

ITEM FOR ESTABLISHMENT SUBCOMMITTEE OF FINANCE COMMITTEE

HEAD 142 – GOVERNMENT SECRETARIAT : OFFICES OF THE CHIEF SECRETARY FOR ADMINISTRATION AND THE FINANCIAL SECRETARY

Subhead 000 Operational expenses

Members are invited to recommend to Finance Committee the creation of the following two supernumerary posts in the Chief Secretary for Administration's Office from 1 April 2013 to 30 June 2017 –

1 Administrative Officer Staff Grade B
(D3) (\$154,900 - \$169,050)

1 Administrative Officer Staff Grade C
(D2) (\$133,150 - \$145,650)

PROBLEM

We need dedicated directorate staff to lead and manage the Policy and Project Co-ordination Unit (PPCU), which is to be set up under the Chief Secretary for Administration's Office (CSO) from 1 April 2013 to 30 June 2017.

PROPOSAL

2. We propose to create supernumerary posts of one Administrative Officer Staff Grade B (AOSGB) (D3) and one Administrative Officer Staff Grade C (AOSGC) (D2) as Head and Deputy Head of the PPCU respectively from 1 April 2013 to 30 June 2017.

/JUSTIFICATION

JUSTIFICATION

The Need for Joined-up Government

3. Among the work priorities of the Fourth Term Government are the tackling of livelihood issues, long-term planning of social infrastructure and the mapping out of a population policy. The Chief Executive (CE) has also pledged to build up a facilitating Government in his Election Manifesto. Past experience shows that oftentimes issues of concern to our community do not fall neatly into a particular policy/programme area or follow departmental boundaries. Inadequate co-ordination of cross-bureaux policies hinders timely development of policy changes to meet the evolving needs of society and the economy. There have been calls on the Government to improve its responsiveness and to follow through the implementation of cross-bureaux policies. Two such important policies relate to population and poverty alleviation which require the Chief Secretary for Administration (CS)'s personal steer.

4. Similar cross-bureaux co-ordinated efforts are called for in taking forward livelihood projects. In this respect, the Administration has been making a conscious and visible change towards a more joined-up Government since the commencement of this term. This is evidenced by the territory-wide lift installation programme to provide a “universally accessible” environment, the policy of which cuts across the Transport and Housing Bureau, Labour and Welfare Bureau (LWB), Development Bureau (DEVB), Home Affairs Bureau (HAB) and their departments. Another livelihood project is the Tin Shui Wai Bazaar which offers around 200 fixed stalls for local traders. These successful attempts fully demonstrate the value of high-level co-ordination in finding solutions to meet our people's expectations.

5. Apart from policy and project co-ordination, high-level co-ordination was also of paramount importance in enabling the Government to respond swiftly to ad hoc public concerns or major incidents, such as the enforcement against parallel traders in the North District, the handling of the plastic pellet spill resulting from Typhoon Vicente and the aftermath of the Lamma vessel collision.

Establishment of the Policy and Project Co-ordination Unit

6. The Administration proposes to set up the PPCU under the CSO to –

- (a) assist the CS in achieving better government-wide co-ordination in policy formulation, in particular on the policies, strategies and action plans related to poverty alleviation and population policy;

/(b)

- (b) provide secretariat support to both the Commission on Poverty (CoP) and the Steering Committee on Population Policy (SCPP), and some of their various task forces; and
- (c) provide first-stop and one-stop cross-bureaux/departmental consultation and co-ordination services to facilitate smooth implementation of land development and other special projects that will contribute to achievement of Government's policy objectives.

Poverty Alleviation

7. Poverty alleviation is one of the top priorities of this term of Government and work in this regard is championed by the CE personally, who is supported by the CS and the Secretary for Labour and Welfare (SLW). The work concerning poverty alleviation will be carried out under a 3-tier structure as follows –

- (a) the Poverty Summit, to be chaired by the CE once a year; to receive reports from the CoP; to provide steer and give policy directions to the CoP; to broaden community engagement; to build multi-stakeholder consensus; and to report progress to the public. In addition to chairing the Summit, the CE may meet with the CoP from time to time;
- (b) the CoP, to be chaired by the CS, to drive and deliver the tasks encompassed by the Terms of Reference of the new CoP; to oversee and monitor the work of the Task Forces; and to examine across-the-board issues that involve more than one Task Force; and
- (c) Task Forces of the new CoP to focus on specific areas of concern and give advice and make recommendations to the new CoP.

