

**Head 142 — GOVERNMENT SECRETARIAT: OFFICES OF THE CHIEF
SECRETARY FOR ADMINISTRATION AND THE FINANCIAL SECRETARY**

Controlling officer: the Director of Administration will account for expenditure under this Head.

Estimate 2014–15	\$833.8m
Establishment ceiling 2014–15 (notional annual mid-point salary value) representing an estimated 500 non-directorate posts as at 31 March 2014 rising by 21 posts to 521 posts as at 31 March 2015.....	\$241.9m
In addition, there will be an estimated 33 directorate posts as at 31 March 2014 and as at 31 March 2015.	
Commitment balance	\$9.6m

Controlling Officer's Report

Programmes

Programme (1) Efficiency Unit	These programmes contribute to Policy Area 27: Intra-Governmental Services (Director of Administration).
Programme (2) Government Records Service	
Programme (3) CSO-Administration Wing	
Programme (4) Protocol Division	

Detail

Programme (1): Efficiency Unit

	2012–13 (Actual)	2013–14 (Original)	2013–14 (Revised)	2014–15 (Estimate)
Financial provision (\$m)	153.2	171.1	168.9 (–1.3%)	221.5 (+31.1%)
				(or +29.5% on 2013–14 Original)

Aim

2 The aim of the Efficiency Unit is to help identify and implement measures that increase the public value and effectiveness of public services and government initiatives.

Brief Description

3 Key areas of work are:

- business process re-engineering—to achieve overall improvements in public sector productivity and service quality;
- outsourcing and public private partnerships—to harness the flexibility, innovation and resources of the private sector to enhance quality of public services and achieve greater value for money;
- organisational restructuring—to support bureaux and departments in reviewing organisational structures and implementing changes to improve the performance of the organisations;
- application of technology—to identify business applications for new technology to achieve productivity and service improvements;
- performance measurement—to support bureaux and departments to develop clear objectives and targets, reflecting public benefits rather than internal processes, and to measure performance; and
- social innovation—to support the Commission on Poverty's Social Innovation and Entrepreneurship Development Fund Task Force to promote social innovation in the community and in the public sector to help address social needs.

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4 The Efficiency Unit has designed and set up 1823; supported the introduction of outsourcing and public private partnership initiatives; implemented the Customer Management Assessment Framework for departments; launched the “Be the Smart Regulator” programme in collaboration with the Economic Analysis and Business Facilitation Unit under the Financial Secretary’s Office; and supported the implementation of the Citizen-centric Services Programme through the Youth Portal. The Efficiency Unit serves as the secretariat to the Social Innovation and Entrepreneurship Development Fund Task Force under the Commission on Poverty to oversee the administration of the Fund. In pursuing these initiatives, the Efficiency Unit:

- focuses on practical results,
- offers a cross-departmental perspective,
- challenges current ways of working,
- innovates to develop tools and techniques applicable to Hong Kong, and
- provides speedy access to expertise and resources.

5 1823 provides 24-hour one-stop service to handle public enquiries on behalf of 21 departments and public complaints against the Government. In 2013, it received around 3 600 000 calls and 230 000 emails from the public. The key performance measures of 1823 are:

Targets

	Target	2012 (Actual)	2013 (Actual)	2014 (Plan)
calls that can be answered within 12 seconds (%).....	80	73	65	80
callers that have their enquiries addressed at the first time of calling (%).....	95	98	98	98
customer satisfaction (out of a five-point scale).....	4.0	4.4	4.4	4.4

Matters Requiring Special Attention in 2014–15

6 During 2014–15, the Efficiency Unit will:

- follow up on its assessment for systemic improvement to benefits administration, business licencing administration and business support services with detailed implementation assessments and some pilot projects;
- review guidance on procuring services through contracting and partnerships in light of local experience and emerging overseas good practice in commissioning public services;
- assist bureaux and departments in conducting Enterprise Information Management Strategy reviews to prepare for the introduction of electronic records management, knowledge management and business process support systems;
- encourage innovation in design and delivery of more integrated, citizen-centric services through “user-centred design” methods, the Youth Portal and 1823 web services;
- provide support to a pilot group of bureaux and departments in preparing for the implementation of the Government Human Resources Management Services; and
- work with the Social Innovation and Entrepreneurship Development Fund Task Force to implement the first batch of programmes from the Fund and consider the objectives and design for the following batches.

