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Panel on Home Affairs

Background brief prepared by the Legislative Council Secretariat for the meeting on 12 April 2016

Issues relating to 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

District administration

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 ("DMC") 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. The functions of DCs as set out in section 61 of the District Councils Ordinance (Cap. 547) ("DCO") are in **Appendix I**.

4. 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, inter alia, inviting DCs to participate in the management of some district facilities, providing additional resources to DCs

for carrying out community involvement ("CI") programmes and district minor works ("DMW") projects, as well as strengthening the communication between the Administration and DCs.

New initiatives implemented in recent years

5. At the Council meeting of 17 October 2012, the Chief Executive ("CE") put forward the concept of "addressing district issues at the district level and capitalizing on local opportunities" under which the Government sought to gradually relax it'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 To take forward this concept, CE announced in his 2013 Policy communities. Address a package of policy initiatives to enhance the functions of and support These initiatives included earmarking a one-off allocation of to DCs. \$100 million for each district to carry out the Signature Project Scheme ("SPS")¹, increasing the annual allocation for DMW projects from \$320 million to \$340 million as well as providing an additional allocation of \$20.8 million under CI Fund to enhance the work of DCs in promoting arts and cultural activities at district level.

6. In 2014, a pilot scheme on enhancement of district administration through DMC was launched in Sham Shui Po and Yuen Long ("the Pilot Scheme"). The Pilot Scheme, which ran from April 2014 till August 2015, provided the DMCs concerned with the decision-making power to tackle the management and environmental hygiene problems of some public areas. DCs advised on the work priorities. A one-off allocation of \$5 million, including provision for the employment of non-civil service contract staff, was provided to each of the two districts to implement the Pilot Scheme.

7. To further strengthen support for DCs in promoting arts and cultural activities in the districts, the Government increased the annual funding for CI programmes by \$20.8 million for five financial years starting from 2015-2016

¹ To fulfill the aspiration of DCs for carrying out projects of a larger scale in order to meet specific needs of their districts, the Government launched SPS in 2013. Each DC may initiate one to two SPS project(s) that will address local needs or be able to highlight the characteristics of the district, as well as having a visible and lasting impact in the community. Depending on DC's views and needs of the district, an SPS project may be works or non-works in nature, or a mixture of both. All SPS projects are subject to a lower limit of \$30 million and an upper limit of \$100 million. DCs may partner with relevant non-profit-making organizations, business organizations, statutory bodies or government departments to implement the SPS projects.

till 2019-2020. The total allocation for CI Fund was \$361.6 million in 2015-2016.

Major concerns raised by the Panel members

8. Major views and concerns expressed by the Panel members on issues relating to district administration are summarized in the ensuing paragraphs.

Role and functions of DCs

9. Some members held the view that the Administration should further enhance the roles and functions of DCs by delegating more powers exercised by the two former Municipal Councils to DCs. These members urged the Administration to conduct a comprehensive review of DCO.

10. 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. 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 ("DOs"). However, the Administration had no plan to conduct a comprehensive review of DCO at the present stage.

Communication between the Government and DCs

Some members considered that the arrangements for senior government 11. 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 should take the lead to coordinate with various bureaux/departments in tackling district issues requiring inter-departmental collaboration.

12. According to the Administration, while DOs would consult DCs on specific district issues to ensure that district needs were promptly met, Principal Officials and Heads of Departments ("HoDs") 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 Permanent 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.

The Pilot Scheme

According to the Administration, DMCs played a facilitating role and had 13. no decision-making power. Although DMCs were chaired by DOs, the latter was not empowered to direct other departments in implementing its recommendations. Organizationally, frontline departmental staff reported to their HoDs who in turn reported to their respective policy bureaux. In cases where the demands of the districts were not aligned with the objectives and priorities of the departments and bureaux, or when the demands had read-across/territory-wide implications, the departments would not be able to accept DMC's advice and recommendations. The Pilot Scheme would enable DMC to have the decision-making power to tackle certain district-problems. The Pilot Scheme would also provide useful experience for and shed light on practical and effective ways to tackle specific district issues, so as to progressively took forward the concept of "addressing district issues at the local level and capitalizing on local opportunities".