8. The Administration has set up a new CoP whose main tasks would include: review/conduct relevant studies; set a poverty line; devise action targets for various needy groups having regard to past poverty alleviation efforts; oversee the implementation of specific measures; identify scope for consolidating various Government assistance schemes and streamlining application procedures; and monitor continuously the poverty situation, etc. Six Task Forces will be set up under the CoP to look into various issues, including social security and retirement protection; education, employment and training; societal engagement; special needs groups; community care fund; and social innovation and entrepreneurship development fund. Relevant experts and stakeholders will be invited to join the Task Forces. The tasks of the new CoP and the work of its task forces will require a

/dedicated

dedicated secretariat (i.e. the PPCU) to provide support and co-ordinate cross-bureaux efforts in the formulation and implementation of policy measures. Except for the Task Force on social security and retirement protection which will be chaired by the CS with SLW as the vice-chair, the other five task forces will each be chaired by a non-official CoP member with a designated non-CoP member as the vice-chair.

9. Apart from providing secretariat support to the meetings, the secretariat will co-ordinate studies and inputs from the Central Policy Unit (CPU), Government Economist (GEcon) and Census and Statistics Department (C&SD) and relevant consultancies, and organise events and programmes of various scales (such as visits, consultation exercises, media sessions and annual summits) where necessary. The secretariat will also co-ordinate submissions from the Task Forces to the CoP and draw up final recommendations for consideration by the CoP.

Population policy

10. Population policy is a multi-faceted subject cutting across various policy areas. The SCPP was first set up in end 2007 chaired by the then CS to monitor and co-ordinate Government's efforts on population policy. The SCPP has examined the effects of Hong Kong's changing demographic structure on the long-term economic and fiscal sustainability of Hong Kong and the appropriate policy responses.

11. The SCPP published a Progress Report of its work in May 2012, outlining ten recommendations on a range of complicated and controversial issues. They include: Mainland women giving birth in Hong Kong; the education, medical and health care, and other support services for children born in Hong Kong to Mainland women; support and integration of new arrivals; nurturing and admission of talents; promotion of youth employment; consideration of raising retirement age; long-term care for the growing elderly population; and retirement protection system, etc. Most of the recommendations involve complex issues which do not fall squarely into the policy portfolio of a single bureau and would require cross-bureaux liaison and co-ordination in their follow-up work, monitoring of implementation of the recommendations and further in-depth studies on the issues identified.

12. The CE stated in his Election Manifesto that the SCPP chaired by the CS will develop population policy and enhance the structure of the population to promote steady social and economic development in Hong Kong in the long term, and the SCPP will put forward goals, policies and measures for the short, medium

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and long term. Accordingly, the SCPP will examine how to enhance the current population projections to anticipate challenges and plan for the necessary public services; enhance the current manpower projection mechanism to ensure there is a quality workforce to sustain our economic growth; and devise necessary measures to increase the size of our working population.

13. In order to start the engagement process early, we have revamped the SCPP^{Note} to include academics, professionals and experts from various relevant sectors as non-official members. The purpose for an expanded membership is to canvass views of different sectors early with a view to building a common understanding on the challenges besetting Hong Kong's population in socio-economic terms and charting out an agreed action agenda to improve our population mix in the long term to ensure sustainable development of our economy. The work of the revamped SCPP will require research, stakeholder engagement as well as dedicated secretariat support on agenda setting, co-ordination and preparation of papers and reports for discussion, and co-ordination of follow-up actions, etc. Among other things, the revamped SCPP will identify the main social and economic challenges to Hong Kong which require further study (e.g. the ageing population on public services; social integration of new arrivals via the One-Way Permit Scheme; ethnic minorities and other migrants; and attraction of overseas and Mainland talents to Hong Kong, etc.). Given the wide spectrum of issues to be contemplated and the cross-bureaux nature of the concerned policies, the CS will personally drive the work of the SCPP. As in the case of the CoP, the PPCU will assist the CS in co-ordinating policy input and actions, pushing the policy agenda, monitoring progress of necessary follow-up actions to implement the agreed initiatives, and co-ordinating cross-bureaux efforts to deliver the target results. It will also co-ordinate research to assist the CS in evaluating policy options and their implications; monitor progress of implementation of agreed policy pledges, including co-ordinating consolidated returns from the relevant policy bureaux and departments on implementation progress; and co-ordinate cross-bureaux efforts in working out practical solutions to problems that may hinder achievement of targets.

