

**For Discussion on
12 May 2014**

LC Paper No. CB(2)1442/13-14(06)

Legislative Council Panel on Home Affairs

Proposed Upgrading of one Principal Executive Officer (D1) Post to Senior Principal Executive Officer (D2) Post in the Leisure and Cultural Services Department

PURPOSE

This paper seeks Members' support for the proposal to upgrade the Departmental Secretary (DS) post in the Leisure and Cultural Services Department (LCSD) ranked at Principal Executive Officer (PEO) (D1) to an Assistant Director (Administration) post ranked at Senior Principal Executive Officer (SPEO) (D2) to strengthen the administrative support at the directorate level in human resources management (HRM), training, departmental administration as well as planning and development of capital works projects, with effect from the date of approval by the Finance Committee.

JUSTIFICATION

2. When LCSD was established in 2000, there were three branches, viz. the Leisure Services (LS) Branch, the Cultural Services (CS) Branch and the Administration Branch¹. The Administration Branch, which provided administrative support to the Department, was headed by a Deputy Director (Administration) (DD(A))² pitched at D3 level underpinned by an Assistant Director (Administration & Planning) (AD(A)) ranked at SPEO (D2) level.

3. In 2006, LCSD restructured its directorate structure. The Administration Branch was replaced by an Administration Division, and the permanent AD(A) post was downgraded to the DS post at PEO (D1) level to

¹ Prior to 2006, the three branches in LCSD were each headed by a Deputy Director (DD) pitched at D3 level.

² Apart from internal administration and HRM, DD(A) also oversaw the planning and development of capital works projects and steered organisational reforms and reviews.

oversee the operation of the new Administration Division. It was considered that, in view of the significant reduction in LCSD's establishment from over 9 500 in 2000 to around 7 400 in 2006 and the completion of a number of organisational reforms, the administrative duties of the Department could be pared down to mainly the supervision of the daily operation of the Administration Division and the execution of general HRM functions such as appointment, promotion, discipline, and staff relations matters. Separately, a new permanent Assistant Director (Finance) (AD(F)) (D2) post directly reporting to the Director of Leisure and Cultural Services (DLCS) (D6), was created to lead a dedicated Finance and Supplies Division to take over the responsibilities in respect of finance and accounting, procurement and contract management, information technology, and management services and internal audit. The overall planning for leisure and cultural capital works projects was put under the charge of Deputy Director (Leisure Services) (DD(LS)) (D3) as the vast majority of the capital works projects under planning at that time were leisure and sports facilities.

4. Since then, the DS reports directly to the DLCS who has to take personal charge of the formulation of policies and strategies in respect of departmental administration, HRM, directorate succession, manpower planning and staff relations matters with the administrative support of the DS. As for the planning and development of leisure and cultural capital works projects, DD(LS) acts as the overall departmental coordinator with the support of the Planning Section which seeks input from the CS Branch where necessary. Such an organisational structure has posed a heavy burden on DLCS and DD(LS) as the scope and complexity of departmental administration, HRM and planning matters have evolved and increased substantially over the years, particularly in view of the following developments:

- (a) there has been a significant increase in LCSD's civil service establishment during the period from 2006 to 2014, following the lifting of civil service recruitment freeze, the phased replacement of non-civil service contract (NCSC) staff by civil servants as well as the introduction of new services and commissioning of new facilities;
- (b) the need to provide high level steer for the organisational reviews of the mode of delivery of various leisure and cultural services;
- (c) the need to formulate new HRM policies and initiatives to meet the

rapidly changing operational requirements of the Department and the rising public expectation for better services; and

- (d) the need for more strategic and coordinated approach for the planning and development of large-scale and complex capital works projects.

The detailed justifications are elaborated in the ensuing paragraphs.

(a) Increase in Civil Service Establishment and Complex Staff Mix of LCSD

5. Following the lifting of the civil service recruitment freeze in 2008, LCSD resumed filling vacancies and new civil service posts created for commissioning of new leisure and cultural facilities as well as the introduction of new services. LCSD has also started to replace NCSC positions with proven long-term service needs by civil service posts. As a result, the total establishment of LCSD has increased from 7 398 in June 2006 to 8 969 in March 2014, and is projected to further increase to 9 199 posts by March 2015, representing a 21% and 24% increase respectively. In terms of establishment, LCSD now ranks the fourth among the over 80 bureaux and departments, and the second among the non-disciplined services departments. For the four non-disciplined services departments with a comparable civil service establishment to LCSD, their administration divisions are all headed by an SPEO (D2)³.

