.2005 to 31.1.2006
 - (ii) Non-civil service appointment
 - (iii) On establishment of Information Services Department
 - (iv) On loan from Hong Kong Police Force
- AOSG - Administrative Officer Staff Grade
 SAO - Senior Administrative Officer

Job Description
Permanent Secretary, Chief Executive's Office

Rank : Administrative Officer Staff Grade A (D6)

Responsible to : Director of CE's Office

Major Duties and Responsibilities –

- (a) to coordinate with the Chief Secretary for Administration's Office, the Financial Secretary's Office, bureaux and departments to ensure smooth, timely and effective implementation of the CE's directives and agreed major policies;
- (b) to keep track of the implementation of major policies;
- (c) to oversee the Executive Council Secretariat and liaise with Executive Council Members on Council business;
- (d) to serve as Controlling Officer for the resources allocated to the CE's Office and to ensure their proper deployment; and
- (e) to manage the staffing resources in the CE's Office to best support the CE.

Job Description
Private Secretary to Chief Executive

Rank : Administrative Officer Staff Grade B1 (D4)

Responsible to : Permanent Secretary, CE's Office

Major Duties and Responsibilities –

- (a) to assist the CE in all aspects of his official life that relate to Government business;
- (b) to handle papers submitted to the CE and comment on them as necessary;
- (c) to attend meetings that the CE holds with senior government officials and convey instructions and requests for information from the CE to those concerned;
- (d) to attend meetings that the CE holds with community representatives, individuals from the private sector and visitors from outside Hong Kong, and ensure that appropriate follow-up action is taken as a result of such meetings;
- (e) to accompany the CE to official functions and engagement locally as well as overseas visits, coordinate the preparation of briefs and speeches, and record meetings as required;
- (f) to act as Head of Department (to be transferred to the Director of the CE's Office) and Controlling Officer of Head 21 Chief Executive's Office (to be transferred to the Permanent Secretary, CE's Office); and
- (g) to perform all other duties as required by the CE.

Job Description
Information Coordinator, Chief Executive's Office

Rank : Information Coordinator (D4)/
Non-civil service position at D4-equivalent

Responsible to : Permanent Secretary, CE's Office

Major Duties and Responsibilities –

- (a) to formulate the media and public relations strategy for the introduction of major policies and programmes;
- (b) to coordinate the timetable of the introduction of major policies and programmes;
- (c) to closely liaise with DIS and Principal Officials' Press Secretaries to ensure effective implementation of media and public relations strategy for major policies, and monitor public and media feedback;
- (d) to plan and implement programme of public functions for the CE, including speaking engagements, overseas visits, community visits, meetings with editors and correspondents, and press conferences on an on-going basis;
- (e) to liaise with local and international media on behalf of the CE;
- (f) to act as Spokesman for the CE, as and when required; and
- (g) to manage the Press Office in the CE's Office.

**Existing Job Description
Director of the Chief Executive's Office**

The Director of the Chief Executive's Office works to the CE. He assists the CE in overseeing the running of the Office. The Director focuses mainly on performing the duties and functions of an information coordinator and overseeing the running of the Executive Council Secretariat.

Executive Council Secretariat

2. In overseeing the running of the Executive Council Secretariat, the Director ensures –

- (a) that the meeting agenda of the Executive Council reflects the overall priority of the Government's policy agenda as determined by the CE, with the assistance of the Chief Secretary for Administration and the Financial Secretary;
- (b) that the advice of the relevant Executive Council Sub-committees is promptly put to the Executive Council, when relevant items are submitted to the Council for consideration; and
- (c) that the decision of the CE-in-Council is properly recorded and conveyed by the Secretariat to the relevant principal officials, policy bureaux and departments concerned.

Information Coordination

3. In covering the role of information coordination, the Director is responsible for the following duties –

Media & Public Relations Strategy

- (a) formulating the media and public relations strategy for handling the announcement on major issues and policies;
- (b) developing, in conjunction with the relevant policy bureaux, a uniform and coordinated set of Government positions and lines-to-take on such major issues ahead of time;

/(c)

- (c) coordinating with the relevant policy bureaux and departments to ensure that a uniform stance is taken in presenting the Government's position on the respective issues;
- (d) attending Executive Council meetings and advising on the media and public relations aspects of relevant issues;

Spokesman for CE & Media Liaison

- (e) conducting press sessions, as Spokesman for the CE, to state the Government's position on matters of topical interest, to clarify specific issues and to respond to the media on particular angles of interest;
- (f) coordinating the media and public relations strategy for handling major unforeseen events;

Media & Public Relations

- (g) liaising with the media and assisting the relevant bureaux in strengthening the Government's communication with the media, political parties, Members of the Legislative Council and interest groups who have expressed interest in the public policies concerned;
- (h) taking into account these views expressed in formulating the Government's media and public relations strategy in respect of key policy issues;

CE's Public Engagements Programme

- (i) planning and implementing an on-going programme of public functions for the CE including speaking engagements, overseas visits, community visits, meetings with editors and correspondents and press conferences;
- (j) designing the messages for the CE to deliver on public occasions; and

Monitoring Public Opinion

- (k) coordinating with relevant bureaux and departments to analyse public opinion polls, to assess public opinion as reflected in media reports and to reflect significant results to bureaux and departments concerned for these to be taken into account in policy formulation.