Project Co-ordination

14. Besides, the PPCU will offer first-stop and one-stop consultation and facilitation services to non-government sector to facilitate smooth implementation of land development and other special projects that require cross-bureaux efforts and will contribute to achievement of Government's policy objectives. Such services are proposed, with regard to the positive feedback on the former Development Opportunities Office (DOO) in DEVB. At the meeting of the

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^{Note} The SCPP in the last term of Government was chaired by the CS and comprised principal officials and directorates of relevant bureaux/departments as core members.

Development Panel held on 16 January 2012, Members generally expressed appreciation for the effective work of DOO and considered the experience of DOO useful. It was also opined that the successful work of DOO in facilitating the implementation of development proposals from non-governmental organisations had proved the merit of setting up a dedicated office to provide one-stop consultation and co-ordination service to non-government land development projects and that the Government of the next term should seriously consider the merits of re-launching DOO's service. The Land and Development Advisory Committee which used to offer advice on projects processed by DOO has also strongly recommended the continuation of such and further advised a similar organisation be set up in the new term of Government, possibly in a higher office. Given resource considerations and PPCU's focus on policy work, the intention is not to replicate a full-fledged DOO but to offer similar co-ordinated advisory service to selected projects with strong policy relevance. The PPCU will aim to bring in the relevant bureaux/departments at an early stage so as to help map out the most appropriate way forward for the non-government project proponent. The relevant policy bureaux and departments will continue to take charge of the detailed assessment, vetting, negotiation, and approval processes as necessary.

Substantial Workload and Complexity of Work of the PPCU

15. Taking into account the nature, scope and complexity of the tasks to be performed by the PPCU, we plan to set up a multi-disciplinary team, consisting of civil servants in various grades and professionals with private sector experience. It will be tasked to co-ordinate policy research, collate relevant data and information to facilitate evidence-based policy formulation, work with the relevant bureaux and departments to identify problems early and assist in developing practical solutions, and provide first-stop and one-stop facilitation services to selected projects which will contribute to achievement of Government's policy objectives.

Unit Head

16. Having regard to the mission and modus operandi of the new CoP and SCPP, the need for and importance of effective co-ordination among bureaux/departments in problem-solving, implementation of agreed policy initiatives, and monitoring of progress, we consider that the unit head of the PPCU should be pitched at AOSGB (D3) level to provide the necessary competence, management skills and experience. The unit head will be leading the common secretariat for both the CoP and SCPP, in addition to other high-level policy co-ordination, project facilitation work and problem-solving responsibilities.

17. The unit head will also co-ordinate with the CPU, GEcon, C&SD, and other relevant bureaux/departments on studies on population policy and poverty-related issues, analyse critically the study findings and offer comments for consideration by members of the CoP and SCPP. In addition, the unit head will liaise with members of the CoP and SCPP, external stakeholders and senior officers in the relevant bureaux and departments.

Deputy Head

18. We propose to pitch the deputy to the Head of the PPCU at AOSGC (D2) level, as the deputy Head has to underpin the unit head in a wide range of duties and act in the latter's capacity in his/her absence. In particular, the deputy head will be responsible for drafting of research and discussion papers and will provide secretariat and administrative support to the SCPP and CoP and related task forces.

Non-directorate Establishment of the PPCU

19. Apart from the Head and the Deputy Head, the PPCU will have 12 non-directorate supporting staff, including one Senior Town Planner, one Senior Economist and two Administrative Officers, who will be civil servants, and three Policy and Project Co-ordinators who will be engaged on non-civil service contract (NCSC) terms. The three NCSC positions are created to provide a flexible trawl of expertise to provide co-ordinated advice on and facilitation to the cluster of projects and policy initiatives which the PPCU champions or oversees. In addition, one Executive Officer I (EO I), two Personal Secretary I (PS I) and two Assistant Clerical Officer (ACO) posts will be needed to provide general support to the PPCU. All these non-directorate civil service posts and NCSC positions will be created on a time-limited basis.

