## 立法會 Legislative Council

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#### **Panel on Home Affairs**

# Background brief prepared by the Legislative Council Secretariat for the meeting on 18 February 2013

#### **District Administration**

#### **Purpose**

This paper provides a summary of the major views and concerns expressed by members of the Panel on Home Affairs ("the Panel") on issues relating to district administration.

#### **Background**

- 2. According to the Administration, its policy objective in district administration is to promote community development to nurture civic responsibility and a sense of belonging. To this end, the Administration has since 1982 implemented the District Administration Scheme, which is underpinned by the District Councils ("DCs") and the District Management Committees established in the 18 districts in Hong Kong.
- 3. In the Administration's view, DCs play a pivotal role in district administration. They monitor the provision and delivery of district services, and advise the Government on matters relating to the local community. The Government also consults DCs on territory-wide issues. Through undertaking community involvement ("CI") programmes and district minor works ("DMW") projects, DCs encourage public participation in district affairs as well as sports, arts and cultural development. The functions of DCs as set out in section 61 of the District Councils Ordinance (Cap. 547) are in **Appendix I**.
- 4. Subsequent to the initiative to strengthen the role and functions of DCs announced in the 2005-2006 Policy Address, the Administration conducted a comprehensive review of the role, functions and composition of DCs in 2006 ("the 2006 DC Review"). The measures to enhance the role and functions of DCs as recommended in the 2006 DC Review had been fully implemented in the 18 districts from January 2008. These measures included inviting DCs to

participate in the management of some district facilities, providing additional resources to DCs for carrying out CI programmes and DMW projects, strengthening the communication between the Administration and DCs, as well as improving the remuneration package for DC members to enable them to discharge their enhanced role following the implementation of the recommendations of the 2006 DC Review.

5. To prepare for the 2011 District Council Election, the Administration conducted, in consultation with the Independent Commission on Remuneration for Members of the District Councils of the Hong Kong Special Administrative Region ("the Independent Commission"), a review of the remuneration package for DC members in 2010. Pursuant to the review, a series of proposed enhancements to the remuneration package for DC members, which mainly included the introduction of an accountable medical allowance and an end-of-term gratuity as well as an increase in the rate of the accountable operating expenses reimbursement ("OER") (formerly known as operating expenses allowance), were approved by the Finance Committee ("FC") in December 2010 and fully implemented on 1 January 2012 (i.e. the commencement date of the current DC term).

#### Major concerns raised by members during past discussions

6. At the Panel meetings held in the Fourth Legislative Council ("LegCo"), members had expressed concerns over various issues related to district administration in the context of discussing the implementation of recommendations arising from the 2006 DC Review and the Administration's proposed enhancements to the remuneration package for DC members in 2010. Members' major views and concerns are summarized in the ensuing paragraphs.

#### Role and functions of DCs

- 7. Some members expressed dissatisfaction that the functions of DCs remained to be advisory, and criticized the Government for being unwilling to confer DCs with more power to facilitate their management and monitoring of district facilities. These members considered that without the appropriate power, it would be difficult for DCs to fulfill a more proactive and meaningful role in district administration. They also queried the Administration's commitment to honour its undertaking to delegate the powers of the two former Municipal Councils to DCs.
- 8. Some other members considered that while progress had been made to enhance the participation of DCs in the management of some district facilities, the Administration could delegate further power to DCs in the management of

cultural and recreational facilities, as well as those relating to food and environmental hygiene. The Administration was urged to confer powers and responsibilities to DCs to participate in the planning of major community works and ancillary facilities required by the respective districts for the development of an integrated and comprehensive community.

