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Foreword



In 2012, the Commission continued to steadfastly discharge its responsibility to safeguard the impartiality and integrity of the appointment, promotion and disciplinary systems in the civil service. Alongside the day-to-day examination of individual cases submitted for advice by bureaux and departments, the Commission has worked closely with the Administration in reviewing, streamlining and improving the relevant policies, procedures and practices.

Apart from giving an account of the Commission's work in 2012, this Report also provides a summary of the major policy reviews undertaken by the Commission in the past few years. With the concerted effort of the Administration and the Commission, quite a number of reviews and studies have been completed and the findings and results implemented in the forms of new or updated guidelines and circulars as well as training packages. As for the outstanding issues, the Administration has undertaken to follow up on them and the Commission will also continue to monitor development.

The past year has been another busy but fruitful year for the Commission. In the coming year, the Commission will continue to discharge its duties judiciously.

During the year, Mr Nicky Lo, Mrs Mimi Cunningham and Ms Wong Mee-chun retired from the Commission after six years' dedicated service. I must pay tribute to them for their wise counsel and contribution to the work of the Commission. I also warmly welcome Mrs Lucia Li, Ms Virginia Choi and Mr Thomas Chan, our new Members, as well as Mrs Paula Ko, who joined the Commission for the second time in July 2012 after having served as Member from June 2005 to September 2006.

A handwritten signature in black ink, which appears to read 'Nicholas Ng Wing-fui'. The signature is stylized and cursive.

Nicholas Ng Wing-fui
Chairman

1.1 Established in 1950, the Commission is the principal statutory advisory body to the Chief Executive (“CE”) on civil service appointments, promotions and discipline. The Commission’s remit is stipulated in the Public Service Commission Ordinance (“PSCO”) and its subsidiary regulations (Chapter 93 of the Laws of Hong Kong). Its mission is to safeguard the impartiality and integrity of the appointment and promotion systems in the civil service and to ensure that fairness and broad consistency in disciplinary punishment are maintained throughout the service.

Membership of the Commission

1.2 Under the PSCO, the Commission comprises a Chairman and not less than two or more than eight members. All of them are appointed by the CE and have a record of public or community service. Serving members of the Legislative Council, the Hong Kong Civil Service and the Judiciary may not be appointed to the Commission.



Chairman and Members of the Public Service Commission

1.3 The membership of the Commission during 2012 was as follows:

Chairman :

Mr Nicholas NG Wing-fui, GBS, JP	since May 2005
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Members :

Mr Nicky LO Kar-chun, SBS, JP	February 2006 to January 2012
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Mrs Mimi CUNNINGHAM KING Kong-sang	February 2006 to January 2012
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Ms WONG Mee-chun, JP	July 2006 to June 2012
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Prof CHAN Yuk-shee, SBS, JP	since December 2007
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Mr Vincent LO Wing-sang, BBS, JP	since May 2009
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Mr Joseph PANG Yuk-wing, JP	since February 2010
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Mr Herbert TSOI Hak-kong, BBS, JP	since May 2010
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Mrs Lucia LI LI Ka-lai, SBS	since February 2012
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Ms Virginia CHOI Wai-kam, JP	since February 2012
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Mr Thomas CHAN Chi-sun, IDS	since February 2012
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Mrs Paula KO WONG Chau-mui	since July 2012
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Secretary :

Mrs Margaret CHAN CHENG Wan-yuk, BBS	September 2009 to May 2012
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Ms Candice HO Sau-ling	since June 2012
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Curricula vitae of the Chairman and Members are at Appendix I.



The Public Service Commission at a meeting

Secretariat of the Commission

1.4 The Commission is served by a small team of civil servants from the Executive Officer, Secretarial and Clerical grades. At the end of 2012, the number of established posts in the Commission Secretariat was 27. An organisation chart of the Commission Secretariat is at Appendix II.

Role and Functions of the Commission

1.5 The fundamental role of the Commission is to advise the CE on civil service appointments, promotions and discipline. With a few exceptions¹, the Commission's advice on appointments and promotions relates only to the senior ranks of the civil service. This covers posts with a maximum monthly salary at Master Pay Scale Point 26 (currently at \$39,640) or more, up to and including Permanent Secretaries, Heads of Department and officers of similar status. At the end of 2012, the number of established civil service posts under the Commission's purview was 38 609 out of a total of 166 592 civil service posts.

1.6 In accordance with section ("s.") 6(2) of the PSCO, the posts of the Chief Secretary for Administration, the Financial Secretary, the Secretary for Justice, the Director of Audit as well as posts in the judicial service of the

Judiciary, the Independent Commission Against Corruption and the disciplined ranks of the Hong Kong Police Force fall outside the Commission's purview. In addition, following the introduction of the Accountability System on 1 July 2002 and the further development of the Political Appointment System, the appointment of Directors of Bureau, Deputy Directors of Bureau as well as Political Assistants are not referred to the Commission.

1.7 As regards disciplinary cases, the Commission's purview covers all Category A officers with the exception of exclusions specified in the PSCO. "Category A officers" refers to those who are appointed to and confirmed in an established office or are members of the Civil Service Provident Fund Scheme. They include virtually all officers except those on probation, agreement and some who are remunerated on the Model Scale 1 Pay Scale. At the end of 2012, the number of Category A officers under the Commission's purview for disciplinary matters was about 111 800.

1.8 In examining submissions from bureaux and departments ("B/Ds"), the Commission may raise questions where necessary to ensure that the recommendations are sound

1 The following types of case, irrespective of rank, must be submitted to the Commission for advice –
– termination, non-renewal and offer of shorter-than-normal agreement;
– termination and extension of probationary or trial service and refusal of passage of probation or trial bar; and
– retirement in the public interest under s.12 of the Public Service (Administration) Order.

and the related process is carried out fairly, meticulously and thoroughly. The queries and observations made by the Commission are the end products of a meticulously devised vetting process. B/Ds are required to clarify or justify their recommendations in response to the Commission's observations and queries. In some cases, they have modified their recommendations following comments from the Commission whilst in others, the Commission has been satisfied with the propriety of the recommendations after seeking further clarifications or additional justifications. The Commission also draws the Administration's attention to deviations from established procedures or practices and staff management problems identified during the processing of submissions and, where appropriate, recommends measures to tackle these problems. In addition, the Commission handles representations from officers on matters falling within its statutory purview and in which the officers have a direct and definable interest.

1.9 Separately, the Commission is required to advise on any matter relating to the civil service that may be referred to it by the CE. The Commission also acts as a "think tank" to the Secretary for the Civil Service on policy and procedural issues

pertaining to appointments, promotions and discipline as well as on a wide range of subjects relating to the review and development of human resources management.

1.10 The business of the Commission is normally conducted through circulation of files. Meetings are held to discuss major policy issues or cases which are complex or involve important points of principle. At such meetings, representatives from the Civil Service Bureau ("CSB") and senior management from departments are invited to attend to apprise the Commission of the background of the issue or case but the Commission forms its views independently.

Confidentiality and Impartiality of the Commission's Business

1.11 In accordance with s.12(1) of the PSCO, the Chairman or any member of the Commission or any other person is prohibited from publishing or disclosing to any unauthorised person any information which has come to his knowledge in respect of any matters referred to the Commission under the Ordinance. Under s.13 of the PSCO, every person is prohibited from influencing or attempting to influence any decision of the Commission

or the Chairman or any member of the Commission. The provisions under the law are clear safeguards for the confidentiality and impartial conduct of the Commission's business.

Performance Targets

1.12 In dealing with promotion and disciplinary cases, the Commission's target is to tender its advice or respond formally within six weeks upon receipt of departmental submissions. Taking into account the experience since the implementation of various streamlining measures in 2008 for recruitment exercises, the Commission has, starting from 2011, shortened the target time for completing the processing of recruitment cases from within six weeks to within four weeks.

An Overview of the Commission's work

1.13 In 2012, the Commission advised on 1 058 submissions covering recruitment, promotion and disciplinary cases as well as other appointment-related subjects. Altogether 669 submissions were queried, resulting in 99 re-submissions (15%) with recommendations revised by B/Ds after taking into account the Commission's observations. All submissions in 2012 were

dealt with within the pledged processing time. A statistical breakdown of these cases and a comparison with those in the past four years are provided in Appendix III.

1.14 Ten representations relating to appointment issues were submitted to the Commission in 2012. After careful and thorough examination, the Commission was satisfied that the grounds for representations in all these cases were unsubstantiated. There were also 13 other complaints relating to matters outside the Commission's purview. They were referred to the relevant departments for follow-up action.

1.15 Alongside the processing of individual cases, the Commission has also directed much effort into reviewing and streamlining procedures, rationalising rules and practices as well as developing and reviewing existing policies. The Commission's effort over the past few years has culminated in the Administration's review and study of different policy issues as well as promulgation of various guidelines, circulars and training packages. A brief summary of these initiatives is provided in the ensuing paragraphs.

Recruitment

- 1.16** In 2007-2008, the Commission joined hands with CSB to pursue a study on the attractiveness of civil service jobs. As it is important that civil service jobs remain competitive in attracting new recruits and retaining talents, CSB has since then continued to keep track of the attractiveness of civil service jobs, retention of new recruits as well as resignation and premature retirement of senior officers through periodic surveys.
- 1.17** Under the concerted effort of the Commission and CSB, a series of streamlined measures and improvement initiatives for civil service recruitment have been implemented since 2007. With substantial input from the Commission, the chapter on “Recruitment” in the “Guidebook on Appointments” (“Guidebook”) was revised and promulgated in March 2010 for reference by B/Ds. In response to the observations made by the Commission in the course of examining recruitment submissions, the Administration has also reviewed and issued revised or supplementary guidelines on such matters as the employment of people with disabilities in the Government in October 2007 (further revised in June 2010) and the adoption of shortlisting criteria in recruitment exercises in January 2012.

- 1.18** While much has been done to enhance and streamline the recruitment process, there are a few outstanding items that the Administration is expected to report back to the Commission in the coming year. These outstanding issues include the review of the existing system of awarding incremental credit for experience and measures to be adopted to reduce the number of unqualified applications for civil service posts. More details of these issues can be found in Chapter 2. The Commission will also keep track of the Administration’s review of the Basic Law Test to be conducted in 2013, i.e. five years after the incorporation of the Basic Law assessment in the recruitment process.

Promotion

- 1.19** In the past few years, the Administration has completed two major reviews at the Commission’s request, namely, the review of the grade structure of all civil service grades in response to the Commission’s concern about the succession problems in grades with an inverted shape structure; and the arrangement for filling multi-disciplinary posts. The latest developments of these two issues are set out in Chapter 3.

1.20 The Commission has also worked with the Administration to develop new guidelines and identify good practices in conducting promotion exercises leading to the promulgation of a revised chapter on “Promotion” in the Guidebook in February 2010; the launch of a web training package on conducting promotion exercises in June 2010; and the issue of a “Compliance Checklist for Promotion/Selection Exercise” in December 2011 to assist subject officers in reviewing and ensuring the procedural propriety of promotion exercises conducted. On the suggestion of the Commission, the Administration has also issued new guidelines to B/Ds on the handling of promotion cases involving on-going criminal or disciplinary cases in February 2010 and the counting of promotable vacancies in December 2012.

Performance Management and Staff Development

1.21 The Commission has joined hands with the Administration to strengthen the performance management system and promote a holistic approach to staff development and succession planning. The effort made by the Commission in this regard has resulted in the Administration’s promulgation of a revamped “Performance

Management Guide” in November 2009; a new booklet entitled “Succession Management Guide” in December 2010; a new set of “Guidance Notes on the Enhanced Measures for Timely Completion of Performance Appraisals” in January 2011; and a new “Guide on a Holistic Approach to Staff Development” in March 2011. These reference materials, which cover the major and important areas in human resources management, provide handy and useful reference for human resources practitioners at all levels. At the Commission’s request, the Administration conducted a survey on “Performance Management Practices in the Civil Service” in 2011. The major survey results and recommendations are set out in Chapter 4. The Commission will keep in view the implementation of the recommendations in the coming year.

