# **Chapter 1**

# The Administration

The Hong Kong Special Administrative Region was established on 1 July 1997 under the principle of 'one country, two systems', 'Hong Kong people administering Hong Kong' and a high degree of autonomy, in accordance with the Basic Law.

## Structure of the Administration

The Chief Executive is the head of the Hong Kong Special Administrative Region (HKSAR) Government. The Chief Secretary for Administration, the Financial Secretary or the Secretary for Justice deputises for the Chief Executive during any temporary absence.

The Chief Secretary for Administration and the Financial Secretary together supervise the work of 15 policy bureaus, each headed by a Director of Bureau, usually referred to as the bureau's 'Secretary'. Together, they form the Government Secretariat. There are 56 departments. The Audit Commission reports to the Chief Executive, the Hong Kong Monetary Authority reports to the Financial Secretary while the Department of Justice reports to the Secretary for Justice. The remaining 53 departments are responsible to their relevant bureau secretaries for the efficient implementation of approved policies.

In addition, the Independent Commission Against Corruption (ICAC), the Office of the Ombudsman and the Public Service Commission report directly to the Chief Executive.

The Chief Secretary for Administration, the Financial Secretary, the Secretary for Justice, the three Deputy Secretaries of Departments and the 15 Directors of Bureaus are politically appointed and defined as 'principal officials' in the Basic Law. They are appointed by the Central People's Government on the Chief Executive's nomination for a five-year term, which will not exceed the term of the Chief Executive who nominates them. They are all members of the Executive Council – Hong Kong's equivalent of a Cabinet – and are accountable for matters falling within their respective portfolios. The Director of the Chief Executive's Office is also a politically appointed official, with the same terms of employment as those of a Director of Bureau.

Two other layers of politically appointed officials, the Under Secretaries and Political Assistants, support the principal officials in carrying out political work.

# **Chief Executive**

The Chief Executive, who is the head of the HKSAR and the HKSAR Government, leads the government. The Chief Executive is responsible for implementing the Basic Law, signing bills and budgets passed by the Legislative Council, promulgating laws, making decisions on government policies and issuing executive orders, among other duties. The Executive Council assists the Chief Executive in policymaking.

## **Executive Council**

The Basic Law requires the Chief Executive to consult the Executive Council before making important policy decisions, except for the appointment, removal and disciplining of officials and the adoption of measures in emergencies; introducing bills to the Legislative Council; making subordinate legislation; or dissolving the Legislative Council. The Chief Executive in Council also determines appeals, petitions and objections under those ordinances which confer a statutory right of appeal. If the Chief Executive does not accept a majority opinion of the Executive Council, he or she shall put the specific reasons on record.

As at 31 December, the Executive Council had 37 members, comprising 21 Principal Officials and 16 Non-Officials. As provided for in the Basic Law, the Chief Executive appoints members of the Executive Council from among the principal officials of the executive authorities, members of the Legislative Council and public figures. They must be Chinese citizens who are permanent residents of the HKSAR with no right of abode in any foreign country. The Chief Executive decides on the appointment or removal of Executive Council members, whose term of office shall not extend beyond the expiry of the term of office of the Chief Executive who appoints them.

The Chief Executive presides at Executive Council meetings, which are normally held once a week. Its proceedings are confidential, although many of its decisions are made public. The Executive Council held 37 meetings during 2023.

# **Chief Secretary for Administration**

The Chief Secretary for Administration is the leading principal official of the HKSAR Government, a member of the Executive Council, and the most senior official to assume the Chief Executive's duties if the Chief Executive is not able to discharge those duties for a short period.

The Chief Secretary for Administration supports the Chief Executive in administering Hong Kong, advises the Chief Executive on policy matters, and plays an important role in policy coordination on complex issues that straddle various policy bureaus. The Chief Secretary for Administration chairs the Policy Committee which serves as the clearing house for policy and legislative proposals before they are put to the Executive Council and the Legislative Council. The Chief Secretary for Administration is responsible for fostering relations between the government and the Legislative Council, and for drawing up the government's legislative programme.

The Chief Secretary for Administration exercises certain statutory functions, including the handling of appeals and matters of certain public bodies, and also chairs various major advisory committees.