- 9. The Administration advised that under the Basic Law, the main role of DCs was to serve as an advisory body in district administration and other local affairs. Pursuant to the 2006 DC review, the role and functions of DCs had been enhanced progressively under the aforesaid parameter. While the administrative power for district/public facilities was vested with the Heads of the relevant bureaux/departments, the Government had invited DCs to participate in the management of district facilities where feasible and practicable. The Government would also give due regard to the views of DCs in the policy making process, as it would be difficult to implement policy proposals without the support of DCs. For instance, District Planning Officers would attend DC meetings of their respective districts to listen to the views of DC members, and solicit their support on major development proposals before taking forward these proposals.
- 10. The Administration further clarified that the Government had not given a commitment to devolve all the powers of the two former Municipal Councils to DCs. Regarding the suggestion for conferring DCs with the administrative power for the planning and management of district facilities, the Administration advised that it was not the Government's intention to change the positioning of DCs as an advisory body under the law. Neither did the Administration see a consensus in the community for DCs to function as an administrative body.

#### Communication between the Government and DCs

- 11. Some members considered that the arrangements for senior government officials to attend DC meetings would be more fruitful if there were more discussions on broader policy issues. Other members opined that in the absence of a close partnership and collaboration with DCs, the attendance of senior officials at DC meetings was merely an act of formality. There was a suggestion that the Home Affairs Bureau ("HAB") should take the lead to coordinate with various bureaux/departments in tackling district issues requiring inter-departmental collaboration.
- 12. According to the Administration, while District Officers would consult DCs on specific district issues to ensure that district needs were promptly met, Principal Officials and Heads of Departments were mainly engaged in exchanging views with DC members on territory-wide policy issues. In the Administration's view, the Steering Committee on District Administration

chaired by the Secretary for Home Affairs was able to facilitate effective coordination among government departments to deal with district issues. The Administration undertook to further strengthen this mechanism with a view to resolving issues raised by DCs as far as possible and practicable.

#### Remuneration package for DC members

- 13. Some members took the view that the remuneration package for DC members should be commensurate with their powers and responsibilities, and urged the Administration to study the powers and functions of DCs in conjunction with its review on DC members' remuneration package. They also called for the conduct of public consultation to gauge public views on DC members' role and work, as well as their remuneration. The Administration advised that following the same practice adopted for LegCo Members, it did not see the need for public consultation on the remuneration package for DC members, as public views should be adequately reflected during the deliberations of the Independent Commission, an independent body comprising non-DC members from a wide spectrum of background.
- 14. In response to members' view that the current level of honorarium was insufficient to attract more people of high caliber to join DCs, the Administration advised that the enhanced remuneration package for DC members in 2010 had been drawn up on the basis of the views collected from various sectors of the society and the recommendations of the Independent Commission, and due regard had been given to the operational needs of DC members and public expectation.
- 15. Some members considered that given the difficulty faced by many DC members in renting offices at the prevailing market rental level, OER for DC members should be further increased to enable them to cover their rental expenses for ward offices. The Administration explained that in reviewing the remuneration package for DC members in 2010, the Independent Commission had taken into account the situation and come to the view that a 15% increase in the rates of OER was reasonable.

#### Support to DCs

16. In response to members' concern about the manpower support for DC secretariats to complement the enhanced role and functions of DCs in district affairs, the Administration assured members that although DC secretariats were part of the civil service establishment under the Home Affairs Department ("HAD"), they had been providing administrative support to DCs independently. The existing arrangement should adequately serve the need of DCs as an advisory body, and allow flexibility in the deployment of manpower. While

the Administration had strengthened the manpower support for DC secretariats since 2008-2009, the Administration would endeavour to further enhance the support to DCs if necessary.

#### Implementation of DMW projects

17. There was a suggestion that the Administration should consider engaging in-house professionals, such as engineers of the Works Section of HAD to handle the DMW projects. Some members considered that the cost ceiling for individual DMW projects had barred DCs from implementing large-scale projects with more direct impact on the livelihood of the local community, such as drainage systems. According to the Administration, as the Works Section of HAD did not have the capacity to implement all the DMW projects, the services of term consultants were required with a view to enhancing the capacity and capability of DCs in the delivery of projects of larger scale and greater complexity. The Administration undertook to consider members' suggestion for the establishment of a standing mechanism for DCs to propose major project items for FC's consideration.