**Revised Job Description
Director of the Chief Executive's Office**

The Director of the CE's Office is the head of the CE's Office. He is the CE's Chief of Staff. He reports to the CE direct on the following –

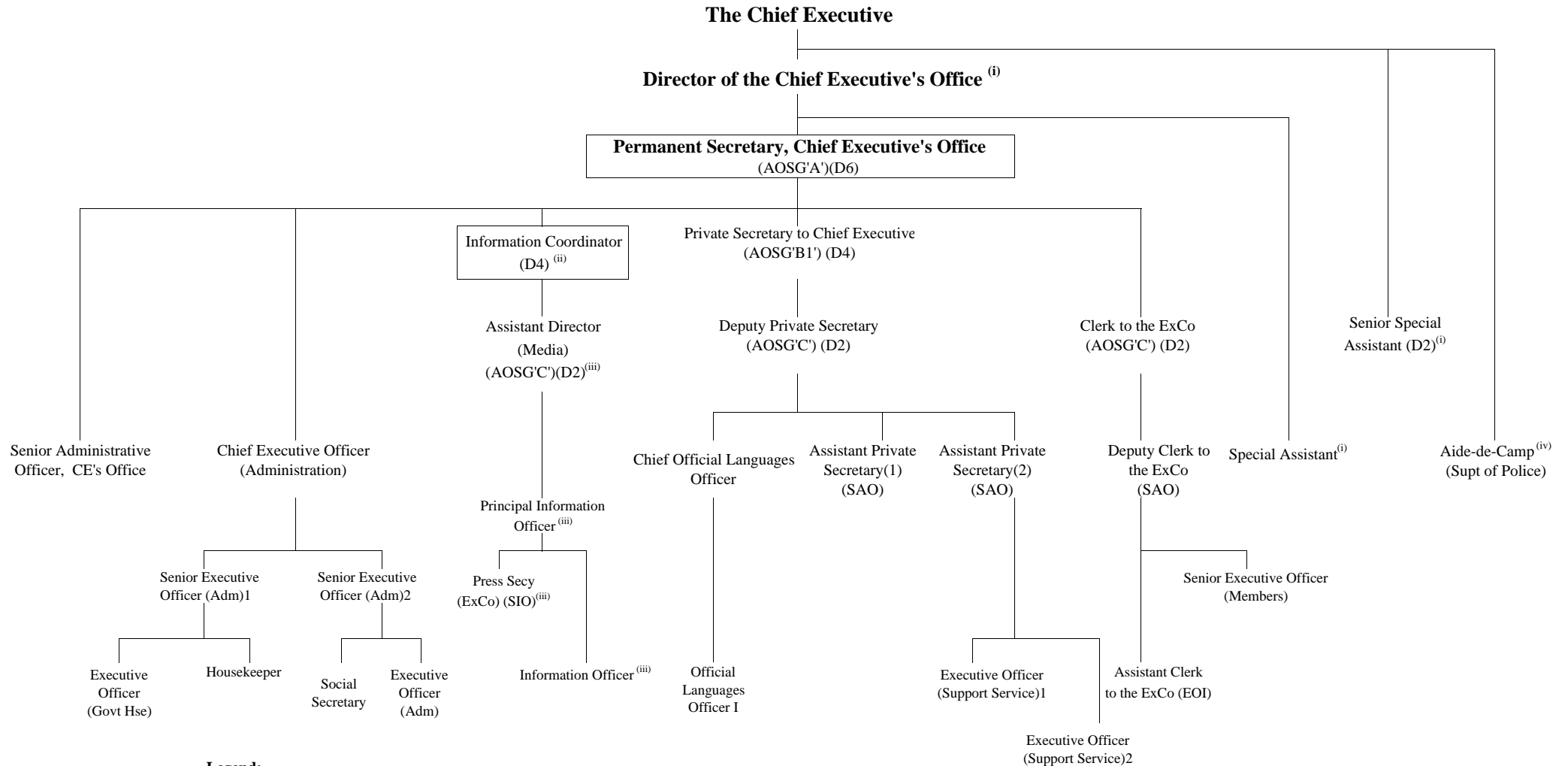
- (a) to liaise with various political parties and groups, the Legislative Council, the Commission on Strategic Development and its members, representatives from various sectors of the community and district personalities, and secure their support for HKSARG's work;
- (b) to assist the CE in liaising with Principal Officials in the process of policy formulation and setting policy objectives, goals and priorities;
- (c) to work closely with the Central Policy Unit in conducting researches and surveys on HKSARG's works and major policies to gauge public sentiment and aspirations; and
- (d) to oversee the overall operation of the CE's Office to ensure best support to the CE.

Job Description
Senior Special Assistant, Chief Executive's Office

The Senior Special Assistant, CE's Office is responsible for the following –

- (a) to advise the CE on Mainland related issues;
- (b) to liaise with the Central People's Government and to provide support on the organisation of the CE's visits to the Mainland; and
- (c) to undertake research on matters relating to the CE's networking with business and community organisations with strong Mainland connections and to prepare necessary briefs, messages and speeches.

Proposed Organisation Chart of the Chief Executive's Office



Legend:

- Posts/Positions to be created
- (i) Non-civil service appointment
- (ii) Civil service post or non-civil service appointment
- (iii) On establishment of Information Services Department
- (iv) On loan from Hong Kong Police Force
- AOSG - Administrative Officer Staff Grade
- SAO - Senior Administrative Officer