Encls. 1-3 20. The job descriptions of Head and Deputy Head, and the organisation chart of the PPCU are at Enclosures 1 to 3. The tenure of the PPCU will be co-terminus with the Fourth Term Government, i.e. until 30 June 2017.

Directorate Establishment of the Secretariats for the former CoP and SCPP

21. The former CoP chaired by the then Financial Secretary (FS) was supported by a dedicated secretariat set up under the Office of the FS. It comprised one AOSGB1, one AOSGC, one Senior Administrative Officer (SAO), one Senior Executive Officer and other supporting staff. All these posts have lapsed upon discontinuation of the former CoP.

22. On population policy, a dedicated team was set up in 2011 to conduct a review on two subjects, namely ways to facilitate and support our elderly people to settle in the Mainland after retirement, and ramifications of children born in Hong Kong to Mainland women returning to Hong Kong to study and live. The team was then led by a time-limited Deputy Director of Administration (Special Duties) (DDA(SD)) (AOSGB) and comprised six time-limited civil service posts/NCSC position, namely an SAO, a Chief Executive Officer (CEO), an EO I, an NCSC EA, a PSI and an ACO. Since the posts of DDA(SD), CEO and PS I lapsed in April 2012, one existing Deputy Director of Administration (AOSGB) and one existing Assistant Director of Administration (AOSGC) have on a limited part-time basis been house-keeping the subject in addition to their own heavy schedules. The remaining time-limited posts/position will also lapse in April 2013. Given the importance of the population policy to Hong Kong's sustained development, there is a need for it to be housed under the dedicated team of the PPCU.

23. Compared with the former CoP and SCPP secretariat, the structure of the PPCU is a consolidated one. We consider pitching the Head at the senior directorate (D3) level is about right and the staff complement featuring a mix of civil servants and NCSC staff appropriate. The overall staff establishment is relatively lean compared with maintaining separate secretariats, and we expect the outcome of the policy co-ordination work would be more focused and effective than before.

ALTERNATIVES CONSIDERED

24. We have considered the alternative of continuing to rely on LWB to provide support to the CoP and assign another bureau to provide secretariat support to the SCPP, but are of the view that it would not be as effective as setting up a dedicated unit under the direct supervision of the CS. On project co-ordination, the flexible engagement of suitable officers through NCSC terms will provide relevant advice and analysis of special projects and enable Head, PPCU to provide the necessary facilitation through liaison with bureaux/departments.

25. We have also considered the option of asking the Administration Wing of the CSO to take on the additional duties. The Director of Administration (AOSGA) is currently underpinned by two Deputy Directors (AOSGB) who are in turn supported by two Assistant Directors (AOSGC), one Senior Principal Executive Officer and two Principal Executive Officers to oversee the Government Secretariat machinery; co-ordinate the Administration's business with the Legislative Council and with the Judiciary; housekeep the Independent Commission Against Corruption and the Office of the Ombudsman; administer the

Justices of the Peace Scheme and the system of honours and awards; manage the Government records and archives system as well as handle all protocol matters, etc. Since these directorate officers are fully committed to their present policy portfolios, redeployment of internal manpower resources to provide the necessary support to the CS in co-ordination of policy formulation, monitoring of progress in implementation of cross-bureaux policy initiatives and facilitation of eligible cross-bureaux projects is not practicable and will adversely affect the discharge of their existing duties and compromise the quality of work.

FINANCIAL IMPLICATIONS

26. The proposed creation of two supernumerary directorate posts will bring about an additional notional annual salary cost at mid-point of \$3,664,800 as follows –

	Notional annual salary cost at mid-point \$	No. of posts
Supernumerary posts		
AOSGB (D3)	1,968,600	1
AOSGC (D2)	<u>1,696,200</u>	<u>1</u>
Total	<u>3,664,800</u>	<u>2</u>

The additional full annual average staff cost, including salaries and staff on-cost, is \$5,230,000.

27. For the nine time-limited non-directorate civil service posts mentioned in paragraph 19 above, the notional annual salary cost at mid-point is \$5,470,560 and the full annual average staff cost, including salaries and staff on-cost, is \$6,986,000.

28. We will include the necessary provision in the draft Estimates of 2013-14 and subsequent years to meet the cost of the proposed creation of the supernumerary directorate and non-directorate posts/positions.