Programme (2): Government Records Service

	2012–13 (Actual)	2013–14 (Original)	2013–14 (Revised)	2014–15 (Estimate)
Financial provision (\$m)	40.0	47.6	46.8 (–1.7%)	57.3 (+22.4%)
				(or +20.4% on 2013–14 Original)

Aim

7 The aim of the Government Records Service is to administer government records efficiently by formulating and implementing policies and plans for records management and archives administration.

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Brief Description

- 8 The Government Records Service's main responsibilities under this programme are to:
- formulate and implement government records management policies and programmes;
 - advise and support bureaux and departments on issues and solutions related to records management;
 - provide storage and disposal services for inactive records;
 - identify and preserve records of archival value, valuable government publications and printed materials; and
 - enhance public awareness of Hong Kong's documentary heritage, and provide research and reference services.
- 9 The key performance measures are:

Targets

	Target	2012 (Actual)	2013 (Actual)	2014 (Plan)
departmental records management studies/reviews.....	2@	3	2	2@
training for departmental records managers and their assistants on records management (no. of government officers trained)	2 400	2 415	2 424	2 400

@ Upon completion of all records management studies on the classification of administrative records for bureaux and departments, comprehensive records management reviews for individual bureaux and departments covering all major aspects of records management were conducted from 2012 onwards. In view of the wider coverage (including records creation, records classification, records maintenance, records disposal, vital records protection, etc.) and higher complexity of the reviews concerned, more time will be required for completing these reviews. As such, the target is to conduct two review exercises annually.

Indicators

	2012 (Actual)	2013 (Actual)	2014 (Estimate)
archival records acquired (linear meters).....	356	370	370
reference and research services rendered to the public			
no. of visitors.....	5 159	3 526^	3 700^
no. of enquiries.....	9 358	8 086^	8 500^
records management manuals, handbooks and newsletters published.....	2	2	2
intermediate storage facilities for inactive government records in terms of			
storage capacity (linear meters)	124 000	124 000	124 000
percentage utilised.....	95.3	94.5	95.0
records microfilmed for other government departments (no. of images)	2 745 745	2 802 435	2 800 000

^ Though the actual number of visitors for 2013 fall short of the estimate of 4 900 made in early 2013, the hit rate of website and number of enquires maintain in a satisfactory level. This partly reflected that users tend to adopt a remote mode to access the Public Records Office services. The upsurge of the numbers of visitors and enquiries in 2012 reflected increased public interest partly due to the Government Records Service's promotional initiatives such as the broadcasting of an Announcement of Public Interest in the second half of 2012. Prior to the launch of such promotional initiatives, the numbers of visitors in 2009, 2010 and 2011 were 3 267, 3 188 and 3 155 respectively. With the continuation of promotional initiatives, it is expected that the numbers of visitors and enquiries will increase steadily after 2013. The estimated numbers of visitors and enquiries for 2014 are based on an increase of about five per cent over 2013.

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Matters Requiring Special Attention in 2014–15

10 During 2014–15, the Government Records Service will:

- continue to undertake work to address issues relating to further development of electronic records keeping system for managing government records and support bureaux and departments to adopt or develop an electronic records keeping system,
- continue to implement public education and publicity programme on Hong Kong’s documentary heritage, and
- speed up work relating to appraisal of records and accessioning of archival records to facilitate disposal of time-expired records and public access to archival records.

Programme (3): CSO-Administration Wing

	2012–13 (Actual)	2013–14 (Original)	2013–14 (Revised)	2014–15 (Estimate)
Financial provision (\$m)	426.2	476.4	445.6 (–6.5%)	509.8 (+14.4%)
				(or +7.0% on 2013–14 Original)

Aim

11 The Administration Wing seeks to ensure that policies and services within the purview of the Chief Secretary for Administration’s Office and the Financial Secretary’s Office are delivered effectively; facilitates the smooth and efficient conduct of government business in the Legislature; and liaises with the Judiciary, the Independent Commission Against Corruption and the Office of The Ombudsman on matters that require input from the Administration.

