

# **Democratic Local Governance Principles, Visions, Reforms**

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## **Part 1: Background**

1. A district governance review is overdue since the abolition of the Urban and Regional Councils in 1999. As a result of a District Councils Review in 2001, the District Councils and their members have been provided with more public funds. Yet, over the past 7 years the Government has remained lukewarm towards demands for administrative decentralisation and delegation of powers to the district level.
2. As announced by the Chief Executive in his Policy Address formal consultation on the review of District Councils will commence in the first quarter of 2006. In the face of strong demands for democracy and good public services, Hong Kong citizens will not be satisfied with piecemeal reforms aimed at preserving the status quo or resisting further democratisation of district-level governance.
3. In this position paper the author sets out to explain and advocate the principles, vision and reform proposals which we believe are going to capture people's imagination for a new era of democratic local governance.

## **Part 2: Principles of Democratic Local Governance**

4. Democratic local governance are indispensable for:
  - (a) understanding and interpreting both the conditions and the needs of local communities;
  - (b) bringing about an efficient and effective way to provide certain services and overseeing the implementation of public policies;
  - (c) enabling strategic planning and coordination of services;
  - (d) serving as a breeding ground of political leaders; and
  - (e) providing citizens with channels for meaningful political participation.
5. Common characteristics of democratic local governance include:
  - (a) Clearly delineated territorial boundaries as the meaningful foundations of community-building;
  - (b) Multi-functional portfolios, giving responsibility for a range of services so as to allow more local variations;
  - (c) A legal identity or persona as a body corporate with a name in which all activities are carried out;
  - (d) Stable and adequate provision of resources; and
  - (e) Democratic control of local administration by locally elected representatives who form the local bodies.
6. A basic premise of a rational advocacy for decentralisation and devolution is that there are certain services, say education and welfare services, where the special qualities of democratic local governance (openness to local participation, sensitivity to the popular will) are of particular importance. Above all, the desirable combination of these services is coordinated and determined by the elected local bodies.
7. In reality, central-local relations are always characterised by flexibility,

ambiguity and complexity, ranging from “laissez-faire”, through “regulatory” to “centralisation”. Centralisation is taken to mean the control exercised by the central authorities and centrally sponsored policy networks through selective incentives/disincentives or coercion over the choices of locally elected bodies. Laissez faire is taken to mean the high levels of freedom and autonomy of locally elected bodies to set priorities which they see as in their localities’ interests. Regulatory is taken to mean intervention from the centre with reference to some common standards of service or procedures applicable to all local communities.

8. Multi-level governance entails certain degree of flexibility with considerable variations between different policy areas. There is no need to adhere to a single model of central-local relations. The flexibility principle is closely bound up with the principle of proportionality whereby policymakers are required to explore possibilities available at all levels of governance in order to achieve the objectives of the policy in question.
9. The principles of transparency and subsidiarity (*principe de subsidiarité*) are of growing importance in many advanced democratic regimes, particularly the Member States of the European Union, whereby decisions are taken as openly as possible and as closely as possible to the citizen. These are principles whereby citizens are empowered to take part effectively in governance at all levels.

### **Part 3: The State of Local Governance in Hong Kong**

10. In Hong Kong, the constitutional basis of district governance has been stipulated by the Basic Law. Article 97 of the Basic Law reads, “District organisations which are not organs of political power may be established in the Hong Kong Special Administrative Region, to be consulted by the government of the Region on district administration and other affairs, or to be responsible for providing services in such fields as culture, recreation and environmental sanitation.” Article 98 further stipulates that “The powers and functions of the district organisations and the method for their formation shall be prescribed by law.”
11. The major players in district governance are the District Councils, Area Committees and District Officers.
12. Among the 529 members of the 18 District Councils in Hong Kong, 400 of them are elected by universal suffrage in single-member constituencies. There are 27 ex-officio members from the Rural Committees in the New Territories. The Government appoints the remaining 102 members.
13. As the only bodies at the district level with elected members, District Councils have been responsive to local needs and priorities. In addition, most District Council members provide a wide range of constituency services to the electorates.
14. According to the District Councils Ordinance (Cap. 547), the functions of District Councils are:

- (a) to advise the Government on matters affecting the well-being of the people in the District; and on the provision and use of public facilities and services within the District; and on the adequacy and priorities of Government programmes for the District; and on the use of public funds allocated to the District for local public works and community activities; and
- (b) where funds are made available for the purpose, to undertake environmental improvements within the District; the promotion of recreational and cultural activities within the District; and community activities within the District.