PUBLIC CONSULTATION

29. We consulted the House Committee of the Legislative Council on 23 November 2012. Members raised no objection to the proposal.

/ESTABLISHMENT

ESTABLISHMENT CHANGES

30. The establishment changes of Head 142 Government Secretariat: Offices of the Chief Secretary for Administration and the Financial Secretary for the past two years are as follows –

Establishment (Note)	Number of posts			
	Existing (as at 1 December 2012)	As at 1 April 2012	As at 1 April 2011	As at 1 April 2010
A	29 #	29 + (1)	29 + (1)	29 + (1)
B	110	108	109	103
C	363	352	352	345
Total	502	489 + (1)	490 + (1)	477 + (1)

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 posts
- # – as at 1 December 2012, there was no unfilled directorate post

CIVIL SERVICE BUREAU COMMENTS

31. The Civil Service Bureau supports the proposed creation of the two supernumerary directorate posts, namely one AOSGB and one AOSGC, from 1 April 2013 to 30 June 2017. The grading and ranking of the proposed posts are considered appropriate having regard to the level and scope of responsibilities required.

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

32. As the two directorate posts are proposed on a supernumerary basis, their creation, if approved, will be reported to the Standing Committee on Directorate Salaries and Conditions of Service in accordance with the agreed procedure.

Administration Wing
Chief Secretary for Administration's Office
November 2012

Job Description
Head, Policy and Project Co-ordination Unit
Chief Secretary for Administration's Office

Rank : Administrative Officer Staff Grade B (D3)

Responsible to : Chief Secretary for Administration

Major Duties and Responsibilities –

1. To provide support to the Chief Secretary for Administration (CS) to enhance cross-bureaux/departmental co-ordination in formulation of policies, strategies and measures, with particular reference to poverty alleviation and population policy.
2. To provide support to the CS in monitoring the progress of cross-bureaux follow-up work to deliver policy pledges, in particular those relating to poverty alleviation and population policy, identify problems that may hinder their implementation and work out practical solutions.
3. To oversee the provision of secretariat support to the Commission on Poverty (CoP) and the Steering Committee on Population Policy (SCPP) both chaired by the CS, and some of their various Task Forces; and to co-ordinate follow-up actions by the relevant bureaux and departments.
4. To assist the CoP and SCPP in reviewing previous research and steering further studies; reviewing existing measures and devising new policy targets, measures and action plans for the short-term, medium-term and long-term.
5. To assist the CoP and SCPP in formulating strategies on public engagement and foster tripartite partnerships with stakeholders in the business and community sectors; and maintaining liaison with other stakeholders including the Legislative Council, non-governmental organisations, the media and the public.
6. To assist the CoP in identifying scope for consolidation and better co-ordination of various committees, assistance schemes and funds currently available under the purview of different bureaux and departments to improve their effectiveness in helping the disadvantaged and create synergy.

7. To oversee the provision of first-stop and one-stop consultation and co-ordination services to eligible non-government sector land development projects and other special projects that require cross-bureaux efforts and will contribute to achievement of Government's policy objectives; and to facilitate their early and successful implementation.
8. To perform other duties as assigned by the CS.

Job Description
Deputy Head, Policy and Project Co-ordination Unit
Chief Secretary for Administration's Office