14. Some members were of the view that instead of empowering respective DMCs headed by DOs to identify district needs, establish priorities among these needs and coordinate departments' programmes and efforts to resolve the problems identified, the decision-making power should rest with DCs in order to reflect their enhanced role and functions in district administration.

15. The Administration explained that although DMC was chaired by the respective DO, it comprised the DC Chairman and Vice-Chairman, chairmen of DC committees, and district representatives of the relevant frontline departments. DMC provided a regular platform to discuss and resolve district problems, follow up on the advice and recommendations of DC and coordinate the work of various departments at the district level. It was for this reason that the relevant DMCs were given decision-making power to tackle district issues involving the management and environmental hygiene problems of some public areas.

16. Some members considered that the level of support required by individual districts might vary, the Administration should review and adjust the level of assistance, in the light of the experience gained from the Pilot Scheme and having regard to the unique situation and characteristics of individual districts. Many members were of the view that initiatives/programmes that had been proven as successful under the Pilot Scheme should eventually became a policy that would be implemented across the territory. The Administration advised

that it would conduct an overall review upon completion of the Pilot Scheme with a view to ascertaining its cost-effectiveness and making a recommendation on the way forward.

17. In response to member's enquiry on whether consideration would be given to expanding the scope of the Pilot Scheme so that DC's role in district administration would cover also the management of leisure and sports facilities, the Administration advised that it would not exclude any feasible option, if the situation so warranted in future.

Implementation of DMW projects

18. There was a suggestion that the Administration should consider engaging in-house professionals, such as engineers of the Works Section of the Home Affairs Department ("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.

19. Members noted that at the meeting between the Legislative Council ("LegCo") Members and North DC members on 14 May 2015, some LegCo Members opined that the annual allocation for DMW should be increased to enable DCs to implement more projects to improve district facilities. The issue was referred to the Panel for consideration of reviewing the adequacy of funding for DMW and the manpower of the Works Section of District Offices (L/C Paper No. CB(2)79/15-16(01)).

Recent developments

20. In response to a written question raised by Mr Albert HO on the system of declaration of interests for DCs at the Council meeting of 25 March 2015, the Administration advised that HAD had, with reference to the guidelines for a two-tier reporting system devised by the Independent Commission Against Corruption, formulated provisions on the operation of DCs, under which DC members were required to declare their general pecuniary interests or other material benefits upon resumption of office, and make a declaration when there was any conflict of interests. The two-tier reporting system comprised register of members' interest and declaration of interests at meetings.

21. According to the Policy Address 2016, the Pilot Scheme implemented in Sham Shui Po and Yuen Long had achieved satisfactory results. The Government suggested implementing it in all 18 districts and renamed it as the District-led Actions Scheme to further take forward the concept of "addressing district issues at the local level and capitalizing on local opportunities".

22. The Administration will brief members on its key measures to enhance district administration and the new initiative to be launched in the fifth DC term (2016 - 2019) at the next Panel meeting on 12 April 2016.

Relevant papers

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

Council Business Division 2 <u>Legislative Council Secretariat</u> 11 April 2016

Functions of District Councils

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

Relevant papers on issues relating to District Administration

Committee	Date of meeting	Paper
Legislative Council	17.10.2012 (Item II)	Agenda
	(nom n)	Official Record of Proceedings
		Page 46
Panel on Home Affairs	18.1.2013	Agenda
("HA Panel")	(Item IV)	Minutes
	18.2.2013	Agenda
	(item V)	<u>Minutes</u>
	24.1.2014	Agenda
	(Item I)	<u>Minutes</u>
Legislative Council	26.3.2014	Official Records of Proceedings
		Pages 99 to 102
	16.4.2014	Official Records of Proceedings
		Pages 109 to 121
HA Panel	12.12.2014	Agenda
	(Item V)	<u>Minutes</u>
	6.2.2015	Agenda
	(Item IV)	<u>Minutes</u>
Legislative Council	25.3.2015	Official Records of Proceedings
		Pages 83 to 85 and 153 to 155
	3.2.2016	Official Records of Proceedings
		Pages 68 to 81
HA Panel	17.2.2016	Agenda
	(Item III)	

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