Discipline

1.22 With the Commission’s effort and the Administration’s positive response, civil service disciplinary policy and mechanism have been rationalised and improved over the past few years. In 2006, the Commission agreed with the Administration on the broad principles in handling integrity-related disciplinary cases. In subsequent years, the Administration has, in response to the

comments and requests made by the Commission, reviewed and revised the benchmarks of punishment for the offence of “theft (shoplifting)” and sex-related misconduct/offence; put in place a new punishment mechanism under which duty-related traffic offences committed a long time ago and of a relatively minor nature could be disregarded when considering the punishment for an officer’s current duty-related traffic offence; rationalised the arrangement for administering a caution for removal from the civil service to a defaulting officer in a misconduct or criminal offence case; and implemented a new arrangement to exempt officers from reporting criminal proceedings and conviction of a minor non-duty-related traffic offence which satisfies all the prescribed conditions. The development of the guidelines on the handling of substandard performance or misconduct cases involving civil servants with disabilities as well as the outcome of the Administration’s review of the exemption arrangement for reporting non-duty-related minor traffic offences are detailed in Chapter 6.

Homepage on the Internet

1.23 The Commission’s homepage can be accessed at the following address:

<http://www.psc.gov.hk>

The homepage provides information on the Commission’s role and functions, its current membership, the way the Commission conducts its business and the organisation of the Commission Secretariat. Our Annual Reports (from 2001 onwards) can also be viewed on the homepage and can be downloaded.

1.24 An Index of the advice and observations of the Commission on civil service recruitment, appointment, discipline and other human resources management issues cited in the Commission’s Annual Reports since 2001 is also provided in the homepage. It is intended to provide human resources management practitioners in B/Ds and general readers with a ready guide for a quick search of the required information.

2.1 Recruitment in the civil service is undertaken by the Civil Service Bureau and individual bureaux/departments (“B/Ds”). It may take the form of an open or in-service recruitment. The Commission oversees the procedural aspects, examines the shortlisting criteria and advises on recommendations for filling of vacancies in senior ranks² of the civil service. It also advises B/Ds on procedural problems that they may encounter in the recruitment process.

2.2 With the establishment of the Hong Kong Special Administrative Region Government on 1 July 1997, new appointees to the civil service are subject to Article 99 of the Basic Law which provides that *“public servants serving in all government departments of the Hong Kong Special Administrative Region must be permanent residents of the Region, except where otherwise provided for in Article 101 of this Law regarding public servants of foreign nationalities and except for those below a certain rank as prescribed by law”*. Their terms of appointment have also undergone changes. Prior to June 2000, new

recruits to the civil service were normally employed on probationary terms for two years before they would be considered for appointment on permanent terms. A new entry system was introduced on 1 June 2000 under which new recruits joining the civil service at the basic ranks were normally required to complete an observation period of a 3-year probation plus a 3-year agreement (“3+3 system”) before being considered for confirmation to permanent terms. In 2008, the Commission raised concerns about the exceedingly long period of testing under the “3+3 system” which was not conducive to attracting and retaining talents in the civil service. After a review, the Administration implemented a modified entry system with effect from 1 July 2010 under which the 3-year agreement period following the 3-year probation was removed. Since then, new recruits to a basic rank will normally be considered for appointment on permanent terms subject to satisfactory completion of the required probationary period as well as full compliance with the relevant requirements and service need.

2 They refer, for recruitment purpose, to ranks attracting a maximum monthly salary not less than the amount specified at Master Pay Scale (“MPS”) Point 26 (currently \$39,640) or equivalent, but exclude (i) the basic ranks of non-degree entry and non-professional grades with a maximum monthly salary at MPS Point 26 or above; and (ii) the judicial service, the Independent Commission Against Corruption and the disciplined ranks of the Hong Kong Police Force which are specifically outside the purview of the Commission.

Recruitment Cases Advised in 2012

2.3 In 2012, the Commission advised on 121 recruitment exercises involving the filling of 1 030 posts, of which 968 posts (or 111 exercises) were through open recruitment and 62 posts (or ten exercises) by in-service appointment. A statistical breakdown of these appointments and a comparison of the number of recommendees in 2012 with that in the past four years are provided at Appendix IV.

Improvement to Recruitment System

2.4 The Commission has been working together with the Administration to streamline and refine the civil service recruitment process and rationalise the relevant rules and procedures. A brief summary of the major improvement initiatives and streamlining measures implemented in the past few years is provided in paragraphs 1.16 and 1.17 of Chapter 1. More details can be found in previous Annual Reports. In 2012, the Commission continued to work closely with the Administration on those outstanding issues relating to the refinement and enhancement of the civil service recruitment process. The observations and suggestions made by the Commission during the year are summarised in the ensuing paragraphs.

Measures to reduce unqualified applications for civil service posts

2.5 As reported in the 2011 Annual Report, the Commission noticed that the number of unqualified applications received by B/Ds in recruitment exercises was significant. The handling of these unqualified applications had drained on the precious resources of recruiting B/Ds and also lengthened the recruitment process. To tackle this unsatisfactory phenomenon, the Commission has invited the Administration to consider: (a) adding a reminder “checklist” of essential information in the standard application form to facilitate counterchecking by applicants before submitting their applications to the recruiting B/Ds; and (b) building sufficient checkpoints into the on-line application system to better ensure proper completion of the application forms by applicants and deter incomplete or incorrect information.

2.6 In response, the Administration has undertaken to add a new section in the standard application form (GF 340) to require an applicant to confirm that he meets the entry requirements of the jobs selected and has attached/will submit the supporting documents as stipulated in the recruitment advertisement. For the on-line application system,

the Administration will add a step in the application process to require an applicant to tick a check box against each of the selected jobs to confirm that he meets the entry requirements for the jobs selected and has submitted/ will submit the supporting documents before he could proceed to fill in other parts of the application form. The Administration's plan is to introduce the revised form and system in early 2013. The Commission hopes that these built-in reminders will help ensure proper completion of the application forms by civil service job applicants and in turn expedite the recruitment process.

Granting of Incremental Credit for Experience

2.7 Under the prevailing policy, a recruiting department may grant an Incremental Credit for Experience ("ICE") to new appointees with relevant previous experience in the following circumstances –

- (a)** when the rank is faced with serious recruitment difficulties because candidates with the stipulated minimum experience are unavailable, in short supply or of poor quality; and
- (b)** where for operational reasons there is a specific need (not merely desirable) to recruit staff whose relevant experience is particularly valuable.

In case there is a sufficient number of candidates who are willing to join at the normal entry salary point, priority will be given to appointing these candidates and no ICE will be granted in this particular exercise. As the grant of ICE hinges on the circumstances of each recruitment exercise, it does happen that ICE is granted in one exercise but not in another for the same rank.

2.8 As recorded in the 2011 Annual Report, the Commission has expressed concern about the incident of a probationer serving at the recruitment rank and applying for a vacancy at his own rank again when his department conducted a fresh round of recruitment exercise. It was quite clear that the intention of this probationer was to maximise ICE in the fresh recruitment exercise. As recruiting this officer would not bring in new blood to reduce the number of vacancies in the rank, it would be a wasteful use of the department's manpower and resources to deal with his application. The Commission saw the need to deter such kind of applications and requested the Administration to look into the matter. In response, the Administration promulgated supplementary guidelines to B/Ds in September 2012 to make

it clear that unless the normal field of candidates is intended to cover the officers concerned, applications from serving officers for vacancies in their own rank should not normally be considered.

2.9 The Commission is pleased to note the Administration's action to rectify the irregularity identified. However, it is concerned that the current system of granting ICE, which is dependent on whether there is an adequate number of suitable candidates who would join the service without ICE, is not easy to understand and would give rise to the question of equity as different arrangements might be adopted for the same rank in different recruitment exercises. The Commission has therefore requested the Administration to conduct a comprehensive review of the existing system of awarding ICE and draw up objective and tangible yardsticks for determining whether a particular rank is faced with serious recruitment difficulty to justify the award of ICE to attract suitable candidates. The Commission will keep in view the Administration's review and recommendations.

Observations on Recruitment Cases

Use of shortlisting criteria in recruitment exercises

2.10 For recruitment exercises with a large number of qualified applicants, it is not uncommon for the recruiting B/Ds to seek the Commission's advice on the adoption of shortlisting criteria to bring down the number of candidates to be interviewed to a manageable size. As a general rule, shortlisting criteria adopted in recruitment exercises should be objective, specific and directly related to the effective and efficient performance of the duties of the recruiting rank. In seeking the Commission's advice on the adoption of shortlisting criteria in recruitment exercises, B/Ds should fully justify the need for, and explain the rationale behind, each proposed criterion. For the sake of fairness, consistency should normally be maintained in the shortlisting criteria adopted for the same recruiting rank in different exercises.

2.11 In a recruitment exercise conducted in the year, the department proposed to impose a number of criteria relating to the academic qualifications and work experience of the applicants so as to shortlist candidates for interview. On closer examination, the Commission noticed that the use of just one of those proposed criteria could already shortlist sufficient candidates with better academic achievement for further selection. The adoption of the remaining shortlisting criteria could only screen in one more candidate. The Commission was not convinced that the adoption of the remaining shortlisting criteria would help widen the pool of suitable candidates and had therefore asked the department to re-examine its proposal. Upon review, the department revised its proposal and adopted only one shortlisting criterion for the recruitment exercise. The Commission considers that fairness and reasonableness should always be observed in the adoption of shortlisting criteria in recruitment exercises. The impression that additional shortlisting criteria are imposed for screening in/out a specific candidate or group of candidates should be avoided.

Exceptional case of restricted in-service appointment exercise

2.12 In accordance with the existing policy, open recruitment should normally be launched to fill vacancies at basic entry ranks in order to cast the widest net in the trawl for candidates. In cases where the skills, experience or expertise required by the department/grade can be met by serving officers in other civil service grades with potential surplus staff, in-service recruitment may be preferred for the benefit of the overall manpower planning of the civil service. In exceptional cases where only in-service appointment (“ISA”) exercises would be launched to fill vacancies at a basic entry rank, B/Ds should seek the Commission’s advice before launching the exercise if the recruiting rank in question falls within the Commission’s purview.

2.13 In examining the request made by a department during the year to conduct an ISA exercise, the Commission noted that the plan of the department was to phase out a one-rank grade (“grade A”) by deleting its posts and creating new posts at the basic rank of

another grade (“grade B”) with a view to enhancing service delivery. The work of grade A will be taken over by grade B pending the creation and filling of the new posts. To facilitate the phasing-out of grade A, the department proposed to launch an ISA exercise to fill the newly created posts in grade B. The department initially proposed to include grade A and some other departmental grades which may possess the qualification, experience and expertise required in the ISA exercise as the number of candidates to be recruited was larger than the number of serving officers in grade A. The department also considered that such an arrangement would provide a larger pool of candidates for selection in the ISA exercise.

2.14 The Commission considered that the department’s proposal for conducting an ISA exercise restricted to grade A was justifiable as the skills, experience or expertise required could be met by that grade. This is also in line with the existing policy on recruitment as mentioned in paragraph 2.12. The Commission, however, did not see a good reason for the department to include other grades of the department in the restricted ISA. Upon review, the department took heed of the

Commission’s advice and launched a restricted ISA exercise confining to grade A in parallel with an open-cum-in-service recruitment exercise to draw a wider trawl of candidates. Priority was however given to recruiting candidates from grade A to fill the new posts in grade B. The Commission considered the department’s revised arrangement, which was generally in line with the existing policy, acceptable.

2.15 For recruitment to civil service vacancies, the Commission takes the view that open recruitment, which provides a fair chance for the public to join the civil service thus resulting in an infusion of new talents and new ideas, should be the norm. ISA should only be considered when there are existing or anticipated surplus staff in a particular grade or rank or when there are other special reasons that suit the needs or special circumstances of certain grades.