15. The functions of the Area Committees are:

- (a) to promote public participation in district affairs;
- (b) to advise and assist in the organisation of community involvement activities and the implementation of government-sponsored initiatives;
- (c) to offer advice on issues of a localised nature affecting the area;
- (d) to promote a sense of community spirit among residents and local organisations in the area;
- (e) to act as a forum for the discussion of matters of public interest and to provide feedback on them; and
- (f) to support the implementation of District Administration in the area.

16. District Officers are government officials who are given the task:

- (a) to represent the Government at the district level;
- (b) to oversee the operation of the District Administration Scheme;
- (c) to implement and co-ordinate the execution of district programmes, ensuring that the advice of the District Council is properly followed up;
- (d) to promote residents' participation in district affairs;
- (e) to maintain close liaison with different sectors of the community to reflect their views to Government;
- (f) to ensure that district problems are resolved promptly through inter-departmental consultation and co-operation;
- (g) to serve as a link between the District Council and Government departments and a mediator between unions, corporate bodies and residents; and
- (h) to act as a co-ordinator in the provision of relief services in emergency situations.

17. In addition, there are a whole range of other district-level bodies such as the District Management Committees, District Fight Crime Committees, District Fire Safety Committees, and the District Clean Hong Kong Committees.

18. In spite of (because of) a host of district bodies, residents are left with no identifiable body responsible for the strategic planning of services and political leadership. Such a model of district administration is an anachronism and a far cry from modern democratic local governance whereby popularly elected local authorities and active citizen participation are indispensable for the successful implementation of policies and provision of public services.

19. It is regrettable that after the abolition of the two municipal councils in 1999

the Government has shown no interest to review the functions, structure, and the culture of district administration. Worse still, to help tilt the political balance of district politics further in favour of the Government, appointed seats that had been abolished by the British administration were brought back to the District Councils in 2000.

20. As a result of the District Councils Review in 2001, District Councils have been provided with additional resources for a new remuneration and allowance package, community-level cultural and recreational activities, minor environmental improvement projects, as well as training courses for Members and their assistants.
21. Paradoxically, District Councils and their members are held in low esteem by policymakers, commentators and Hong Kong citizens at large. Signs that District Councils have limited clout are abound: limited media interest in their works, restrictive modes of citizen participation in district affairs, and uncertain and uneven impacts of District Councils on provision of services and issues that matter to residents.
22. At the wake of district-level politics in the 1980s-90s, District Boards (predecessors of District Councils) were rightly seen as cradles of political talents and emergent political parties. Nowadays, it is no secret that District Councils have less to offer in terms of political recruitment, exposures to local governance issues, and career prospects for existing and potential members.
23. All this suggests that the Government's efforts to keep district politics on a shorter leash have, despite better allocations of resources for the District Councils, failed to stifle the growing pressures for a new model of local governance.
24. Therefore, the author calls for stronger visions for democratic local governance and commitments to administrative decentralisation and delegation of powers to the regional or district levels.
25. In the medium term, there is a good case for the establishment of 5 municipal authorities, on the basis of the 5 geographical constituencies in the Legislative Council elections, to translate the aforementioned principles and characteristics of democratic local governance into reality.
26. In the meantime, we believe the building of a new model of local democratic governance should commence with the present round of District Councils review in order to pave the way for further changes in the coming years.

## **Part 4: Recommendations for District Councils Review 2006**

### **Turning District Councils into a Hub in District Administration:**

27. District Councils, which are the embodiment of the interests of the districts, should be empowered to provide political leadership in community building.

