

- (41) Where there is a clear operational need for staff of a grade or rank to work longer hours in comparison with the group norm, it should be suitably recognized in the pay scale. 4.75
- (42) The basis for calculating job-related allowances should be examined further in a separate exercise. 4.76

Creation of Senior Ranks

- (43) In examining the justification for an additional rank in a grade, apart from functional grounds, regard should be paid to the comparability of the new rank with equivalent ranks in the group. 4.80

Pay Rate for a Rank

- (44) The pay rate for a rank should be represented by its entire pay range rather than by a single salary point. 4.81

Criteria for Setting Pay Scales of Upper Ranks

- (45) Although the level of responsibility exercised is the major criterion in setting upper rank scales, where a considerable part of the duties of such ranks involve elements of hardship, they should be given recognition in the pay scale. 4.84

Overlapping Pay Scales

- (46) Overlapping pay scales should be retained or introduced where necessary. Where rank scales overlap, an officer on promotion should be converted to the salary point in the promotion rank next above his existing salary. 4.85

Two-increment Gaps

- (47) The two-increment gap between the second and third ranks in Group I of the Technical Inspectorate and Related Grades should be removed. 4.87

Omitted Points

- (48) The provision of omitted points in the pay scale should be retained and extended to other grades where appropriate. 4.90

Eligibility for Housing Benefits

- (49) Eligibility for private tenancy allowances (PTA) and non-departmental quarters (NDQ) should not be determined purely by reference to particular salary points. Instead, the main consideration should be the nature and level of responsibility of the officer concerned as well as his status in the civil service hierarchy. 4.96
- (50) All the ranks whose officers are eligible for PTA or NDQ should be specified. Ranks eligible for PTA or NDQ should initially include those which currently have a pay scale that starts at MPS 38 or MPS 48. Officers whose rank scales currently straddle MPS 38 should be eligible for PTA only upon reaching MPS 38 as they are at present. 4.96-  
4.97
- (51) Staff and management should be invited to give their views on the proposals in paragraphs 49 and 50 above before our definitive recommendation is made. 4.101

Reviewing External Pay Relativities

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| (52) | Only broad indicators of private sector remuneration will be produced for comparison.   | 5.3  |
| (53) | Pay comparison will be based on the educational qualification method.   | 5.7  |
| (54) | The primary aim of the comparison exercise is to establish benchmarks for starting rates of pay for entry ranks. Where possible, information on private sector remuneration for the comparable civil service upper ranks will also be obtained. | 5.8  |
| (55) | Information regarding fringe benefits in the private sector will be gathered separately from the salary component of the remuneration package, but no cash value will be assigned to those that are provided in kind.                           | 5.11 |

Performance-Related Pay

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| (56) | The possibility of introducing performance-related pay into the civil service should be explored further. | 6.11 |
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Arrangements for Motivating Long Serving Officers

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| (57) | Awards in kind as a token of appreciation are appropriate for rewarding long service and loyalty.  | 6.18 |
| (58) | The Administration should rationalize the rate for the Long Service Travel Award and should make more eligible officers benefit from the scheme. | 6.19 |

- (59) There is a particular need for motivating civil servants who have served in their rank and have remained on the maximum of their rank scale for some considerable length of time. An experimental performance-related award scheme for these officers may be desirable. 6.24
- (60) To be granted an award under the scheme, an officer must maintain a consistently high level of performance. Officers who maintain sustained satisfactory performance should also be awarded subject to a longer qualifying period. Details of the performance standard requirements should be developed by the Administration in consultation with the relevant parties. 6.26
- (61) As a start, the award scheme should cover only those officers in the first rank of grades. 6.27
- (62) The size of the award should be equivalent to one increment and the award should be payable monthly. Another award equivalent to a further increment may be granted after a further period subject to the performance requirements being met. 6.29
- (63) Awards should be withdrawn on a mark-time basis if the performance of an officer receiving them subsequently deteriorates to an unsatisfactory level. 6.30
- (64) The scheme, if endorsed, should take effect from a date not earlier than the date for implementing the recommendations arising from the overall review, and should be based on any new salary scales recommended. 6.32

- (65) The Administration should closely monitor this experimental scheme and a review should be conducted to determine whether it should become a permanent feature or be withdrawn. 6.34

#### Efficiency and Increment

- (66) The efficiency bars system should be abolished and replaced by a general provision in the Civil Service Regulations for stopping the incremental progression of an officer on the ground of inefficiency. 6.39
- (67) Efficiency should be a matter for regular assessment and monitoring. The Administration should continue to explore the feasibility of more satisfactory arrangements for monitoring the efficiency and performance of civil servants. 6.41
- (68) In conjunction with exploring arrangements for monitoring efficiency and improving performance, the Administration should expedite the review of the existing staff appraisal system with a view to developing a better system for assessing the performance of civil servants. 6.42

#### Promotion Prospects

- (69) Management should adopt a more flexible approach in examining any proposals to create new ranks or posts and be more responsive to changing circumstances. 6.45

#### Recruitment and Retention Problems

- (70) Where a persistent imbalance in the supply and demand of particular skills results in chronic recruitment or retention problems, there may be a need to adjust the pay scale. In this regard, the main determinant 7.9

should be the existence of persistent recruitment or retention difficulties and not just a disparity in salaries between the two sectors.

- (71) Attention should be given to accelerating the recruitment process in the civil service. 7.12
- (72) Management should be responsive to changing circumstances and the corresponding changes in requirements relating to staffing, working conditions and so on. They should also take suitable measures to meet the reasonable aspirations of staff in such respects as job satisfaction, training, career development and advancement. 7.13
- (73) Measures dealing with non-pay-related problems of recruitment and retention should be pursued without delay. 7.29
- (74) Pay-related measures which will be applied on a more permanent basis should be introduced only after the problems of the grade concerned are examined in the context of an overall review of the grade. 7.30
- (75) As an interim relief measure, a temporary allowance approximating to 10% of the starting pay of the first rank of the grade concerned should be introduced. 7.32
- (76) The temporary allowance should be applied to the five grades which have been examined as well as to such other grades identified by the Administration as having pressing problems. The allowance should generally apply only to ranks where direct recruitment takes place. 7.32

- (77) Any amount of the allowance should be recovered from the 'back-pay', if any, accruing from adjustment of the old pay scale. 7.33
- (78) If the amount paid under the allowance is more than the amount arising from the 'back-pay', the shortfall should not be recovered. 7.33
- (79) Where a strict application of the proposed allowance rate will result in some eligible officers receiving a higher gross pay than that received by officers in the next higher rank, the Administration should work out an appropriate arrangement for dealing with any such situations. 7.34

Review of Individual Grades

- (80) The order of the review will be set by reference to the existing civil service qualification groups: all the grades within a group will be examined in one batch. 8.3
- (81) The following groups of grades will be reviewed in our next phase of work :- 8.4
- Professional, Degree and Related Grades
- Polytechnic Higher Diploma, Diploma and Related Grades