

For discussion
on 21 October 2002

Legislative Council Panel on Constitutional Affairs

Responsibilities of principal officials under the accountability system

Purpose

This paper sets out the Administration's views on the responsibilities of principal officials under the accountability system.

Background

2. In discussing the Penny Stocks Incident, members of the Panel on Financial Affairs noted that the Panel of Inquiry on the Penny Stocks Incident had mentioned in its report that it adopted four broad categories of responsibilities for assessing the responsibilities of the concerned individuals and officials in the incident (i.e. policy responsibility, executive responsibility, systemic responsibility and personnel responsibility). Members questioned the propriety of adopting the four categories of responsibilities as it appeared that the Administration had never put forward and explained to Members such categories of responsibilities during the Council's deliberations on the accountability system. At its meeting on 8 October 2002, the Panel on Financial Affairs considered that the subject matter of how to define responsibilities of principal officials under the accountability system should be followed up by the Panel on Constitutional Affairs.

3. The Administration has been requested to provide a written response on the matter.

Responsibilities of principal officials

4. The four broad categories of responsibilities are categorisations adopted by the Panel of Inquiry on the Penny Stocks Incident.

5. As for the Administration, our view is that principal officials under the accountability system are responsible for all aspects of their portfolios: from determining policy objectives and goals, to policy initiation, policy formulation, policy implementation and policy outcome. More specifically, they have to, among other things, oversee the executive departments under their purview and ensure the effective implementation of policies and the delivery of satisfactory services to the public. They are accountable to the Chief Executive for matters falling within their respective portfolios. They shoulder total responsibility for the success or failure of their policies and, in extreme cases, may have to step down for serious policy failures relating to their respective portfolios.

6. Principal officials under the accountability system are underpinned by permanent secretaries who assist them in running the relevant bureaux and executive departments and in deploying resources to support the implementation of policies and delivery of services. Civil servants in executive departments are responsible for implementing policies, enforcing rules and regulations, and delivering services to the public. Deployment of civil servants within the bureaux and executive departments is largely a matter for the permanent secretaries and heads of departments. In the case of the most senior civil servants, the Secretary for the Civil Service may also be involved and the relevant principal official consulted.

7. Questions have been raised as to what constitutes “executive departments” and “statutory agencies” and their working relationship with the principal officials under the accountability system. Generally when we refer to “executive departments” as we do in the context of the accountability system, we mean the Government departments for which a Director of Bureau has responsibility. Such departments are responsible to the principal officials. In the case of statutory agencies within the purview of the relevant Directors of Bureau, due regard would have to be given to the relevant statutory provisions that establish the agencies. Statutory agencies may be required under the statute under which they are established to act independently in certain aspects. In general, subject to the relevant legislative provisions, statutory agencies enjoy a high degree of autonomy in their day to day operations, while the Government’s policy objectives are determined by the relevant Directors of Bureau.

8. In the course of discussing the accountability system, we undertook to review the working relationship between bureaux and executive departments within 12 months after implementation of the system. In conducting the review, Directors of Bureau will work towards the overall direction of streamlining the structure and improving the working relationship between bureaux and executive departments, merging and integrating similar functions being performed by both, making better use of resources and enhancing the efficient and effective implementation of policy and delivery of services to the public. The primary objective of the review is to ensure that the principal officials under the accountability system are better able to discharge their responsibilities in policy formulation and policy implementation.