Grades with a combined establishment

2.16 It came to the attention of the Commission during the year that in certain grades of a department, the Officer rank and its related Assistant rank formed a combined establishment, i.e. there is no specific limit on the

number of posts in each constituent rank and the appointment authority may approve the advancement of an officer in the Assistant rank to the Officer rank through a promotion step subject to any prevailing arrangements, criteria and requirements. As there have been sufficient candidates with the relevant experience and knowledge in the job market for the Officer ranks, the department has not conducted any recruitment exercise for the Assistant ranks for over ten years. There is at present no officer serving in the Assistant ranks of those grades.

2.17 The Commission notes that in some professional grades with a combined establishment, the assistant professional ranks are intended to be a training rank to provide opportunities for suitable candidates to acquire the necessary professional qualifications

and experience to become fully qualified professionals through further training, study and working experience in the respective disciplines. However, the combined establishment for those grades referred to in paragraph 2.16 is not for such a purpose as there are no prescribed professional qualifications that their Assistant rank officers must acquire for advancement to the Officer rank. The absence of any Assistant rank officers in those grades for such a prolonged period of time begs the question as to whether there are functional needs to keep those Assistant ranks. The Commission has therefore requested the Administration to conduct a review with the relevant bureau and department on the rationale behind maintaining a combined establishment in those grades and the need to retain their Assistant ranks. The Administration is following up the matter with the department.

3.1 A major function of the Commission is to advise the Administration on promotions to senior ranks³ in the civil service. The objective is to ensure that the claims of all eligible officers are fully considered on an equal basis and that the most deserving officers are selected on the basis of merits and performance. In the course of scrutinising promotion submissions from bureaux/departments (“B/Ds”), the Commission not only examines whether proper procedures have been followed, but also makes observations on the conduct of promotion exercises and performance management practices to help bring about improvements. In addition, the Commission works in partnership with the Civil Service Bureau to enhance the quality of the civil service promotion system.

Promotion Cases Advised in 2012

3.2 In 2012, the Commission advised on 623 promotion cases involving 5 118 officers. A breakdown of the promotion recommendations in 2012 and a comparison with that in the past four years are provided at Appendix V.

Reviews Initiated by the Commission

3.3 The Commission makes observations on the proper conduct of promotion exercises and works closely with the Administration to better ensure fairness and quality in the existing promotion mechanism. The improvement initiatives and measures implemented in the past few years as a result of observations made by the Commission are summarised in paragraph 1.20 of Chapter 1. In 2012, the Administration has completed a number of reviews initiated by the Commission to further enhance the effectiveness of the civil service promotion system. The succeeding paragraphs give an overview of the observations made by the Commission, the conduct of the relevant reviews and the latest development of the issues.

Review of grades with an inverted shape structure

3.4 The Commission considers that an inverted shape structure of a grade (i.e. the number of posts in the first promotion rank is larger than that in the basic rank) could not be viable in the long run as there would unlikely be enough officers at the basic rank to

3 They refer, for promotion purpose, to those senior ranks under the normal appointment purview of the Commission (i.e. those attracting a maximum monthly salary not less than the amount specified at MPS Point 26 (currently \$39,640) or equivalent). They exclude the judicial service, the Independent Commission Against Corruption and the disciplined ranks of the Hong Kong Police Force which are specifically outside the purview of the Commission.

meet the succession need of the next higher rank. Moreover, junior officers in the basic rank of some of these grades who are still on probation might have to be pushed up prematurely to act in the first promotion rank. At the request of the Commission, the Administration conducted a review of the grade structure of all civil service grades in 2007 and introduced a number of monitoring measures to control the grade structure of those grades with an inverted shape structure. Those monitoring measures included exercising vigorous control on the number of posts to be created in the first promotion rank through the annual Resource Allocation Exercise (“RAE”); conducting annual reviews of these grades; and arranging triennial stocktaking exercises to monitor changes to the grade structure of all civil services grades.

3.5 The first triennial review of all 391 civil service grades conducted in 2011 showed that the number of grades with an inverted shape structure had reduced and the degree of invertedness had also improved for the majority of these grades. In concluding the review, the Administration undertook to: (a) continue to subject those grades with an inverted shape structure to critical

scrutiny with regard to the proposed creation of posts at the first promotion rank in the context of the annual RAE; (b) continue to conduct annual reviews of the six selected grades which had resorted to appointing probationers to act in the first promotion rank on a long-term basis; (c) ask the other concerned grades to submit annual progress reports to facilitate monitoring and timely follow-up; and (d) continue to conduct triennial grade structure reviews of all civil service grades.

3.6 While considering the Administration’s findings in the first triennial review generally positive, the Commission has pointed out the following areas for further work to be done by the Administration –

- (a)** a clearer timeframe should be set to rectify the inverted shape structure of grades;
- (b)** steps should be taken to actively and regularly monitor these grades with regard to the justifications for the creation of a larger number of posts at the first promotion rank to ensure that they are in order and that probationers are not put up for premature acting appointments to tide over any vacancy gap; and

- (c) even when such an inverted shape structure can be explained, steps must be taken to avoid the invertedness from worsening.

The Administration agreed to brief the Commission on the progress on an annual basis. The first annual report will be submitted to the Commission in early 2013.

- 3.7** In examining promotion cases during the year, the Commission noticed that some B/Ds, after failing to identify enough officers at the basic rank for promotion or acting in the next higher rank, had created supernumerary posts at the basic rank by holding against vacancies at the first promotion rank and appointed new recruits to fill these supernumerary posts. The Commission considers that supernumerary posts are meant to be temporary and should not be used for offering permanent appointments. The appointment of new recruits on 3-year probationary terms to fill supernumerary posts, which are normally due to lapse after a specified period of 12 months, has pre-empted the appointment authority's subsequent review of the continued need of these

supernumerary posts. The Commission has requested the Administration to critically look into the matter with the concerned departments/grade managements to rectify the inverted shape structure of their grades within a specified timeframe and to cease the unsatisfactory arrangement of using vacant promotion rank posts to create supernumerary basic rank posts for the purpose of offering permanent appointments. The Commission will keep in view the progress on the matter.

Review of multi-disciplinary professional posts

- 3.8** Multi-disciplinary ("MD") professional posts in the Development Bureau ("DEVB") and departments under its purview are posts which can be filled by professional officers in two or more disciplines. DEVB and its departments had a long-standing practice of filling their MD professional posts in the first instance by posting of officers in the same substantive rank of the relevant grades. If lateral postings to fill these MD posts had proven futile, an in-service appointment ("ISA") exercise⁴

4 In an ISA exercise for MD posts, professional officers of all appropriate grades one rank below will be invited to apply for consideration to fill the MD post concerned. The successful candidate will be appointed to AWAV in the post in the first instance, normally for a period of not less than six months. If the officer's performance during the period of acting appointment is satisfactory and subject to confirmation from his parent Head of Grade ("HoG") that he will be accommodated in the higher rank after a normal tour of three years, his promotion in his parent grade will be effected. If such a confirmation is not received from his parent HoG, the candidate will only act in the designated post during the normal 3-year tour before his return to the parent grade.

would be conducted whereby officers in the immediate lower ranks could apply for consideration for fast-track promotion after a 6-month acting-with-a-view (“AWAV”)⁵ appointment if they were found suitable for the MD posts.

3.9 As reported in the 2011 Annual Report, the Commission had raised concerns with the Administration about the fairness of the above arrangement, particularly in situations where the incumbent selected to fill an MD post was assessed as too narrow in experience and not yet ready for higher responsibilities when being considered for promotion by his parent grade. Besides, after a normal tour of three years, the selected officer would return to his parent department and the MD post would then be used and recycled every three years as openings for out-of-turn promotion for the officers concerned. This constituted an unfair advantage to the officers so selected. The Commission therefore requested the Administration to conduct a comprehensive review to rationalise the arrangement for filling MD posts. All ISA exercises to fill MD posts had since January 2008 been put on hold.

3.10 The Administration completed a comprehensive review of all designated MD posts in 2011 and recommended that the number of MD posts should be pared down significantly from 116 to 22. The posts remaining as MD posts are primarily involved in project management functions, which explained the desire to bring in professional officers from different disciplines. The review also recommended that an MD Selection Panel should be formed to select the most suitable officer to fill an MD post for a normal tour of three years and then rejoin the parent grade. The pool of officers to be considered by the MD Selection Panel will include: (a) officers at the same rank as the MD post who are nominated by their relevant Heads of Grade; and (b) those officers at the immediate lower ranks on the approved promotion/acting list of the eligible grades as recommended by respective promotion boards and approved by the relevant appointment authorities. ISA exercises would no longer be conducted to fill vacant MD posts.

5 An officer is appointed to AWAV before substantive promotion if he is considered suitable in nearly all respects for undertaking the duties in the higher rank and he is ready to be further tested on the minor doubtful aspects in the higher rank. The norm for this type of acting appointment is six months but may vary.

3.11 The Commission considers the review recommendations, which are largely in line with the Commission's views as conveyed to the Administration in the past few years, generally acceptable. In the longer run, the Administration should consider whether the remaining 22 MD posts could be farmed out to the respective disciplines so that the need to have a special mechanism for filling these posts could cease.

3.12 In December 2012, the Administration reported to the Commission the progress made during the year in implementing the review recommendations. The Commission is pleased to note that most of those MD posts recommended for declassification as mainstream posts in the review have been declassified and the remaining will be declassified subject to the necessary approval being obtained. In respect of those posts remaining as MD posts, a further review of their status will be conducted by the Administration in 2014. The first MD Selection Panel will be conducted in early 2013 to consider candidates for filling some vacant MD posts. The Administration has also undertaken to submit a progress report on the declassification of the remaining posts

as well as the operation of the MD Selection Panel to the Commission in the third quarter of 2013.

Counting of promotable vacancies

3.13 In the course of examining promotion board reports, the Commission noticed that while some B/Ds counted supernumerary and time-limited posts for promotion, others only filled them by acting appointments. The Guidebook on Appointments ("Guidebook"), on the other hand, states that "*temporary, time-limited, subject-to-approval or subject-to-review vacancies can only be filled by acting for administrative convenience appointments*". The Commission raised concern about the inconsistent practices amongst B/Ds in the use of supernumerary and time-limited posts for promotion and requested the Administration to review the circumstances and conditions under which supernumerary and time-limited posts could be filled by substantive promotion. The Commission considers that there should be a consistent policy in the counting of promotable vacancies which should be applicable to all grades and ranks in the service. The policy should also be clearly stipulated in the Guidebook for reference by promotion boards.

3.14 In response, the Administration advised that supernumerary and time-limited posts could be counted as promotable vacancies if sufficient permanent vacancies would become available (e.g. through creation of post, retirement, completion of agreement, etc.) to absorb the promotees before the lapse of the supernumerary and time-limited posts concerned. There is no restriction on how far ahead the permanent vacancy should be anticipated for it to be used in a promotion exercise.

3.15 Noting that the Administration would issue guidelines to B/Ds on the use of supernumerary and time-limited posts for promotion, the Commission made the following suggestions: (a) the Guidebook should also be amended to avoid confusion; (b) some examples on how and when supernumerary and time-limited posts could be counted as promotable vacancies should be included in the guidelines and the Guidebook to help B/Ds better understand the arrangements; and (c) B/Ds should be informed that they have no discretion in choosing as to when to use supernumerary and time-limited posts for promotion. Once a permanent vacancy is known to arise

before the lapse of a supernumerary or time-limited post, this supernumerary or time-limited post should be counted as a promotable vacancy in the upcoming promotion exercise. Whether the same number of officers should be promoted is a matter to be deliberated by the promotion board in line with the usual practice. Also, the Commission noticed that some B/Ds had erroneously used the board date or the close of the financial year as the cut-off date for counting promotable vacancies, despite the fact that it is stipulated in the Guidebook that promotable vacancies should be counted up to the end date of the current reporting cycle. The Commission therefore also suggested the Administration to reiterate this arrangement in the guidelines to be promulgated.