6. Furthermore, LCSD is a multi-disciplinary department with a highly complex staff mix comprising 119 ranks in 48 grades. Being the human resource manager of the Department, the head of the Administration Division has to provide DLCS and the senior management with expert advice on effective management of the expanding workforce in LCSD, and at the same time serves as the head of grade of the over 2 100 general grades staff in the Department. Overseeing the HRM functions in such a large and complex organisation requires a directorate officer with rich administrative experience and strategic leadership who can formulate and implement HRM policies that are conducive to the delivery of quality service to the public.

³ The heads of administration division/branch of the Food and Environmental Hygiene Department, Housing Department (HD), Department of Health and Education Bureau are ranked at SPEO (D2) level and supported by a PEO (except HD). The projected establishment of these departments as at 31 March 2015 are 11 183, 8 693, 6 167 and 5 538 respectively.

7. The head of the Administration Division is also responsible for staff relations matters. The number of staff unions/associations in LCSD has increased from 19 in 2006 to 29 in 2014, reflecting an increasing awareness among staff of different grades/ranks in communicating with the management on their needs and concerns. The proposed AD(A), with the support of the staff relations team, plays a leading role in engaging the staff and strengthening the partnership with staff unions, and in fostering communication at all levels within the Department to facilitate the smooth implementation of new initiatives and ensure that the management responds to the staff unions' concerns promptly and effectively.

(b) Organisational Reviews on Mode of Service Delivery

8. When LCSD was established in 2000, it took over from the two former Municipal Councils (ex-MCs) the full range of functions and responsibilities relating to the management of leisure and cultural facilities/services. In order to cope with the ever-changing operational needs for providing quality services to the public, the Department has conducted a number of organisational reviews on the mode of delivery of a number of services and the related manpower arrangement. For example, LCSD concluded in 2010 two major reviews on the mode of service delivery of frontline and support service in the public libraries and the mode of governance of public museums. LCSD has since deployed civil servants to replace NCSC staff in providing core services in the public museums and libraries.

9. Moreover, LCSD has been reviewing (i) the mode of delivery of stage management and technical services at performing arts venues; (ii) the mode of governance and staffing structure of the Music Office; (iii) the provision of film programming and archival services; and (iv) the operation of box office outlets in cultural venues. These are highly complex reviews given the professional and technical services involved, the need to map out sensible transition plans to minimise service disruption and the importance of retention and transfer of knowledge and expertise. Having considered the need to conclude the reviews in a timely manner, and the high level coordination and thorough consultation with staff and other stakeholders involved during the review process, it is imperative to have a more senior directorate officer who is conversant with the civil service rules and regulations to steer and oversee the reviews. The head of the Administration Division will need to coordinate with the two Branches in devising the long-term manpower arrangements and

appropriate staffing structure for the relevant services, and the implementation plans. It is envisaged that the implementation of the relevant staffing plan and the associated HRM functions including recruitment, appointment and training, will pose heavier responsibilities and workload on the Administration Division.

(c) New HRM and Training Initiatives

10. Since 2008, over 2 500 new staff have joined LCSD. It is imperative to provide well-structured induction, management and professional training to ensure that the new staff can integrate smoothly into the Department and perform their duties effectively. At the same time, the Administration Division needs to put in place effective performance appraisal systems tailored to the specific requirements of individual grades/ranks, and to identify staff with potential for career development to meet manpower and succession needs. Mapping out a strategic and comprehensive programme for staff development as well as training for professional development and succession purposes has become one of the major duties of the head of the Administration Division.