28. It is in the interest of the local democratic governance to help District Councils develop into self-governing, autonomous bodies which are held accountable by the residents.
29. As a matter of principle the Government should accept the results of the District Councils elections. Therefore, the Chief Executive should have no power to appoint District Council members.
30. Moreover, in accordance with Hong Kong society's aspiration for democracy all appointed seats in the District Councils should be abolished when the existing term ends in 2007.
31. District Councils should be vested with the powers of initiative, management and control of environmental improvement projects, as well as recreational, cultural and community matters within the district.
32. To facilitate the planning and prioritising of projects within the district, District Councils should have reliable access to information and official data which may be of particular interest to them.
33. To encourage a culture of accountability and learning, District Councils may carry out an annual assessment of the overall performance of the District Officers, and the various Government departments within the district.
34. Another new idea of local governance includes inter-District collaborations between District Councils and their committees on issues of shared concern or on Government projects whose effects extend beyond District Councils' boundaries.
35. Each District Council and their committees should be assisted by a Secretariat whose staff members are appointed by the District Council.

**Strengthening the Advisory Roles of District Councils:**

36. To further enhance the advisory functions of District Councils, all policy bureaus, departments and the Legislative Council should take the initiative to encourage greater involvement of District Councils in the policy-making process. Such consultations should, where appropriate, take into account the local dimension of the action envisaged. Government officials and lawmakers should review their positions in the light of reasoned opinions issued by District Councils.
37. To enhance District Councils' ability to issue reasoned opinions on policy and on other matters which may be of particular interest to them, additional resources should be available for the development of their research capabilities and for engaging expertise in various fields.
38. To encourage the use of innovative methods of empowering citizens in district governance, each of the District Councils should be provided with additional resources to devise new strategies for public consultation, deliberation and participation. Such review should proceed in accordance with the principles of democracy, transparency, accountability, and subsidiarity.

## **Enhanced Cooperation between District Councils and the Legislative Council:**

39. Currently members of the Legislative Council hold on a roster basis meetings with members of the 18 District Councils to discuss and exchange views on matters of mutual interest and concern. Each meeting is followed by a luncheon attended by the President and Members.
40. Issues on matters of policy raised at these meetings are referred to the relevant Legislative Council panels/committees for more in-depth study while individual cases are taken up by the Complaints Division for follow-up with the Administration. However, outcomes of such contacts are by and large unknown to the general public.
41. In our view, the Legislative Council and District Councils shall together determine how enhanced cooperation may be effectively and regularly organised and promoted in improve governance at both central and district levels.
42. The author therefore recommends the establishment of a Panel on District Councils by the Legislative Council, whose functions are:
  - (a) to study the guiding principles of enhanced cooperation;
  - (b) to submit any contribution it deems appropriate for the attention of the Legislative Council and the District Councils;
  - (c) to promote the exchange of information and opinions between District Councils and the Legislative Council, including their committees;
  - (d) to organise conferences on specific topics, in particular to debate matters of public service deliveries: fire safety, police, public health, post-offices, public works, environmental planning and protection, urban renewal, town-planning, land use, education, housing, social services, as well as cultural, sporting and recreational facilities.
43. Wherever appropriate, District Council Chairpersons, Vice-chairpersons, and other members should be invited to attend the meetings and conferences under the auspices of the Panel on District Councils.

## **Conclusions**

44. This study recommends a three-pronged approach to the current review on the roles and powers of District Council, namely
  - (a) to develop District Councils into a hub of a new model of local democratic governance;
  - (b) to strengthen the advisory role of District Councils; and
  - (c) to promote enhanced cooperation between the Legislative Council and District Councils on a wide range of policy areas.
45. As for the benefits of this approach to District Councils reform, this new model of governance will bring about a change from:
  - (a) an emphasis on hierarchical decision-making and policy implementation

- to an approach stressing grassroots democracy, accountability, and participatory model of public consultation and decision-making;
- (b) an elusive structure of district administration to a stress on the horizontal accountability within the district;
  - (c) an administrative culture that values centralisation and uniformity to one that encourages innovation and diversity; and
  - (d) a relative shift in the balance of priorities of District Council members from direct provision of constituency services to strategic planning, management, coordination and scrutiny of public services within the district.