3.16 The Administration accepted the Commission's suggestions. The guidelines were issued in December 2012 and the relevant parts of the Guidebook were also updated at the same time. The Commission welcomes the Administration's prompt actions in rectifying the inconsistent practices and providing clear guidelines for B/Ds to follow.

Promotion criteria for ranks open to officers of one or two ranks below

3.17 The Commission noted that a new directorate rank remunerated at Directorate Pay Scale Point 1 (“D1”) was created in a grade for operational reasons. Before the creation of this new D1 rank, the D2 rank of the grade was a promotion rank for officers at the senior professional rank remunerated at Master Pay Scale Points 45 - 49 (“the senior professional rank”) of the same grade. Notwithstanding the new avenue available to officers of the senior professional rank for promotion to the D1 rank, the department maintains the arrangement for these officers to be eligible for direct promotion to the D2 rank. As a result, officers at both the senior professional rank and the D1 rank are eligible for consideration for promotion to the D2 rank.

3.18 In order to fairly and objectively select suitable officers for advancement to the D1 and D2 ranks, the Commission considers that the department should set out clear and specific promotion

criteria for these two ranks. There should also be sufficient information in the performance appraisal reports of the ranks concerned regarding the appraisees’ achievements in meeting the promotion criteria of each of the two higher ranks. The promotion boards could then use the objective promotion criteria to compare the relative merits of eligible candidates and select the most suitable candidates for promotion or acting in the respective ranks.

3.19 The department has responded positively to the Commission’s suggestions. Specific promotion criteria have been developed for reference by the relevant promotion boards and necessary revisions have been made to the performance appraisal forms of the ranks concerned to ensure that there is sufficient information of an appraisee’s achievements in meeting the promotion criteria of each of the higher ranks. The Commission considers that with the experience to be gained in the years to come, the department should further review and refine the promotion criteria.

Observations on Promotion Cases

3.20 During the year, the Commission continued to draw the attention of B/Ds to issues of concern when tendering its advice on their promotion submissions. When irregularities were observed in the recommendations of a promotion board, the Commission would request the board and the appointment authority to review and, if necessary, revise the recommendations. Some notable errors found in promotion submissions include inaccurate calculation of the number of vacancies; cessation of the acting appointment of an officer recommended by the previous board without good reasons; and not reviewing acting appointments that have exceeded six months. Other noteworthy observations made by the Commission are set out in the ensuing paragraphs.

Preparation and submission of promotion board reports

3.21 Promotion boards should normally be held within six months from the end date of the last reporting cycle.

Unless the scale of a promotion exercise is particularly large, B/Ds are expected to submit promotion board reports to the Commission for advice within two months after the board meeting. In 2012, the Commission is disappointed to note that the number of late conduct of promotion exercises was slightly higher than that in 2011. Although there was improvement on the timely submission of promotion board reports, over 10% of the board reports still could not be submitted to the Commission for advice within two months.

3.22 It should be noted that late conduct of promotion boards and late submission of promotion board reports would cause delays to the deliberation of eligible officers' suitability for advancement and hold up the implementation of promotion boards' recommendations. These are not in the interests of the staff and are not conducive to good staff management. The Commission has, in tendering its advice on these promotion cases, reminded the departments concerned

to hold promotion exercises and submit board reports to the Commission expeditiously and within the target timeframe. The Commission has required, and will continue to require, B/Ds to account for the delay in the conduct of promotion boards and/or the submission of board reports.

Sounding-out for promotion

3.23 In one promotion exercise, the Commission noticed that the department required all eligible officers to complete an option form to indicate their willingness to perform shift duties. It was stated in the option form that if an officer was unwilling to perform shift duties, he would not be eligible for consideration for promotion to the higher rank. The Commission however noted from the relevant Guides to Appointment that officers in both the higher and lower ranks are required to work in shifts. As performing shift duties is a job requirement, the Commission considers that the officers concerned should not be given an option not to perform shift duties. Upon review, the department has ceased the practice of asking the candidates to complete the option form.

Filling of posts in different work types of the same rank

3.24 The Commission noticed that a department had conducted separate promotion boards at around the same time for officers of different work types in the same rank. As an officer with the relevant experience could be considered for promotion to different work types, two promotion boards had separately recommended the same officer for substantive promotion in one work type and AWAV appointment in another. The Commission considers that the department should have codified the general principles for the appointment authority to deliberate and decide on which recommendation should be adopted in such cases. The department should also state in the board reports the appointment authority's considerations and final recommendation on the officer concerned when seeking the Commission's advice. The department agreed with the Commission's comments and has accordingly codified the general principles in deliberating the recommendations of different promotion boards on the same officer.

Filling of posts open to more than one grade

3.25 In a department, there are posts in the same rank that can be filled by officers in the immediate lower rank of: (a) grade A only; or (b) grade B only; or (c) either grade A or grade B. As only one promotion board would be conducted to consider officers from both grades A and B for filling the three different types of vacancies which would arise at different times, the Commission advised the department to codify the selection process and the sequence of consideration for filling each of the three different types of vacancies before the promotion board would proceed to consider the claims of individual candidates. The purpose is to ensure fairness and to address the concern about the possible manipulation of the vacancies in favour of a particular grade of officers.

3.26 After deliberation, the promotion board agreed to examine the performance and competencies of all eligible candidates one by one and to draw up a priority list of meritorious officers for each of the two grades. Then these shortlisted officers would be considered for filling each of the vacancies

according to the time sequence that these vacancies become available, taking into account whether the vacancy concerned is a type (a)/(b) or (c) post. For a type (a)/(b) vacancy, the shortlisted officers on the grade A/grade B list would be considered for filling the post in the order of priority recommended in the respective lists. For a type (c) vacancy, the relative merits of the candidates at the top of each shortlist would be compared in order to identify the more suitable and meritorious officer to fill the post. The Board has also taken heed of the Commission's advice to properly document the agreed process so that it forms the basis for selection in future promotion exercises to ensure fairness and consistency.

Assessment of an officer's acting performance

3.27 As a general principle, the performance of an officer acting in the next higher rank should be assessed against the requirements of that higher rank, while his competencies and fitness for promotion should be assessed against the requirements at his substantive rank. In vetting a promotion submission, the Commission noticed that the

department had incorrectly used the competency-based appraisal form of a rank to assess the performance of an officer who was only acting in that rank. As a result, the appraising officer and countersigning officer had assessed the officer's core competencies and promotability to perform at the next higher rank of the acting rank. At the Commission's request, the department asked the supervisors to review their assessments on the core competencies and fitness for promotion of the officer concerned based on his substantive rank. The promotion board was also asked to re-examine the officer's claim for promotion having regard to the latest assessments of the supervisors. Although prompt actions have been taken by the department to rectify the mistake, this has inevitably lengthened the processing time of the promotion case. In tendering its advice, the Commission has reminded the department to ensure that correct competency-based appraisal forms should be used for appraising the performance of acting officers.

3.28 The Commission also observed in some promotion cases that separate appraisal reports had not been written

on the acting performance of officers who were appointed to act in the higher rank on a long-term basis during an appraisal period. The departments concerned have been reminded that separate appraisal reports covering the acting period should be written on these officers. The assessment on their performance during the acting period should be made against the requirements of the acting rank and this should be clearly stated in their appraisal reports in order to facilitate the promotion board's consideration of their promotion claims.

No appraisal reports on eligible candidates

3.29 In considering recommendations made by promotion boards, the Commission finds difficulties in advising on the merits or otherwise of a candidate for promotion or acting appointment if there is no performance appraisal report on him. In a promotion exercise, the Commission noticed that no appraisal report had been written on an officer for the past three years and therefore requested the department to provide the basis on which the promotion board had assessed this officer's suitability for advancement.

The department explained that the grade management was well apprised of the performance of the officer concerned.

3.30 As mentioned in the 2009 Annual Report, board members' personal knowledge is to supplement, not to replace or override, performance appraisals. At the request of the Commission, the department had asked the appraising officer to complete all the outstanding appraisal reports on the officer concerned and the promotion board to re-examine the claim of the officer based on the assessments in those appraisal reports. It was only upon receipt of the duly completed appraisal reports and

the promotion board's confirmation of its recommendation on the concerned officer that the Commission proceeded to consider the recommendations in the promotion exercise. In tendering its advice, the Commission reminded the department to ensure the completion of the appraisal reports of all eligible officers before the promotion board meeting so that the claims of all candidates could be fairly and adequately considered by the promotion board. The Commission has made it clear that it would not be able to advise on a promotion board's recommendation if any of the eligible candidates' latest appraisal reports is not available.

4.1 The Commission makes it one of its priority tasks to work with the Administration to strengthen the performance management system in the civil service with a view to better realising civil servants' performance and development potential. Much emphasis has also been placed on advocating a holistic approach to staff development encompassing a structured career progression policy and plan as well as suitable job exposure and training for civil servants at different levels. The major initiatives in these areas implemented over the past few years are set out in paragraph 1.21 of Chapter 1. The Commission will continue to identify areas that call for improvement and make suggestions to the Administration on how the effectiveness of the existing systems and practices can be further enhanced.

Performance Management in the Civil Service

4.2 The continuous effort made by the Commission and the Administration to improve the performance management system has resulted in the promulgation of the revised "Performance Management Guide" ("PM Guide") in November 2009. Apart from providing comprehensive information

to help bureaux and departments ("B/Ds") understand the key principles and objectives of an effective staff performance management system, the PM Guide also illustrates the best practices that B/Ds can make reference to in designing and administering their own systems. At the request of the Commission, the Administration conducted a survey, which covered about 400 grades and 1 100 ranks in the civil service, in December 2011 to review the effectiveness of the implementation of the performance management practices promulgated in the PM Guide ("the Survey").

4.3 The Survey results, which were reported by the Administration to the Commission in August 2012, indicate that B/Ds are generally implementing the PM practices advocated by the Commission and the Civil Service Bureau effectively. The Commission is pleased to note that B/Ds have devoted considerable effort in implementing the good PM practices of enhancing the effective operation of assessment panels ("APs"), adopting the competency-based approach in performance appraisal, facilitating timely appraisal and promoting comprehensive reporting. In the light of the Survey

findings as well as the experience gained in handling performance management related matters in the past few years, the Administration has undertaken to augment the PM Guide, refine the competency-based general performance appraisal forms (GF 1 and GF 94), continue to offer advisory services to B/Ds on performance management issues and produce a web package on performance appraisal. The Commission will keep in view the various measures being taken by the Administration to further strengthen the performance management system and will give its comments and suggestions as and when required. A number of performance management issues covered in the Survey that deserve special mention are set out in the ensuing paragraphs.

Operation of Assessment Panels

4.4 As stated in the PM Guide, the major objectives of APs are to –

- ensure consistency in assessment standards and fairness in performance appraisal within a rank;
- ensure that only fully deserving appraisees are rated “Outstanding” / “Unsatisfactory” / “Poor”;
- alert the management to cases of poor reporting standard for follow-up; and

- draw the management’s attention to substandard performers for monitoring and the provision of guidance and assistance.

4.5 The Survey found that APs were established in 33% of the ranks surveyed. On the overall effectiveness of APs in meeting the major objectives, all respondents had rated APs as “Effective” or “Very Effective”. On maintaining the operational transparency of APs, all respondents had made known to the staff the membership and assessment standards of their APs. Common means adopted to ensure consistency in assessment standards among AP members included referencing to previous years’ principles and standards as well as drawing up and agreeing with AP members on the assessment standards before the panel meeting.

4.6 The Survey has also brought to light some good practices initiated by B/Ds in ensuring the consistency in APs’ assessment standards. For example, the practice of inviting the AP chairman for the next reporting cycle to attend the current AP meeting as an observer and the sharing of the observations made by the previous AP with the current AP are all conducive to the better understanding and alignment

of assessments. The Administration has undertaken to augment the PM Guide to promulgate the good practices identified in the Survey and to continue to provide advice to B/Ds on the operation of APs.