11. Insofar as professional training and development is concerned, the Administration Division is responsible for arranging comprehensive and sustainable training programmes for LCSD staff, such as in the areas of tree and sports turf management, as well as arts administration. On the former, the Department is committed to providing 1 500 training places in arboriculture and turf management each year starting from 2010-11, representing a 263% increase compared with 570 training places in previous years. As a result, the number of training places provided by the Department has increased from 13 000 in 2006-07 to 18 000 in 2013-14 (a 38% increase); while the annual training budget has gone up by 60% from \$8.15 million to \$13 million during the corresponding period. Apart from staff training, to support the development of cultural software in Hong Kong, LCSD runs a two-year internship programme for nurturing arts administrators and museum curators in Hong Kong. A total of 332 trainee places will be provided from 2010 to 2018. The Training Section under the Administration Division plays an instrumental role in developing and delivering these training and internship programmes.

12. To provide efficient and cost-effective services to the public, LCSD reviews and introduces new HRM initiatives on an on-going basis. The Administration Division has been implementing a number of new HRM initiatives, such as the “five-day week”, privacy management and public

records management, streamlining of the recruitment processes and disciplinary procedures, rationalisation of the work processes in district leisure services offices as well as integrity management. The head of the Administration Division plays a pivotal role in providing management input and strategic support for planning and taking forward the above initiatives and reviews. The implementation of changes in LCSD is a complicated process in view of the diverse range of public services provided as well as the large number of facilities and venues managed. The relevant tasks require higher level steer and leadership from an experienced administrator.

(d) Planning and Development of Capital Works Projects

13. At present, DD(LS) serves as the overall departmental coordinator for planning and development of capital works projects which cover both leisure and cultural facilities. DD(LS) is underpinned by Assistant Director (Leisure Services)² (AD(LS)²) and Assistant Director (Leisure Services)³ (AD(LS)³) who coordinate projects in the urban areas and NT region respectively, each supported by a Chief Executive Officer (Planning) (CEO(P)) (MPS Point 45-49). With the support of the Planning Section, relevant ADs of the LS and CS Branches oversee the planning and development of individual projects including establishing the project scope, layout design and project plans, consulting the relevant stakeholders and District Councils (DCs) and seeking funding approval from the Finance Committee (FC) of the Legislative Council (LegCo). In recent years, project planning work has become increasingly complex in view of the expanding scope and complexity of capital works projects, the lead time for conducting extensive user and stakeholder consultation, the need to coordinate with other government users in joint user projects, and an increasing number of projects that involve interface or collaboration with non-government organisations (NGOs). In 2006-07, 19 capital works projects, involving a total cost of \$2 billion, were under construction and most of which were smaller scale projects such as district open space and improvement works. In 2013-14, 14 capital works projects were under construction involving a total cost of over \$8 billion, and the majority of them are large-scale and complex projects such as the Town Park and Indoor Velodrome-cum-sports Centre in Tseung Kwan O, the redevelopment of Victoria Park Swimming Pool Complex and the redevelopment of Kwun Tong Swimming Pool Complex and Playground.

14. Moreover, as opposed to the situation in 2006 when the vast majority of the capital works projects under planning were leisure facilities, the major works projects currently under planning are cultural facilities including the two Cross District Community Cultural Centres in Ngau Tau Kok and the New Territories East, the expansion and renovation of the Hong Kong Museum of Art as well as the upgrading of Tai Po Civic Centre. It would be increasingly impractical to continue with the existing arrangement for DD(LS) to coordinate all new planning initiatives, particularly those related to cultural facilities. Indeed, putting the Planning Section under either of the two DDs is increasingly not practical as both of them are heavily loaded with their respective policy and operational matters, nor is an effective use of their time and resources if they have to monitor capital works projects that are not under their purview. There is thus a need to rationalise the division of work at the senior directorate level and to appoint a dedicated directorate officer to oversee the Planning Section in order to strengthen the coordination of capital works projects.

PROPOSAL

15. Having reviewed the changing and increasingly complex functions of the head of the Administration Division in the past few years, we consider that the portfolio of DS has grown substantially not just in terms of scope and workload but also in its policy content and complexity. The Department will greatly benefit from having a more senior officer with strong organisational and leadership capabilities, sound communication skills and political acumen, as well as profound administrative and management experience and strategic thinking serving as the head of the Administration Division. We therefore propose to upgrade the DS post pitched at PEO (D1) to an AD(A) post pitched at SPEO (D2) to reflect the level of responsibilities of the officer and the division.