#### **Recent developments**

- 18. At the Council meeting of 17 October 2012, the Chief Executive ("CE") stated that he put forward the idea of "addressing district issues at the district level and capitalizing on local opportunities" so as to gradually relax the Government's "all-embracing" hand on district affairs, encourage members of the community to play a more active role, and enhance the efficiency of district administration by leveraging the wisdom and power of local communities.
- 19. In response to an oral question raised by Mrs Regina IP on the remuneration package for DC members at the Council meeting of 14 November 2012, the Administration advised that it had attached great importance to DCs' significant role and was considering a series of policy measures to strengthen district administration. The Administration aimed to draw up the relevant measures by early 2013.
- 20. In his inaugural Policy Address delivered on 16 January 2013, CE announced a package of policy initiatives to enhance the functions of and support to DCs. These initiatives included earmarking a one-off grant of \$100 million for each district to carry out signature projects, increasing the current provisions for DMW projects, providing an additional \$20.8 million a year for CI programmes to enhance the work of DCs in promoting arts and cultural activities at the district level, and reviewing the allowance and expense reimbursement arrangements (including the arrangements for renting premises

for ward offices) for DC members as appropriate.

- 21. At its meeting on 18 January 2013, the Panel received a briefing from the Administration on the policy initiatives under the purview of HAB in the 2013 Policy Address. On the initiatives in respect of district administration, many members considered that the Administration should further enhance the roles and functions of DCs by delegating more powers formerly exercised by the two Municipal Councils to DCs. Members were also concerned about the implementation and monitoring of the signature projects to be initiated by DCs.
- 22. Members were advised that the Administration would actively study how to take forward the present mode of district administration to enhance the functions of DCs, enable DC members to play a more active role in district affairs and facilitate the coordination of government departments in service delivery at district level by the District Officers. According to the Administration, the signature projects to be proposed by DCs, which might include works and/or non-works elements, would be larger in scale (since the capital investment of each project should be no less than \$30 million) and more effective in meeting the overall needs of individual districts. In addition to the total sum of \$1.8 billion, the Government would further set aside \$200 million to finance the preparation work before the proposed signature projects were submitted to the Public Works Subcommittee and FC for funding approval.
- 23. The Administration will brief the Panel on its key measures to enhance district administration at the Panel meeting on 18 February 2013.

#### Relevant papers

24. A list of the relevant papers on LegCo's website is in **Appendix II**.

Council Business Division 2
<u>Legislative Council Secretariat</u>
15 February 2013

#### **Functions of District Councils**

According to Section 61 of the District Councils Ordinance (Cap. 547), the functions of a DC are -

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

## Appendix II

### **Relevant papers on District Administration**

Committee	Date of meeting	Paper
Panel on Home Affairs	10.11.2006 (Item IV)	Agenda CB(2)257/06-07(01)
D 1 II ACC:	·	
Panel on Home Affairs	14.12.2007 (Item V)	Agenda CB(2)556/07-08(01)
Panel on Home Affairs	13.2.2009	Agenda
	(Item IV)	Minutes
Panel on Home Affairs	9.7.2010	Agenda
	(Item III)	Minutes
Panel on Home Affairs	12.11.2010	Agenda Minutes
	(Item V)	<u>winutes</u>
Finance Committee	3.12.2010 (Item 2)	Agenda FCR(2010-2011)46
I		
Legislative Council	14.11.2012	Official Record of Proceedings Pages 1805-1816 (oral question
		on "Remuneration Package for
		District Council Members")
Legislative Council	17.10.2012 (Item II)	Agenda
	(200211-22)	Official Record of Proceedings
		Page 46
Panel on Home Affairs	18.1.2013 (Item IV)	Agenda
	(Item IV)	Administration's paper on "2013
		Policy Address - Policy Initiatives of Home Affairs
		Bureau"
		2013 Policy Address

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