4.7 The Commission is pleased to note that B/Ds have adopted various measures to improve the operation and transparency of APs. However, noting that a large number of ranks have either no plans to implement APs or have ceased the practice, the Commission has suggested the Administration to further examine whether these ranks should be encouraged to implement or re-establish APs. In response, the Administration sent out questionnaires in November 2012 to individual grade managements to understand their reasons for not implementing APs. The Administration would report the findings and recommendations to the Commission in 2013. The Commission will keep in view the findings and any further development on this subject.

Implementation of Competency-based Performance Appraisal

4.8 According to the Survey results, over 90% of the grades suitable for competency-based performance appraisal have adopted the approach, and the remaining grades/ranks are working on it. Of the ranks which have adopted the competency-based approach, around 20% use the general performance appraisal forms (GF 1 and GF 94) while 80% have devised their own departmental forms. As the Survey revealed that some departmental appraisal forms could be enhanced to include the latest good practices in performance management, the Administration will augment the PM Guide to highlight such good practices as comprehensive reporting, recording the dates of the last career development interview, featuring competency profiles of the substantive and next higher ranks side by side in the appraisal form, etc. to facilitate B/Ds in reviewing and enhancing their own departmental appraisal forms.

Timely Appraisal

4.9 The Survey found that all respondents had adopted measures promulgated by the Administration to ensure timely appraisal. The most common of which are –

- setting up or tightening the reminder and tracking system, e.g. issuing early reminders, designating a unit to issue reminders to the officers concerned and escalating non-observance of report submission deadlines to the personal attention of the senior directorate or Heads of Department/Heads of Grade (“HoDs/HoGs”);
- tightening up the schedule for the completion of appraisals;
- affixing a schedule for the completion of appraisals to the performance appraisal forms to ensure that appraisers at different levels complete their parts by the agreed target dates;
- personal appeals made by HoDs/HoGs in reminding the appraisers through letters, memoranda or emails; and
- providing training on the good practices in performance management and appraisal writing.

4.10 The Commission has noticed that while late reporting remained a problem in the year, some HoDs/HoGs have shown heightened awareness of the importance of putting in place an effective staff performance management system in their departments and have made deliberate effort to devise measures to improve their systems. For instance, an HoG personally issued an email to all his grade members to remind them to complete performance appraisal reports in a timely manner. Where habitual or acute delay in completing staff appraisal was observed, the Grade Management issued an advisory letter to the appraising/countersigning officer concerned and included a copy of the letter in his personal file for records. The HoG has also reminded his grade members that an officer’s competence on staff/performance management, including timeliness of the appraisal of subordinates, is an aspect which would be taken into consideration in assessing an officer’s suitability for advancement. If the delay was caused by the appraisee’s failure to submit his duty list despite repeated reminders, the appraising/

countersigning officer should proceed to complete the appraisal based on the duty list agreed upon at the beginning of the appraisal period and/or his own knowledge of the appraisee's work. In such cases, the failure of the appraisee to submit his duty list in a timely manner would be reflected in the appraisee's own appraisal report file and would also be brought to the relevant promotion board's attention. The Commission welcomes the various measures taken by this HoG to tackle the problem of late reporting. The Commission would like to see B/Ds exerting more effort in this regard and putting in place measures to deal with those officers who are habitually late in completing performance appraisals on their subordinates.

- 4.11** To further facilitate timely appraisal, the Administration has undertaken to complete the review of the general performance appraisal forms (GF 1 and GF 94) by March 2013 to make them more user-friendly for timely completion. Separately, as a means to strengthen the monitoring of late reporting, the Commission has devised a "Compliance Checklist for Promotion/Selection Exercise" ("the Checklist") for completion by B/Ds when seeking the Commission's advice

on their promotion recommendations. With effect from January 2012, B/Ds are required to indicate in the Checklist the number of late reporting cases in the last two reporting cycles. If the late reporting problem persists over the last two years or if cases of serious late reporting (i.e. completed beyond the sixth month counting from the end of the reporting cycle) are identified, the concerned B/D is required to provide information on the measures taken/to be implemented to tackle the problem.

Comprehensive Reporting

- 4.12** As noted from the Survey findings, for grades using the general performance appraisal forms (GF 1 and GF 94), appraising officers are required to comment on appraisees' notable strengths, weaknesses and development needs in relevant sections of the appraisal forms. For grades using departmental competency-based performance appraisal forms, most of them require appraising officers to comment on the weaknesses or area for improvement/development of appraisees. To further advocate the culture of comprehensive reporting, the Administration will augment the Guidance Notes for, and instructions in, GF 1 and GF 94 to emphasise

the importance of comprehensive reporting. Consideration will also be given to creating a separate section in these two general performance appraisal forms for appraising officers to comment on areas where appraisees could continue to develop/improve with the emphasis that such comments are only for the purpose of the appraisee's further career development. B/Ds using departmental performance appraisal forms will also be encouraged to consider this arrangement when they review their forms.

Training

4.13 The Commission believes that training plays an important part in helping staff at all levels understand their roles and responsibilities in performance management. Targeted and on-going training on report writing, conduct of appraisal interviews and handling of staff with performance problems, etc. should be provided to supervisors, particularly those newly promoted. To ensure that adequate and appropriate training courses are provided to civil servants at all levels, the Commission has requested the Administration to see

how the existing training programmes could be further strengthened to cater for the specific needs of different users of the performance management system.

4.14 Apart from considering how the existing training programmes on performance management could be strengthened, the Administration has also undertaken to produce a web package with videos and interactive components on conducting performance appraisal to further assist B/Ds in understanding the key principles of, and implementing the good practices in, performance management. The topics to be covered include the substantiation of appraisal reports; comprehensive reporting; timely appraisal; effective AP operation; essentials and latest developments of the competency-based approach; and points to note in devising rating scales for overall performance. The Administration will roll out this web package by phases with the more important topics such as writing appraisals and conducting appraisal interviews being released first. The objective is to have the whole web package rolled out by end-2013.

Way Forward

4.15 Refinements and improvements to the performance management system is a continuous process. The Commission notes that the Administration would, apart from implementing the various measures to enhance the performance management system as set out in the preceding paragraphs, also conduct another review of the performance management system and report to the Commission its findings in two years' time.

Staff Development and Succession Planning

4.16 Identifying and grooming the next generation of leaders require dedicated effort and time. To meet these challenges, the Commission has rigorously called upon the Administration to take forward succession planning in a more focused and structured manner and to link the directorate succession mechanism to an effective talent development system. To facilitate the identification and systematic development of staff with potential and talents, there should be a robust performance management system, merit-based selection of

officers for further career advancement and regular career reviews and postings to broaden officers' job knowledge and exposure as well as to develop their leadership talent. With the issue of the "Succession Management Guide" and the "Guide on a Holistic Approach to Staff Development" by the Administration after incorporating input from the Commission in December 2010 and March 2011, respectively, B/Ds are better equipped in mapping out staff development and succession plans for their grades at different levels.

4.17 In the year, the Commission noticed that some departments, which had temporary shortage of suitable officers for advancement, had adopted various measures to train and develop lower rank officers for shouldering higher responsibilities. Some promotion boards had recommended officers for career postings to broaden their exposure while others had identified officers with exceptional potential for early testing and grooming. The Commission would keep in view the progress of these departments in the training and development of their staff in the lower echelon.

4.18 Given the importance of staff development in the retention and grooming of talents as well as succession planning for the civil service, the Commission considers that HoDs/HoGs should take ownership in drawing up vigorous, transparent and structured staff development plans for their staff at all levels. They should also enlist the support and cooperation of managers at different levels and entrust these managers with clear responsibilities for coaching, mentoring and giving performance feedback to

their staff as well as releasing their staff for career posting and development. To further promote the holistic approach to staff development within the civil service, the Administration could provide suitable forums for sharing among B/Ds of the experience gained and the good practices identified in the process. With the concerted effort of all parties concerned, the Commission expects to see B/Ds making continuous progress in the important tasks of staff development and succession planning in the coming years.

5.1 The Commission also plays an important role in advising on appointment matters relating to the continuous employment or termination of service of civil servants. They cover cases of non-renewal or termination of agreements, offer of shorter-than-normal agreements, refusal or deferment of passage of probation or trial bar, early retirement of directorate officers under the Management Initiated

Retirement Scheme⁶ and retirement in the public interest under section (“s.”) 12 of the Public Service (Administration) Order (“PS(AO)”)⁷. In addition, the Commission also advises on extension of service or re-employment after retirement, secondment⁸, opening-up arrangement⁹, award of Government Training Scholarship¹⁰ and revision of terms of employment¹¹ of serving officers in the senior ranks of the civil

- 6 The Management Initiated Retirement Scheme, first introduced in 2000, provides for the retirement of directorate officers on the permanent establishment to facilitate organisational improvement and to maintain the high standards expected of the directorate. It can be invoked on management grounds if the approving authority has been fully satisfied that –
- (a) the retirement of an officer from his present office is in the interest of the organisational improvement of a department or grade; or
 - (b) there would be severe management difficulties in accommodating the officer elsewhere in the service.
- The officers concerned will be notified in advance and given the opportunity to make representations. A panel chaired by the Permanent Secretary for the Civil Service (or the Secretary for the Civil Service in cases of directorate civil servants at the rank of D8 or equivalent, excluding those appointed as principal officials unless as directed by the Chief Executive (“CE”)) will consider each case following which the Commission’s advice will be sought on the recommendation to retire the concerned officers.
- 7 The PS(AO) is an executive order made by the CE under Article 48(4) of the Basic Law. It sets out the CE’s authority in regard to the management of the civil service, including discipline matters.
- 8 Secondment is an arrangement to temporarily relieve an officer from the duties of his substantive appointment and appoint him to fill another office not in his grade on a time-limited and non-substantive basis. Normally, a department will consider a secondment to fill an office under its charge if it needs skills or expertise for a short period of time and such skills or expertise are only available from another civil service grade.
- 9 Under the opening-up arrangement, positions in promotion ranks occupied by agreement officers are open up for competition between the incumbent officers and eligible officers one rank below. This arrangement applies to both overseas agreement officers who are permanent residents and are seeking a further agreement on locally modelled conditions, and other agreement officers applying for a further agreement on existing terms.
- 10 The Government Training Scholarship (“GTS”) enables local candidates to obtain the necessary qualifications for appointment to grades where there are difficulties in recruiting qualified candidates in Hong Kong. Upon successful completion of the training, the scholars will be offered appointment to designated posts subject to satisfactory completion of recruitment formalities. As in other recruitment exercises, Heads of Department/Heads of Grade have to seek the Commission’s advice on their recommendations of the selection exercises for the award of GTS which would lead to eventual appointment in the civil service.
- 11 Officers serving on Local Agreement Terms or Locally Modelled Agreement Terms or Common Agreement Terms are eligible to apply for transfer to Local or Common Permanent and Pensionable Terms subject to (a) service need; (b) a Chinese language proficiency requirement if that is required for the efficient discharge of duties; (c) performance and conduct; and (d) physical fitness.

service. A statistical breakdown of the cases advised by the Commission in 2012 by category of these appointment matters and a comparison with that in the past four years are provided at Appendix VI.

Retirement in the Public Interest under s.12 of PS(A)O

5.2 Retirement under s.12 of PS(A)O is not a form of disciplinary action or punishment but pursued as an administrative measure in the public interest on the grounds of –

- (a)** persistent substandard performance – when an officer fails to reach the requisite level of performance despite having been given an opportunity to demonstrate his worth; or
- (b)** loss of confidence – when the management has lost confidence in an officer and cannot entrust him with public duties.

An officer who is required to retire in the public interest may be granted retirement benefits. In the case of a pensionable officer, a deferred pension may be granted when he reaches his statutory retirement age. In the case of an officer under the Civil Service Provident Fund Scheme, the accrued benefits attributable to the

Government's Voluntary Contributions will be payable in accordance with the relevant scheme rules.