Brief Description

12 The Administration Wing’s main responsibilities under this programme are to:

- provide support to the Chief Secretary for Administration and the Financial Secretary in monitoring progress in the development and implementation of government policies and programmes;
- provide administrative support to the Chief Secretary for Administration and the Financial Secretary in co-ordinating the Administration’s dealings with the Legislature;
- act as the contact point between the Judiciary and the Administration;
- act as the contact point in the Administration for the Independent Commission Against Corruption;
- act as the contact point in the Administration for the Office of The Ombudsman;
- act as the contact point between the Consular Corps and the Administration on issues related to the Hong Kong Special Administrative Region (HKSAR);
- provide secretariat support for the Administrative Appeals Board and the Municipal Services Appeals Board;
- administer and co-ordinate the Justices of the Peace system;
- provide centralised support for common services and accommodation in the Central Government Offices;
- provide timely, quality and strategic economic advice to support the formulation of the Government’s policies and programmes including budgetary policies; and
- provide support to the Business Facilitation Advisory Committee and its task forces on regulatory reviews, and take forward business facilitation initiatives which aim to improve the business environment of Hong Kong by cutting red-tape and eliminating over-regulation.

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Programme (4): Protocol Division

	2012–13 (Actual)	2013–14 (Original)	2013–14 (Revised)	2014–15 (Estimate)
Financial provision (\$m)	50.2	44.7	45.2 (+1.1%)	45.2 (—)
				(or +1.1% on 2013–14 Original)

Aim

13 The aim of the Protocol Division is to maintain an efficient protocol service for the Government.

Brief Description

14 The Protocol Division's main responsibilities under this programme are to:

- maintain close liaison with the Office of the Commissioner of the Ministry of Foreign Affairs of the People's Republic of China (PRC) in the HKSAR in respect of the day-to-day management of the Consular Corps;
- liaise with and provide host government services to the Consular Corps in the HKSAR;
- extend courtesies to national and international dignitaries;
- advise on the display of flags, protocol matters and etiquette;
- ensure the provision of an efficient and cost-effective government VIP service at the Hong Kong International Airport;
- plan and co-ordinate visits to the HKSAR by national leaders and overseas senior officials and arrange delivery of their visit programmes; and
- administer the local honours and awards system.

Matters Requiring Special Attention in 2014–15

15 During 2014–15, the Protocol Division will continue to maintain quality services in respect of liaison with the Office of the Commissioner of the Ministry of Foreign Affairs of the PRC in the HKSAR, delivery of visit programmes for national leaders and overseas senior officials, monitoring of the government VIP service provided by the Airport Authority Hong Kong, and administration of the local honours and awards system.

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ANALYSIS OF FINANCIAL PROVISION

	2012-13 (Actual) (\$m)	2013-14 (Original) (\$m)	2013-14 (Revised) (\$m)	2014-15 (Estimate) (\$m)
Programme				
(1) Efficiency Unit	153.2	171.1	168.9	221.5
(2) Government Records Service.....	40.0	47.6	46.8	57.3
(3) CSO-Administration Wing.....	426.2	476.4	445.6	509.8
(4) Protocol Division	50.2	44.7	45.2	45.2
	<hr/>	<hr/>	<hr/>	<hr/>
	669.6	739.8	706.5 (-4.5%)	833.8 (+18.0%)
				(or +12.7% on 2013-14 Original)

Analysis of Financial and Staffing Provision

Programme (1)

Provision for 2014-15 is \$52.6 million (31.1%) higher than the revised estimate for 2013-14. This is mainly due to the increase of seven posts; increased provision for 1823 mainly for its expanded operation; as well as increased cash flow requirement for non-recurrent items.

Programme (2)

Provision for 2014-15 is \$10.5 million (22.4%) higher than the revised estimate for 2013-14. This is mainly due to the net increase of seven posts, the full-year effect of filling vacancies in 2013-14, as well as anticipated increase in expenditure for general departmental expenses.