16. The opportunity is taken to rationalise the division of work at the senior directorate level. While the two DDs and six ADs in the LS and CS Branches will continue to steer and oversee the planning and development of individual capital works projects under their respective policy and operational purviews, including establishing the project scope, layout design and project plans, consulting the relevant DCs and stakeholders including experts in the respective fields as well as seeking funding approval from the FC of LegCo for

individual projects, it is proposed that AD(A) should take up the overall coordinating role and the responsibility for monitoring the implementation progress of all capital works projects. Accordingly the Planning Section will be transferred from the LS Branch to the Administration Division and will be supervised by AD(A). The Section will continue to provide assistance and advice to the DDs and ADs of LS and CS Branches on planning policies and practices, while AD(A), as the overall coordinator of capital works projects, will coordinate resource bids for priority projects, monitor the overall progress of project implementation and establish a data base to facilitate knowledge transfer on planning and development matters within the department. This arrangement will strengthen the co-ordination and monitoring of capital works projects, enhance the support provided to senior directorates and align project planning practices across the Department geographically and functionally. AD(A) will report directly to DLCS, and will oversee the operation of the Administration Division comprising Personnel Services Section, Personnel Resources Section, General Administration Section, Training Section, Translation and Interpretation Section, as well as Planning Section. He will be a key member of the Department's senior management team and play a pivotal role in the Department's policy planning, formulation and implementation process. The proposed job description of AD(A) as well as the existing and proposed organisation charts of LCSD are at **Annexes A and B** respectively.

17. The ranking of the heads of administration in other major bureaux and departments, such as the Food and Environmental Hygiene Department, the Housing Department, the Department of Health as well as the Education Bureau, are ranked at SPEO (D2) level. Given that LCSD is one of the major departments in terms of establishment, diversity of grades and ranks as well as complexity of staff management and staff relations issues, the current ranking of its head of administration is not commensurate with the responsibilities and experience required for the post. We consider it operationally justified to upgrade the post from PEO to SPEO level.

ALTERNATIVES CONSIDERED

18. We have critically examined the alternative of retaining the DS post at its existing rank of PEO (D1), but have come to the view that such an alternative is not viable or desirable. Given the scope and complexity of the

DS's portfolio and the planning and development functions he is expected to take up, an officer at PEO (D1) level would not be able to meet the expectations of the job in full. Without an AD(A), DLCS will have to continue to provide personal steer and advice to the PEO on all HRM and staff relations matters, thus diverting her attention and focus from the policy and strategic matters of the Department. It is also practically impossible for the existing DDs or ADs to be in charge of the Administration Division and to give the DS the necessary policy steer without affecting the discharge of their own duties. Indeed, all the ADs in the Department are fully occupied with their own portfolios and initiatives. AD(F), for example, has an increasingly heavy and complex portfolio due to the implementation of the statutory minimum wage, the delegation of procurement matters to departments and the comprehensive review of fees and charges for all leisure and cultural facilities / services, on top of her responsibilities for the Department's growing operating expenditure envelope and revenue collection, which has increased by 39% and 43% respectively during the period from 2006-07 to 2014-15. The duties of the DDs and ADs in LCSD upon implementation of the proposal are set out at Annex C.

FINANCIAL IMPLICATIONS

19. The proposed upgrading of one PEO (D1) post to SPEO (D2) post will bring about an additional notional annual salary cost at mid-point of \$274,200, as follows -

Rank	Notional annual salary cost at mid-point \$	No. of posts
Creation of permanent SPEO post	1,739,400	1
Less : Deletion of permanent PEO post	<u>1,465,200</u>	<u>1</u>
	274,200	0

The additional full annual average staff cost, including salaries and staff on-cost, is \$397,590. LCSD has included the necessary provision in the 2014-15 Draft Estimates to meet the cost of the proposal.

WAY FORWARD

20. Subject to Members' views, we plan to submit the proposal as set out in paragraph 1 above to the Establishment Sub-Committee for consideration. The post will be upgraded with effect from the date of approval by the Finance Committee.