5.3 During the year, a total of 22 officers from 15 bureaux/departments ("B/Ds") were put under close observation in the context of procedures under s.12 of PS(A)O. Upon the Commission's advice, the Administration retired two officers and was in the process of retiring another officer under s.12 on the grounds of persistent substandard performance. Five officers were taken off the watch list after four of them had improved their performance to the required standard and one had left the service through normal retirement. As at the end of the year, 14 officers remained under close observation. Separately, upon the Commission's advice, the Administration was in the process of retiring another officer on the grounds of loss of confidence.

5.4 The Commission will continue to draw attention to potential s.12 cases for departmental action in the course of vetting staff appraisal reports in connection with promotion exercises. It will also monitor closely departmental managements' readiness in pursuing such an administrative action.

Extension of Probationary Period

5.5 As pointed out in the 2010 and 2011 Annual Reports, Heads of Department/Heads of Grade (“HoDs/HoGs”) should apply stringent standards and attach importance to good conduct in determining the suitability of probationers to continue to hold office, in particular where a probationer will, under normal circumstances, be transferred to permanent terms immediately after the 3-year probationary period under the modified entry system. Extension of probationary period should not be made a substitute for termination of service. If there are obvious shortfalls in performance, conduct or attitude, the HoD/HoG should seriously consider terminating the service of the probationer concerned at any time or at the end of the probationary period.

5.6 To assist HoDs/HoGs in handling cases of termination or extension of probationary services, the Commission has developed and highlighted in paragraph 5.9 of the 2011 Annual Report some relevant criteria that should be fulfilled. The Commission’s observations and views on the reduction of an officer’s

probationary period on the basis of his previous working experience in the Government have also been elaborated in paragraphs 5.10 and 5.11 of the 2011 Annual Report. Upon the Commission’s suggestion, the Administration has incorporated the aforesaid criteria and observations in its guidelines on the proper handling of probationers which were issued to HoDs/HoGs in January 2012.

5.7 In 2012, there was a substantial increase in the number of cases submitted by B/Ds seeking to terminate or extend the service of probationers. Although there were 152 cases of extension of probationary service in 2012 as compared with 72 in 2011, the Commission noticed that 100 of these cases involved probationers of the same grade who failed to obtain the requisite qualification for the passage of probation bar within the 3-year probationary period. Due to operational considerations, the department was unable to organise the training programme for the concerned officers to obtain the requisite qualification within the 3-year probationary period. The Commission noticed that this was an isolated incident and the department had agreed to make adjustments to

avoid similar incidents in future. For the remaining 52 cases, the extension was to allow time for the probationers to demonstrate their suitability for permanent appointment on grounds of temporary setback in performance and/or conduct, or absence from duty for a prolonged period due to health conditions.

5.8 There was also a notable increase in the number of termination of probationary service cases from three in 2011 to 13 in 2012. Most of these cases were related to unsatisfactory performance and/or conduct of the probationers. The increase in the number of termination cases has reflected the determination of HoDs/HoGs in taking a stringent approach in handling probationers who failed to measure up to the requirements and standards for passage of the probation bar. The Commission takes the view that if a probationer has been afforded sufficient opportunity and given coaching and training to prove his worth and there are still deficiencies in his conduct or performance, his probation should be terminated. In respect of cases where there were conduct problems on the part of a probationer, and where little improvement

was seen notwithstanding appropriate advice and warning, prompt action should be taken to terminate the probationary service.

Reduction of probationary period

5.9 With the implementation of the modified entry system in July 2010, probationers will normally be considered for appointment on permanent terms subject to satisfactory completion of a 3-year probationary period as well as full compliance with the relevant requirements and service need. However, in accordance with Civil Service Regulation 183(3), the appointment authority may exercise discretion to reduce, where justified and appropriate and having regard to the nature of the duties or other management considerations, the probationary period required of an individual appointee who has served in the Government on non-civil service terms and who is subsequently selected for appointment on probationary terms to a civil service rank with similar or comparable duties.

5.10 In the past two years, there were quite a number of extension of probationary service cases involving probationers who were on a reduced probationary

period. The Commission's view is that the reduction in probationary period should be a discretionary arrangement rather than an automatic offer. The appointment authority should be more prudent in exercising the authority to reduce an officer's probationary period on the basis of his previous working experience in the Government. Due consideration should be given to the comparability between the civil service post and the "equivalent" non-civil service contract post in terms of job

requirements, level of performance expected, level of responsibility, etc. Sufficient time should be allowed for observing the suitability of the probationers for further appointment on permanent terms after the probation. In general, the Commission considers that a minimum period of two years on probation is needed to fully test a person's suitability for permanent employment in a particular grade, even if he has previous related experience in the civil service.

6.1 Civil servants should always uphold the highest standards of honesty and probity in discharging their public duties as well as in their private lives. They are liable to disciplinary action if they fail to observe any government regulations or official instructions, misconduct themselves, commit a criminal offence (whether related to his public duty or not) or, by their actions, bring the civil service into disrepute. There is a well-established system in the civil service whereby allegations of misconduct will be promptly investigated and disciplinary sanction will be strictly administered upon finding a civil servant culpable of misconduct after fair proceedings. Subject to the requirements of due process and procedural propriety and adherence to the principle of natural justice, all disciplinary cases are processed expeditiously so that appropriate punishment may be meted out in a timely manner in proven misconduct cases to achieve the required punitive and deterrent effect.

Summary Disciplinary Action

6.2 For minor misconduct (e.g. occasional unpunctuality, minor breach of government regulations, etc.) committed

by civil servants, the relevant bureaux/departments (“B/Ds”) may, after completing departmental investigation, issue verbal or written warnings to the civil servants concerned without the need to conduct formal disciplinary hearings. A verbal or written warning normally debars an officer from promotion and appointment for one year. Such summary disciplinary action allows B/Ds to tackle and deter isolated acts of minor misconduct expeditiously. The Commission’s advice is not required in such cases.

Formal Disciplinary Action

6.3 For repeated minor misconduct or more serious misconduct allegedly committed by civil servants, the relevant B/Ds may institute formal disciplinary proceedings against the civil servants concerned. For civil servants who are convicted of criminal offences, the disciplinary authorities may, upon consideration of the relevant court proceedings, inflict punishments on the civil servants without any further proceedings. Generally speaking, formal disciplinary action against civil servants in civilian grades or senior ranks of disciplined services grades¹² is taken according to the provisions under

¹² These refer generally to civil servants at a rank equivalent to superintendent/assistant superintendent or above of the Correctional Services Department, the Customs and Excise Department, the Fire Services Department and the Hong Kong Police Force. Senior members of the Government Flying Service are subject to punishments under the PS(A)O for criminal convictions and under the Government Flying Service (Discipline) Regulation for disciplinary offences. For the Immigration Department, all disciplined services grades are subject to the PS(A)O, with members of the Immigration Assistant grade also subject to the Immigration Service Ordinance in respect of specified disciplinary offences.

the Public Service (Administration) Order (“PS(AO”). In respect of civil servants in the middle and junior ranks of disciplined services grades, formal disciplinary action is taken according to the provisions under the respective disciplined services legislation.

Disciplinary Punishment

6.4 The range of punishments that may be imposed by a disciplinary authority on a civil servant convicted of a criminal offence or found guilty of misconduct after formal disciplinary proceedings includes reprimand¹³, severe reprimand¹⁴, reduction in rank¹⁵, compulsory retirement¹⁶ and dismissal¹⁷. A financial penalty¹⁸ may

also be imposed concurrently with these punishments (except in the case of dismissal and reduction in rank) when the other punishment alone is inadequate to reflect the gravity of the misconduct or offence, or to achieve the desired punitive and deterrent effect, but a higher level of punishment is not applicable or justified.

Commission's Advisory Role in Disciplinary Cases

6.5 The Commission plays a key role in the civil service disciplinary system. With the exception of exclusions specified in the Public Service Commission Ordinance¹⁹ (“PSCO”), the Administration is required under section

- 13 Reprimand is the least severe form of punishment under formal disciplinary action. It will normally debar an officer from promotion or appointment for a period of two to three years. This punishment is usually imposed where the misconduct/criminal offence is fairly minor and isolated.
- 14 A severe reprimand will normally debar an officer from promotion or appointment for three to five years. This punishment is usually recommended for more serious misconduct/criminal offence or for repeated minor misconduct/criminal offences.
- 15 Reduction in rank is a severe punishment. It carries the debarring effect of a severe reprimand, i.e. the officer will normally be debarred from promotion or appointment for three to five years, and results in loss of status and heavy financial loss. The pension payable in the case of a pensionable officer punished by reduction in rank is calculated on the basis of the salary at the lower rank. An officer's salary and seniority after reduction in rank will be determined by the Secretary for the Civil Service. He would normally be paid at the pay point that he would have received had his service been continued in that lower rank.
- 16 An officer who is compulsorily retired may be granted retirement benefits in full or in part, and in the case of a pensionable officer, a deferred pension when he reaches his statutory retirement age.
- 17 Dismissal is the most severe form of punishment as the officer forfeits his claims to retirement benefits (except the accrued benefits attributed to Government's mandatory contribution under the Mandatory Provident Fund or the Civil Service Provident Fund Scheme).
- 18 Currently there are three types of financial penalty, namely “fine”, “reduction in salary” and “stoppage or deferment of increments”.
- 19 See paragraph 1.6 of Chapter 1.

("s.") 18 of the PS(A)O²⁰ to consult the Commission before inflicting any punishment under s.9, s.10 or s.11 of the PS(A)O upon a Category A officer. This covers virtually all officers except those on probation, agreement and some who are remunerated on the Model Scale 1 Pay Scale. At the end of 2012, the number of Category A officers under the Commission's purview for disciplinary matters was about 111 800.

6.6 The Commission's advice on disciplinary cases is based on the principles of equity, fairness and maintenance of broad consistency in punishment throughout the service. The nature and gravity of the misconduct or criminal offence in question are always the primary considerations in determining the level of punishment. Other pertinent considerations include the customary level of punishment for similar misconduct or criminal offences, existence of any mitigating factors, the rank and service and disciplinary record of the civil servant concerned, etc.

6.7 Before tendering its advice, the Commission will consider the views and arguments put forth by the B/D concerned and the Secretariat on Civil Service Discipline ("SCSD"). In cases where there is a difference of opinion on the level of punishment between the B/D and SCSD, the views of both parties would be submitted to the Commission for consideration.

Disciplinary Cases Advised in 2012

6.8 The Commission advised on the punishment of 38 disciplinary cases in 2012, representing less than 0.04% of the 111 800 Category A officers under the Commission's purview. The small number of disciplinary cases advised and the continuous downward trend of such cases over the past few years are encouraging. They indicate that the vast majority of our civil servants measure up to the very high standards expected of them in terms of conduct and discipline. This should be attributed to the Administration's sustained effort to promote good

20 Generally speaking, with the exception of middle-ranking officers or below in disciplined services grades who are subject to the respective disciplined services legislation, civil servants are governed by disciplinary provisions in the PS(A)O. For disciplinary cases processed under the respective disciplined services legislation of which the punishment authority is the Chief Executive (or his delegate), the Administration will, subject to the exclusions specified in s.6(2) of the PSCO, consult the Commission on the disciplinary punishment under s.6(1)(d) of the PSCO.

standards of conduct and integrity at all levels through training, seminars, and the promulgation and updating of rules and guidebooks to enhance understanding and awareness of the standard of probity required of civil servants. The Commission will, as always, remain vigilant and collaborate with the Administration to ensure equity, fairness and maintenance of broad consistency in punishment throughout the service.

6.9 A breakdown of these 38 cases advised by the Commission in 2012 by category of criminal offence/misconduct and salary group is at Appendix VII. Of these 38 cases, ten (26%) had resulted in the removal of the civil servants concerned from the service by “compulsory retirement” or “dismissal”. There were 17 (45%) cases resulting in “severe reprimand” plus a “fine”²¹ which is the heaviest punishment next to removal from the service and “reduction in rank”. These figures bear testimony to the resolute stance that the Administration has taken against civil servants who have committed acts of misconduct or criminal offences.