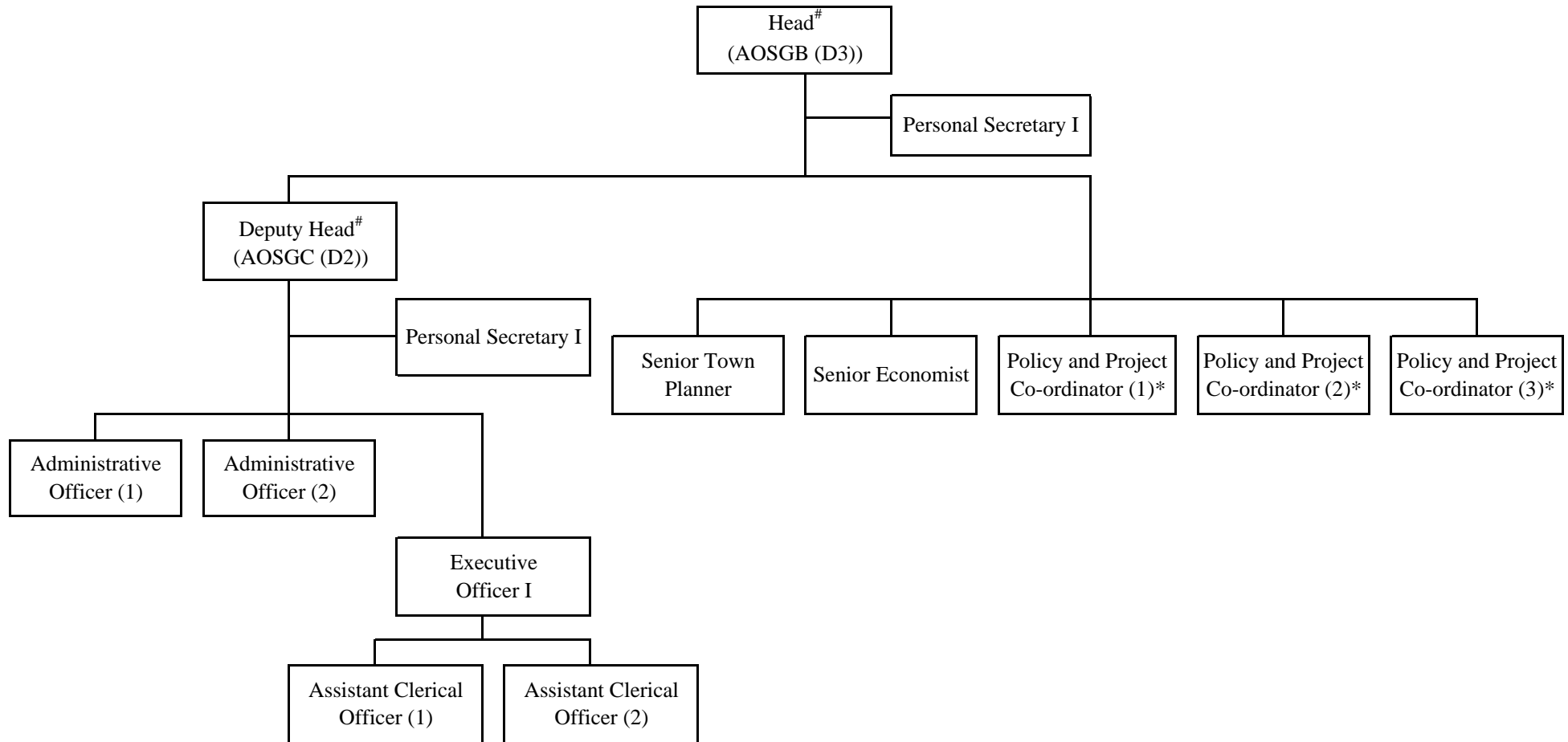
Rank : Administrative Officer Staff Grade C (D2)

Responsible to : Head, Policy and Project Co-ordination Unit (PPCU)

Major Duties and Responsibilities –

1. To co-ordinate and prepare policy papers for the Commission on Poverty (CoP) and the Steering Committee on Population Policy (SCPP), follow-up on their advice and recommendations, and prepare reports on their work.
2. To assist Head/PPCU in monitoring progress in delivery of various policy initiatives by the relevant bureaux and departments relating to population policy and poverty alleviation, and working out practical solutions to problems identified to ensure effective implementation of the measures.
3. To assist Head/PPCU in reviewing the functions and operating mode of various committees, assistance schemes and funds within the Government related to poverty alleviation to identify scope for streamlining and rationalisation to enhance their efficiency in helping the disadvantaged.
4. To assist the CoP and SCPP in its public engagement work and foster partnership in liaison with the business community, non-governmental organisations and other relevant parties.
5. To co-ordinate and monitor research, surveys and projects initiated by the CoP and SCPP; and to keep in view relevant local and overseas researches and policy development.
6. To perform other duties as assigned by Head/PPCU.

Proposed Organisation Chart of the Policy and Project Co-ordination Unit



Legend:

- AOSGB Administrative Officer Staff Grade B
- AOSGC Administrative Officer Staff Grade C
- # Directorate posts proposed for creation
- * To be filled by non-civil service contract staff