Home Affairs Bureau
April 2014

**Proposed Job Description
Assistant Director (Administration)
Administration Division
Leisure and Cultural Services Department**

Rank : Senior Principal Executive Officer (D2)

Responsible to : Director of Leisure and Cultural Services

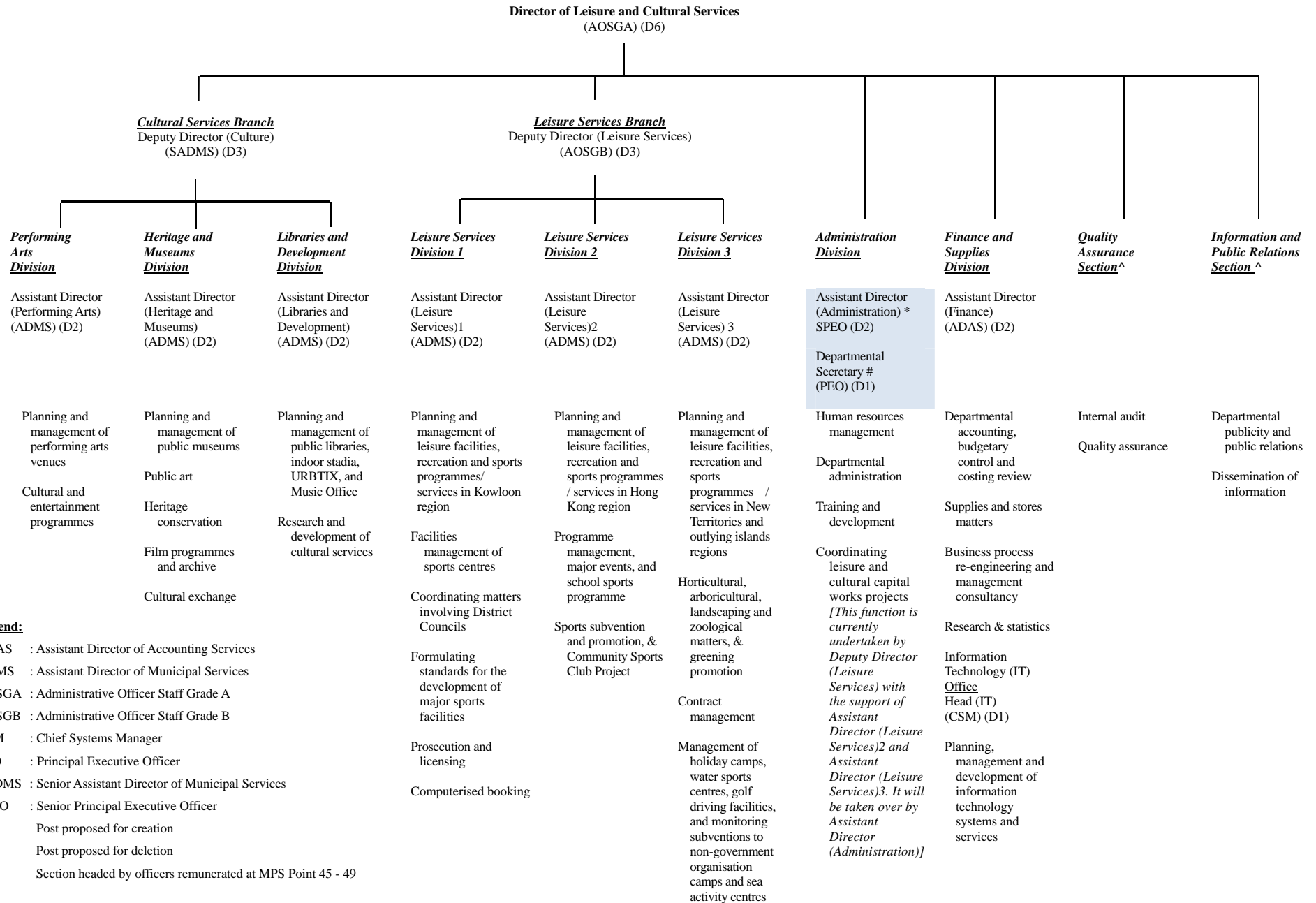
Major Duties and Responsibilities –

1. To head the Administration Division comprising the General Administration Section, Personnel Services Section, Personnel Resources Section, Translation and Interpretation Section, Training Section as well as Planning Section.
2. To formulate and implement human resources management strategies and plans to meet departmental objectives and to cope with changes arising from new government policies and initiatives.
3. To steer and advise on organisational reviews of the mode of service delivery, as well as streamlining of office management and administrative procedures to enhance operational efficiency.
4. To develop and implement a strategic and comprehensive programme for staff training and professional development to meet manpower and succession needs.
5. To formulate staff engagement and staff consultation strategies and action plans, and to oversee staff relations and welfare issues.
6. To supervise and oversee the administration of human resources management functions including recruitment, promotion, employment terms and benefits, establishment control, manpower and succession planning, discipline, and conditions of service.
7. To serve as the overall coordinator of capital works projects in the Department and to monitor the progress of implementation of projects.
8. To oversee the provision of administrative support services in the areas of office accommodation, security, office automation, translation, transport service, occupational safety and health, protection of personal data and equal opportunities, records management, green management, and