Programme (3)

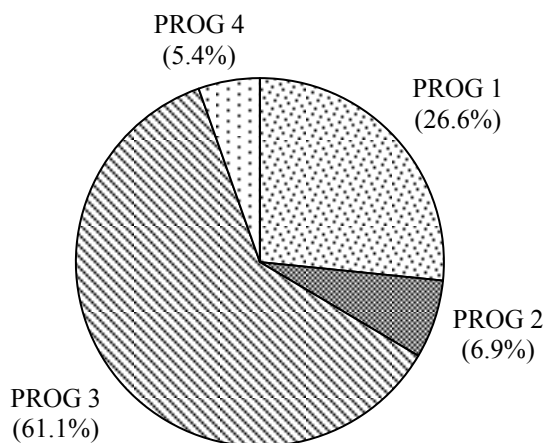
Provision for 2014-15 is \$64.2 million (14.4%) higher than the revised estimate for 2013-14. This is mainly due to the increase of six posts, increased provision for filling of vacancies, staff changes and salary increment for staff, as well as anticipated increase in expenditure for hire of services and general departmental expenses.

Programme (4)

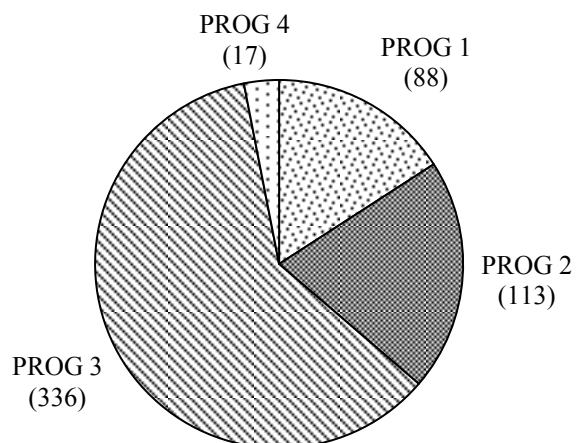
Provision for 2014-15 is the same as the revised estimate for 2013-14 which includes an increase of one post.

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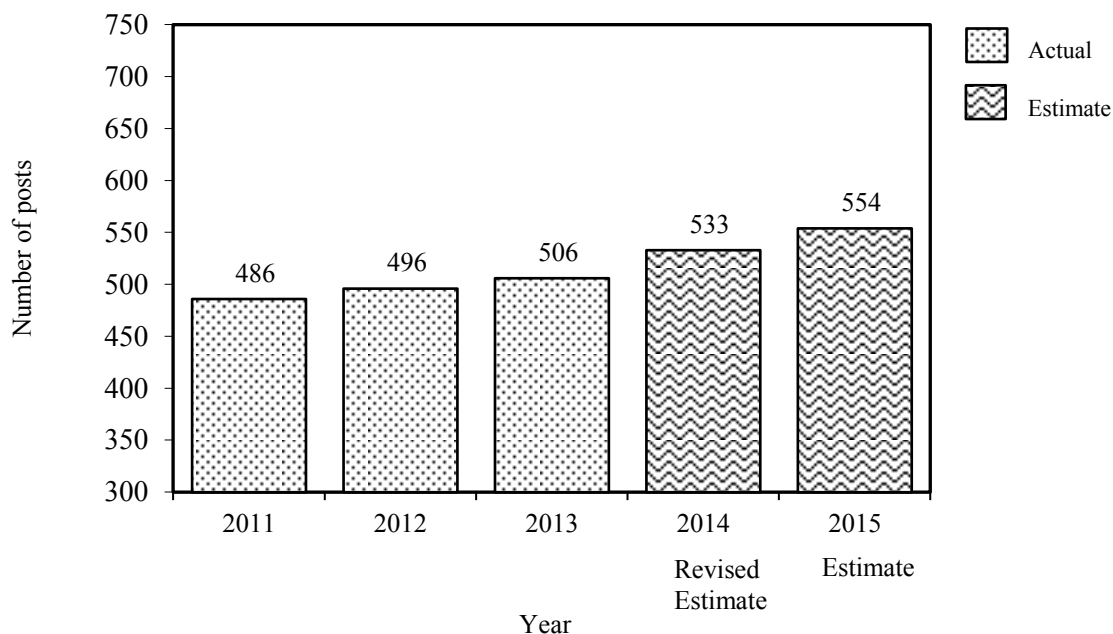
Allocation of provision to programmes (2014-15)



Staff by programme (as at 31 March 2015)



Changes in the size of the establishment (as at 31 March)