Reviews and Observations of Major Disciplinary Issues

6.10 Apart from deliberating on the appropriate level of punishment to be meted out in each disciplinary case submitted to it for advice, the Commission also oversees the operation of the disciplinary mechanism. In vetting departmental submissions, the Commission makes observations in areas that call for improvement and initiates reviews and discussions with the Administration with a view to rationalising existing disciplinary policies or procedures and formulating new policies or procedures and benchmarks of punishment. The major issues reviewed in 2012, together with the observations and recommendations made by the Commission, are set out in the ensuing paragraphs.

Review on exemption arrangement for reporting of non-duty-related traffic offences under the Public Service (Disciplinary) Regulation

6.11 It is a requirement under s.13(1) of the Public Service (Disciplinary) Regulation that “an officer against whom criminal proceedings are being instituted shall forthwith report the fact to the Head of his Department” (“the reporting

21 A fine is the most common form of financial penalty in use. On the basis of the salary-based approach, which has become operative since 1 September 2009, the level of fine is capped at an amount equivalent to one month’s substantive salary of the defaulting officer.

requirement”). In accordance with s.11 of the PS(A)O, if an officer has been convicted of a criminal charge, the disciplinary authority may, upon consideration of the proceedings of the court on such charge, inflict such punishment upon the officer as may seem to him to be just, without any further proceedings. As non-duty-related traffic offences of “careless driving” are not conduct or integrity related and it has been a long standing practice that an officer convicted of such an offence alone with no casualty involved would not be punished under s.11 of the PS(A)O, the Commission had asked the Administration to consider blanket exemption of such non-duty-related “careless driving” cases from the reporting requirement.

6.12 As reported in the 2008 Annual Report, the Administration had, in response to the Commission’s request, conducted a review and implemented in 2009 the arrangement for civil servants to be exempted from the reporting requirement for all types of non-duty-related traffic offences, “careless driving” included, subject to all of the following conditions being met –

(a) the officer is convicted of only one traffic offence in the court proceedings concerned;

- (b) the conviction results in a fine of not more than \$1,000 and with no other penalty imposed; and
- (c) the officer has no more than one criminal conviction of traffic offence in the two years preceding the date of the current conviction.

6.13 The effect of the above exemption arrangement is that an officer against whom criminal proceedings for a non-duty-related traffic offence have been instituted is required to consider reporting his case to his Head of Department (“HoD”) only when the court has convicted and sentenced him in respect of the offence. Should the criminal conviction fail to meet any of the conditions in (a) to (c) above, it will be necessary for the officer to report his criminal conviction to his HoD immediately, even if he intends to appeal against the conviction or sentence. Owing to operational reasons or the constraints in the existing legislation of disciplined services departments, the exemption does not apply to disciplined services staff of the Hong Kong Police Force, the Fire Services Department, the Customs and Excise Department and the Correctional Services Department.

6.14 As the exemption arrangement has been in place for three years since

its promulgation in January 2009, the Commission has suggested that the Administration should conduct a review to assess its effectiveness and consider if any refinements are required in the light of the experience so far. The Administration completed its review in July 2012 and concluded that –

- (a) the exemption arrangement has been effective in reducing the number of traffic offence cases that have to be reported to HoDs and relieving officers involved in such cases of the psychological burden of having to report the related proceedings and to await possible disciplinary action;
- (b) B/Ds have not encountered any operational problems in implementing the exemption arrangement;
- (c) the prevailing exemption conditions are appropriate and effective in ensuring that whilst minor and non-duty-related traffic offence cases are exempted from reporting, more serious or complicated cases (such as convictions of “dangerous driving” or “drink driving”, cases involving conviction of more than one offence in the same criminal proceedings and cases involving repeated offenders) would remain inside the Administration’s monitoring net; and

- (d) it is not necessary or advisable to extend the scope of the exemption arrangement to cover traffic offence cases in which the officer committed an offence in other capacities, e.g. as a pedestrian in “jay walking” or a cyclist in “reckless cycling” under the Road Traffic Ordinance, given the insignificant number of such cases (on average about five cases per year) and the fact that most of these minor offences involved deliberate acts that could have been avoided (as opposed to minor traffic offences which are mostly committed inadvertently).

6.15 The Commission agrees that the prevailing scope of offences covered by the exemption arrangement and the related exemption conditions are about right in affirming the Administration’s stance in keeping a high standard of probity in the civil service and maintaining the reasonableness and practicality of the disciplinary system. As the current arrangement is working well, no change is considered necessary at this stage. The Commission notes that the Administration will continue to monitor the implementation of the exemption arrangement and review the need for refinements as and when required.

Handling of substandard performance or misconduct cases involving civil servants with disabilities

6.16 As mentioned in previous Annual Reports, the Commission raised concern in 2008 about the prolonged processing time of disciplinary cases involving officers with a known history of mental illness. While appreciating the difficulties and sensitivities involved in such cases (e.g. the need to obtain the officer's consent to release his medical data for the purpose of convening a medical board to assess his general mental state), the Commission considered that the prolonged processing of the case could unnecessarily put the officer with a history of mental illness under lingering stress. The Commission also raised concern about the over-cautious approach taken by some B/Ds in handling misconduct cases involving officers suspected to be suffering from mental illness. The Commission considered that the Administration should provide B/Ds with suitable and updated guidelines

on how cases involving officers with mental illness, or suspected mental illness, should be handled having regard to the requirements of the Disability Discrimination Ordinance, Cap. 487 and the Personal Data (Privacy) Ordinance, Cap. 486.

6.17 In response to the Commission's comments and observations, the Administration has reviewed the subject and worked out a set of updated principles and guidelines for handling substandard performance or misconduct cases involving civil servants with all types of disabilities, not only mental illness. The Commission has been consulted and has given its preliminary views on these updated principles and guidelines. After consulting the staff side, the Administration would seek the Commission's comments again before promulgating the updated principles and guidelines in the form of a Civil Service Bureau circular in the first half of 2013.



Mr Nicholas NG (sixth left), Chairman of the Public Service Commission, Mrs Lucia LI (fifth left), Mr Herbert TSOI (fourth left) and Mr Vincent LO (fifth right), Members of the Commission, accompanied by Mr HON Chi-keung (seventh right), Director of Civil Engineering and Development, visited the Kai Tak Development area.

7.1 In 2012, the Chairman and Members of the Commission visited the Agriculture, Fisheries and Conservation Department (“AFCD”), the Marine Department (“MD”) and the Civil Engineering and Development Department to exchange views with the top management of these departments on issues of mutual interest. The visit to the Tai Lung Veterinary Laboratory and Experimental Farm has greatly enhanced the Commission’s understanding of the important laboratory testing services provided by AFCD, particularly in the prevention of avian flu in

Hong Kong. Through the visit to the Vessel Traffic Centre and the Marine Rescue Co-ordination Centre, the Commission gained a good understanding of the important role played by MD in controlling vessel traffic and ensuring safety at seas. During the visit to the Energizing Kowloon East Office Building and the Kai Tak Development (“KTD”) area, the Commission was briefed on the new design concept of a temporary office building as well as the urban planning and design of KTD, which is a huge and highly complex development project.



Mr Nicholas NG (second left), Chairman of the Public Service Commission, Mr Herbert TSOI (third left), Ms Virginia CHOI (fourth left) and Mr Thomas CHAN (sixth left), Members of the Commission, accompanied by Mr Alan WONG (seventh left), Director of Agriculture, Fisheries and Conservation, visited the Tai Lung Veterinary Laboratory of the Agriculture, Fisheries and Conservation Department.



Mr Nicholas NG (second left), Chairman of the Public Service Commission, Mr Vincent LO (third left) and Ms Virginia CHOI (fourth left), Members of the Commission, accompanied by Mr Francis LIU (first right), Director of Marine, visited the Vessel Traffic Centre of the Marine Department.

8.1 The Commission would like to express its sincere gratitude to Miss Denise YUE, the former Secretary for the Civil Service, and Mr Paul TANG, the current Secretary for the Civil Service who have been most forthcoming and responsive to the views of the Commission. The Commission appreciates very much the level of support and assistance rendered by them and their staff in all its work. With their steer, a number of outstanding reviews and studies have been completed in the year. The Commission also warmly acknowledges the ready cooperation and understanding shown by Permanent Secretaries, Heads of Department and their senior staff in responding to the Commission's enquiries and suggestions during 2012.

8.2 As always, the staff of the Commission Secretariat have continued to provide unfailing support to the Commission by working most efficiently and maintaining a very high standard in vetting departmental submissions. In particular, the Chairman and Members of the Commission wish to place on record their appreciation to the outgoing Secretary of the Commission, Mrs Margaret CHAN, for her valuable support and contribution to the efficient operation of the Commission in her nearly three years of service with the Commission.

Appendix I **Curricula Vitae of the Chairman and Members of the Public Service Commission**



Mr Nicholas NG Wing-fui, GBS, JP

BSocSc (Hons) (HKU), MEd (HKU), FCIS, FCS

Chairman, Public Service Commission (appointed on 1 May 2005)

Mr Ng was a veteran civil servant. He joined the Administrative Service in 1971. Senior positions he held prior to his retirement include Deputy Secretary for the Civil Service (Staff Management) (1985 - 1987), Secretary-General of the Standing Commission on Civil Service Salaries and Conditions of Service (1989 - 1991), Director of Administration of the Chief Secretary's Office (1991 - 1994), Secretary for Constitutional Affairs (1994 - 1997) and Secretary for Transport (1997 - 2002).



Mr Nicky LO Kar-chun, SBS, JP

BSc (Hons) (HKU)

Member, Public Service Commission (appointed from 1 February 2006 to 31 January 2012)

Mr Lo is the President and Chief Executive Officer of Synnex Technology International (HK) Limited. He is a Member of the Advisory Committee on Post-service Employment of Civil Servants and the Independent Commission on Remuneration for Members of the Executive Council and the Legislature, and Officials under the Political Appointment System of the HKSAR. He was the Chairman of the Standing Commission on Civil Service Salaries and Conditions of Service from August 2006 to July 2012.



Mrs Mimi CUNNINGHAM KING Kong-sang

BA (Hons) (HKU), MBA (CUHK), MA (University of London)

Member, Public Service Commission (appointed from 1 February 2006 to 31 January 2012)

Mrs Cunningham is the Director of Human Resources and Sustainability of The Hong Kong Jockey Club. She is a Member of the Employees Retraining Board and the Standing Committee on Language Education and Research.



Ms WONG Mee-chun, JP

BSc (Econ) (LSE, London), ACA (England and Wales), AHKICPA Member, Public Service Commission (appointed from 1 July 2006 to 30 June 2012)

Ms Wong is a Member of the Fight Crime Committee. She also served as an Independent Non-Executive Director of Excel Technology International Holdings Limited from August 2002 to July 2012.



Prof CHAN Yuk-shee, SBS, JP

BBA (CUHK), MBA (UC at Berkeley), MA (Econ) (UC at Berkeley), PhD (Business Administration – Finance) (UC at Berkeley) Member, Public Service Commission (appointed on 1 December 2007)

Prof Chan is the President of the Lingnan University. He is a Member of the Independent Commission on Remuneration for Members of the Executive Council and the Legislature, and Officials under the Political Appointment System of the HKSAR and the Standing Committee on Judicial Salaries and Conditions of Service. He is also an Independent Non-Executive Director of Sa Sa International Holdings Limited.



Mr Vincent LO Wing-sang, BBS, JP

BA (Hons) (HKU), Solicitor of Supreme Court of Hong Kong, Notary Public, PRC Appointed Attesting Officer and Arbitrator Member, Public Service Commission (appointed on 23 May 2009)

Mr Lo is Consultant of Gallant Y.T. Ho & Co. He is the Chairman of the Art Museum Advisory Panel, the Social Welfare Advisory Committee and the Hong Kong Red Cross. He is also a National Council Member of Red Cross Society of China, a Member of the Advisory Committee on Arts Development and the Hospital Authority's Blood Transfusion Service Governing Committee. He also serves as a Member of the Advisory Committee on Post-service Employment of Civil Servants.