integrity management; and to formulate strategies and plans in the implementation of new government policies and initiatives in these areas

9. To be the head of General Grades staff in the Department and chair the General Grades Consultative Committee.

Existing and Proposed Organisation Chart of the Leisure and Cultural Services Department



**Responsibilities of Deputy Directors and Assistant Directors
in Leisure and Cultural Services Department
upon implementation of the proposal**

1. Deputy Director (Leisure Services) is responsible for overseeing the planning and management of all leisure services facilities and programmes, as well as horticultural and greening matters. The officer also formulates proposals for recreation, sports and amenities, and associated legislative changes as well as proposals on leisure venue booking policies, the provision of recreation and sports programmes and subvention.
2. Deputy Director (Culture) is responsible for the delivery of cultural services including the planning and management of museums, public libraries, performance venues, the Hong Kong Film Archive and the Music Office; the promotion and presentation of cultural programmes as well as the preservation of tangible and intangible cultural heritage.
3. Assistant Director (Leisure Services)¹ is responsible for providing policy input in respect of facilities management, outsourcing of services, prosecution and licensing, computerisation of facility booking, formulation of standards for the development of major sports facilities; and implementation of leisure projects in Kowloon region. The officer also manages resources and staff for the provision of amenities, recreation and sports services, and directing all aspects of district level operations in the Kowloon region, including implementation of approved community recreation and sports programmes and management of leisure facilities.
4. Assistant Director (Leisure Services)² is responsible for providing policy input in respect of the provision of community recreation and sports programmes, sports subvention scheme, sports development programmes, school sports programmes; the organisation of major and territory-wide sports events; as well as the implementation of leisure projects in Hong Kong region. The officer also manages resources and staff for the provision of amenities, recreation and sports services, and directing all aspects of district level operations in the Hong Kong region, including

implementation of approved community recreation and sports programmes and management of leisure facilities.

5. Assistant Director (Leisure Services)³ is responsible for providing policy input in respect of the provision of arboricultural, horticultural and landscaping services, landscape and greening, greening education and promotion, contract management, management of zoos and aviaries, holiday camps, water sports centres and golf driving ranges. The officer monitors subvention to NGO camps and sea activity centres, as well as the implementation of leisure projects in the New Territories region. The officer also manages resources and staff for the provision of amenities, recreation and sports services, and directing all aspects of district level operations in the New Territories and the outlying islands, including implementation of approved community recreation and sports programmes and management of leisure facilities.
6. Assistant Director (Performing Arts) is responsible for formulating, coordinating and developing cultural and entertainment programmes and activities. The officer also oversees the management of all government performance venues, and the implementation of new performance venue projects across the territory.
7. Assistant Director (Heritage and Museums) is responsible for formulating, coordinating and developing museum programmes, tangible and intangible heritage, visual arts and film. The officer also oversees the management of public museums, the Hong Kong Film Archive, the Antiquities and Monuments Office and the Art Promotion Office, and the implementation of new heritage and museum projects in Hong Kong.
8. Assistant Director (Libraries and Development) is responsible for overseeing the provision and management of all public libraries, the Books Registration Office, Music Office, URB TIX ticketing system and the two indoor stadia, as well as the implementation of new library projects. The officer also formulates, coordinates and develops programmes for library extension activities and music training.
9. Assistant Director (Finance) is responsible for overseeing the provision of the financial, accounting and supplies services, ensuring compliance of accounting and supplies regulations as well as providing input to the

reviews of policy and mechanism for administering subventions to leisure and cultural organisations and the fees and charges for leisure and cultural facilities/services. The officer also supervises management services, internal audit and IT supporting services.