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Sub-head (Code)	Actual expenditure 2012–13	Approved estimate 2013–14	Revised estimate 2013–14	Estimate 2014–15	
	\$'000	\$'000	\$'000	\$'000	
Operating Account					
Recurrent					
000	Operational expenses	666,833	738,253	706,070	822,391
	Total, Recurrent.....	<u>666,833</u>	<u>738,253</u>	<u>706,070</u>	<u>822,391</u>
Non-Recurrent					
700	General non-recurrent	2,058	1,429	305	9,567
	Total, Non-Recurrent.....	<u>2,058</u>	<u>1,429</u>	<u>305</u>	<u>9,567</u>
	Total, Operating Account	668,891	739,682	706,375	831,958
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Capital Account					
Plant, Equipment and Works					
661	Minor plant, vehicles and equipment (block vote).....	686	158	158	1,874
	Total, Plant, Equipment and Works.....	<u>686</u>	<u>158</u>	<u>158</u>	<u>1,874</u>
	Total, Capital Account.....	686	158	158	1,874
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	Total Expenditure	<u>669,577</u>	<u>739,840</u>	<u>706,533</u>	<u>833,832</u>

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Details of Expenditure by Subhead

The estimate of the amount required in 2014–15 for the salaries and expenses of the Offices of the Chief Secretary for Administration and the Financial Secretary is \$833,832,000. This represents an increase of \$127,299,000 over the revised estimate for 2013–14 and of \$164,255,000 over actual expenditure in 2012–13.

Operating Account

Recurrent

2 Provision of \$822,391,000 under *Subhead 000 Operational expenses* is for the salaries, allowances and other operating expenses of the Offices of the Chief Secretary for Administration and the Financial Secretary. The provision also includes a non-accountable entertainment allowance of \$417,200 and \$319,800 for the Chief Secretary for Administration and for the Financial Secretary respectively. The increase of \$116,321,000 (16.5%) over the revised estimate for 2013–14 is mainly due to the net increase of 21 posts, the increased salary provision for filling of vacancies, staff changes and salary increments for staff, anticipated increase in hire of services and general departmental expenses, as well as increased provision for 1823 mainly for its expanded operation.

3 The establishment as at 31 March 2014 will be 533 posts. It is expected that there will be a net increase of 21 posts in 2014–15. Subject to certain conditions, the controlling officer may under delegated power create or delete non-directorate posts during 2014–15, but the notional annual mid-point salary value of all such posts must not exceed \$241,916,000.

4 An analysis of the financial provision under *Subhead 000 Operational expenses* is as follows:

	2012–13 (Actual) (\$'000)	2013–14 (Original) (\$'000)	2013–14 (Revised) (\$'000)	2014–15 (Estimate) (\$'000)
Personal Emoluments				
- Salaries.....	255,252	280,254	270,377	297,169
- Allowances.....	8,467	7,989	7,038	7,486
- Job-related allowances.....	16	23	23	23
Personnel Related Expenses				
- Mandatory Provident Fund contribution.....	838	887	942	848
- Civil Service Provident Fund contribution.....	3,189	4,472	4,190	6,270
Departmental Expenses				
- Remuneration for special appointments	21,519	22,449	20,426	23,814
- Honoraria for members of committees	2,153	2,745	1,658	4,550
- Hire of services and professional fees	146,719	158,965	158,133	181,097
- General departmental expenses	228,680	260,469	243,283	301,134
	666,833	738,253	706,070	822,391

Capital Account

Plant, Equipment and Works

5 Provision of \$1,874,000 under *Subhead 661 Minor plant, vehicles and equipment (block vote)* represents an increase of \$1,716,000 (1,086.1%) over the revised estimate for 2013–14. This is mainly due to increased requirement for replacement of plant and equipment.

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Commitments

Sub-head (Code)	Item (Code)	Ambit	Approved commitment \$'000	Accumulated expenditure to 31.3.2013 \$'000	Revised estimated expenditure for 2013–14 \$'000	Balance \$'000
<i>Operating Account</i>						
700		<i>General non-recurrent</i>				
	033	Managing for results at departmental level to support delivery of policy objectives	5,000	4,124	—	876
	035	Periodic surveys and reviews of satisfaction and needs of the community	3,200	2,204	305	691
	829	Consultancy services on centralized approach for administering social benefits schemes	8,000	—	—	8,000
		Total	16,200	6,328	305	9,567