Appendix I **Curricula Vitae of the Chairman and Members of the Public Service Commission**



Mr Joseph PANG Yuk-wing, JP

BSocSc (Hons) (CUHK), MBA (CUHK), ACIB, FHKIB

Member, Public Service Commission (appointed on 1 February 2010)

Mr Pang is Senior Advisor of the Bank of East Asia Limited. He is a Member of the Board of Directors of the Hong Kong Science and Technology Parks Corporation, the Council of City University of Hong Kong, the Process Review Panel for the Financial Reporting Council and the Chung Chi College Board of Trustees of the Chinese University of Hong Kong. He also serves as the Director and the Governor cum Treasurer of the Tung Wah College Limited.



Mr Herbert TSOI Hak-kong, BBS, JP

LLM (London), Solicitor of Supreme Court of Hong Kong,

Notary Public, PRC Appointed Attesting Officer

Member, Public Service Commission (appointed on 1 May 2010)

Mr Tsoi is Partner (Solicitor) of Herbert Tsoi & Partners. He is a Co-opted Member of the Federation of Hong Kong Industries General Committee and a Member of the Court of the University of Hong Kong.



Mrs Lucia LI LI Ka-lai, SBS

MA (Hist) (CUHK), HKICPA

Member, Public Service Commission (appointed on 1 February 2012)

Mrs Li was a veteran civil servant. She joined the Accounting Officer Grade of the civil service in December 1976. She retired from the post of Director of Accounting Services in January 2009. She is now a Member of the Communications Authority.



Ms Virginia CHOI, JP

BSW (HKPU), FIHRM (HK)

Member, Public Service Commission (appointed on 1 February 2012)

Ms Choi is Managing Consultant and Country Manager of Tamty McGill Consultants International Limited. She was the President of the Hong Kong Institute of Human Resource Management from 2001 to 2005 and is now its Executive Council Member. She also serves as a member of the Advisory Committee on Social Work Training and Manpower Planning, the Council of the Open University of Hong Kong, the Hong Kong Housing Authority and the Legal Aid Services Council.



Mr Thomas CHAN Chi-sun, IDS

BA (Hons) (HKU)

Member, Public Service Commission (appointed on 10 February 2012)

Mr Chan joined the Independent Commission Against Corruption (“ICAC”) in 1974. Before he took up the post of Director of Community Relations, ICAC, in 2007, he had been the Director of Corruption Prevention, ICAC for 11 years. He retired from ICAC in 2008. Mr Chan is a Member of the Executive Committee of the Hong Kong Youth Hostels Association.



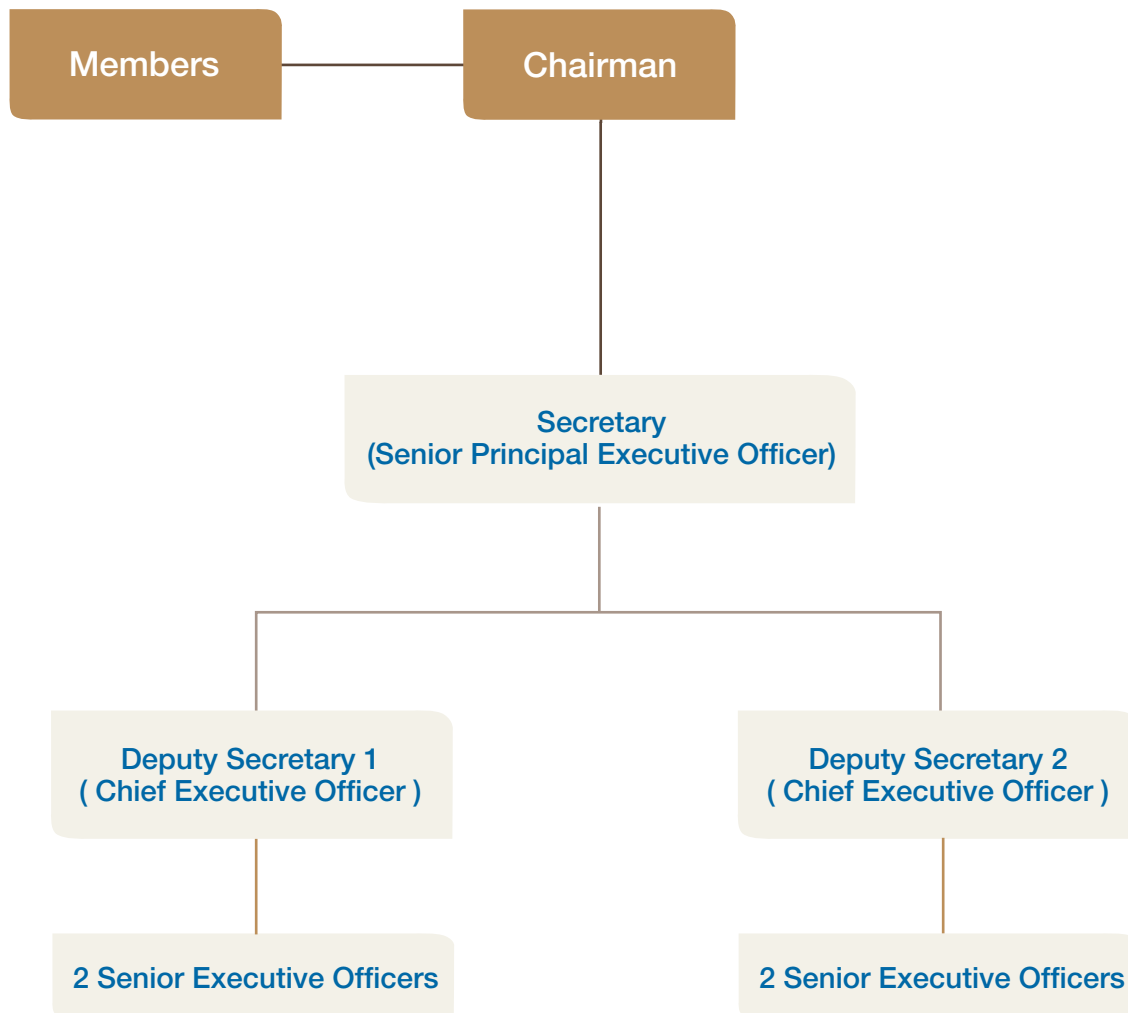
Mrs Paula KO WONG Chau-mui

BSocSc (Hons) (HKU)

Member, Public Service Commission (appointed on 6 July 2012)

Mrs Ko served as a Member of the Public Service Commission from 1 June 2005 to 30 September 2006. Before her retirement in 2011, she was the Head of Human Resources, Standard Chartered Bank (China) Limited. Mrs Ko also sits on the Staff Panel of the Scout Association of Hong Kong.

Appendix II Organisation Chart of the Public Service Commission Secretariat



Establishment

Directorate Executive Officer	1
Executive Officer Grade	6
Clerical Grade	16
Secretarial Grade	3
Chauffeur Grade	1

27

Appendix III Submissions Advised by the Commission

Category	Number of Submissions Advised				
	2008	2009	2010	2011	2012
Recruitment	116	126	93	106	121
Promotion/Acting Appointment	581	568	585	595	623
Other Civil Service Appointment Matters	181	178	138	184	276
Discipline	92	69	50	51	38
Total number of submissions advised	970	941	866	936	1 058
<i>(a) Number of submissions queried</i>	417	446	512	565	669
<i>(b) Number of submissions with revised recommendations following queries</i>	143	122	122	99	99
<i>(b) / (a)</i>	34%	27%	24%	18%	15%

Appendix IV Recruitment Cases Advised by the Commission

Terms of Appointment	Number of Recommended Candidates in 2012	
	Open Recruitment	In-service Appointment
Probation	851	5
Agreement	92	1
Trial	25	56
Subtotal	968	62
Total	1 030	

	Comparison with Previous Years				
	2008	2009	2010	2011	2012
Number of recruitment exercises involved	116	126	93	106	121
Number of candidates recommended	1 935	1 116	878	1 004	1 030
<i>Number of local candidates recommended</i>	1 934	1 115	877	996	1 029
<i>Number of non-permanent residents recommended</i>	1	1	1	8	1

Appendix V Promotion Cases Advised by the Commission

Category	Number of Recommended Officers				
	2008	2009	2010	2011	2012
Promotion	1 579	1 631	1 459	1 489	1 542
Waitlisted for promotion	30	84	64	41	69
Acting with a view to substantive promotion ("AWAV") or waitlisted for AWAV	367	270	273	352	304
Acting for administrative convenience ("AFAC") or waitlisted for AFAC	3 125	3 124	2 892	3 386	3 203
Total	5 101	5 109	4 688	5 268	5 118

	2008	2009	2010	2011	2012
Number of promotion exercises involved	581	568	585	595	623
Number of ranks involved	439	354	351	339	353

Appendix VI Other Civil Service Appointment Matters Advised by the Commission

Category	Number of Submissions Advised				
	2008	2009	2010	2011	2012
Non-renewal of agreement	4	0	2	0	2
Offer of shorter-than-normal agreements	11	0	2	7	1
• on performance or conduct grounds	5	0	0	0	0
• to tie in with the 60 th birthday of the officers concerned	6	0	2	4	1
• to meet service need	0	0	0	3	0
Renewal or extension of agreement	17	24	21	20	27
Refusal of passage of trial bar	1	6	4	1	1
Refusal of passage of probation bar	2	3	4	3	13
Deferment of passage of trial bar	8	32	14	12	9
Deferment of passage of probation bar	19	20	43	72	152
Early retirement of directorate officers under the Management Initiated Retirement Scheme	0	1	0	0	0
Retirement under section 12 of Public Service (Administration) Order	7	4	1	1	4
Extension of service or re-employment after retirement	23	11	12	13	13
• Directorate officers	0	5	6	5	7
• Non-directorate officers	23	6	6	8	6
Secondment	2	4	3	4	4
Opening-up arrangement	2	6	1	2	0
Review of acting appointment	13	10	7	2	3
Updating of Guide to Appointment	72	56	21	40	47
Revision of terms of employment	0	0	3	7	0
Government Training Scholarship	0	1	0	0	0
Total	181	178	138	184	276

Appendix VII Disciplinary Cases Advised by the Commission

Breakdown of Cases in 2012 by Salary Group

Punishment	Number of Cases Advised			
	Salary Group			Total
	Master Pay Scale Pt.13 and below or equivalent	Master Pay Scale Pt.14 to 33 or equivalent	Master Pay Scale Pt.34 and above or equivalent	
Dismissal	1	1	0	2
Compulsory Retirement + Fine	1	0	1	2
Compulsory Retirement	3	2	1	6
Reduction in Rank	0	0	0	0
Severe Reprimand + Reduction in Salary	0	0	0	0
Severe Reprimand + Fine	4	11	2	17
Severe Reprimand	1	1	0	2
Reprimand + Fine	4	1	0	5
Reprimand	2	2	0	4
Total	16	18	4	38

Appendix VII Disciplinary Cases Advised by the Commission

Breakdown of Cases in 2012 by Category of Criminal Offence/Misconduct

Punishment	Number of Cases Advised						
	Criminal Offence			Misconduct			Total
	Traffic related	Theft	Others ²²	Negligence, failure to perform duties or follow instruction, supervisory accountability and insubordination	Unpunctuality, unauthorised absence and abscondment	Others ²³	
Dismissal	0	0	1	0	1	0	2
Compulsory Retirement	1	0	7	0	0	0	8
Lesser Punishment	3	8	9	2	3	3	28
Total	4	8	17	2	4	3	38

Comparison with Previous Years

Punishment	2008	2009	2010	2011	2012
Dismissal	8	2	6	3	2
Compulsory Retirement	21	12	11	9	8
Lesser Punishment	63	55	33	39	28
Total	92	69	50	51	38

22 Including fraud, forgery, indecent assault and using a false instrument.

23 Abusing the use of office facilities, disclosing restricted information without permission and being rude to a member of the public.