# **Deputy Chief Secretary for Administration**

The Deputy Chief Secretary for Administration assists the Chief Secretary for Administration in supervising the nine bureaus under his charge and coordinating the formulation and implementation of policies that cut across various bureaus and departments. The Deputy Chief Secretary for Administration also plans, coordinates or takes charge of specific policy areas or projects as directed by the Chief Executive and the Chief Secretary for Administration.

# **Financial Secretary**

The Financial Secretary's primary responsibility is to oversee policy formulation and implementation of financial, monetary, economic, trade development, housing, transport, logistics, innovation and technology as well as industrial matters. He exercises control over the Exchange Fund with the assistance of the Monetary Authority, and is a member of the Executive Council.

The Financial Secretary is also in charge of the Government Budget. He outlines in the annual Budget speech the government's vision and policies for sustainable economic development, presents budgetary proposals and moves the Appropriation Bill, which gives legal effect to the annual expenditure proposals in the Budget.

# **Deputy Financial Secretary**

The Deputy Financial Secretary assists the Financial Secretary in coordinating formulation and implementation of cross-bureau or departmental policies and supervising the policy bureaus under his charge. The Deputy Financial Secretary also takes charge of specific policy areas or projects as directed by the Chief Executive and the Financial Secretary.

# **Chief Executive's Policy Unit**

The Chief Executive's Policy Unit aims to enhance the government's capabilities in research and advocacy on long-term and strategic issues. The unit will assist in the formulation of forward-looking policies; keep abreast of national development directions, plans and policies, and suggest areas of significance in the integration into national development; examine international relations and situations to identify opportunities and risks; and gauge the sentiments of Hong Kong citizens, understand their concerns and discover factors that are conducive to social harmony and stability.

## **Government Records Service**

The Government Records Service (GRS) oversees the overall management of government records and provides a range of records and archival management services. With regard to records management, the GRS formulates policies, guidelines and procedures; develops systems and oversees their implementation; and sets standards, gives guidance and provides training to bureaus and departments on good practices. It assists bureaus and departments in the intermediate storage of inactive government records and microfilming.

The GRS sets the standards and functional requirements of electronic record-keeping systems in the government and provides support and advice to bureaus and departments in developing or adopting such systems.

The GRS appraises, acquires, preserves and provides access to government records of enduring value. Through its public programme, reference service and online educational resources, the GRS encourages understanding, use and protection of Hong Kong's documentary heritage. Its Central Preservation Library for Government Publications contains a wealth of government publications for the research and study of Hong Kong. Members of the public can visit the Hong Kong Public Records Building in Kwun Tong or use the GRS website to search the archives and browse the online exhibitions and educational resources portal.

#### **Audit Commission**

The Audit Commission, headed by the Director of Audit, is established under the Basic Law, which provides that it shall function independently and be accountable to the Chief Executive.

Under the Audit Ordinance, the director audits the government's accounts and submits reports to the President of the Legislative Council. The director also audits the accounts of the Exchange Fund, the Hong Kong Housing Authority, five trading funds and more than 60 other funds, and reviews the financial operations of multifarious government-subvented organisations.

The director carries out two types of audits: regularity audits and value-for-money audits. Regularity audits aim to provide a reasonable assurance that the accounts of the government, trading funds and other funds are prepared in accordance with the applicable financial reporting framework. Value-for-money audits aim to provide independent information, advice and assurance about the economy, efficiency and effectiveness with which any government bureau, department, agency, other public body, public office or audited organisation has discharged its functions. Except for some public organisations where the director has statutory authority to conduct value-for-money audits, these audits are carried out according to a set of guidelines agreed between the director and the legislature's Public Accounts Committee and accepted by the government.

The director's reports are submitted to the President of the Legislative Council and laid before the council, where they are considered by the committee. In 2023, the director submitted three reports: one on the audit certification of the government's accounts for the preceding financial year, and two on the results of value-for-money audits, Reports No 80 and 81. The audit recommendations were accepted by the audited bodies.

## The Ombudsman

The Office of the Ombudsman, established under the Ombudsman Ordinance, is the city's independent watchdog of public administration. The Ombudsman investigates actions by government departments and public bodies for administrative deficiencies, and recommends remedial measures to improve the standard of public administration of Hong Kong.

The Ombudsman's functions and powers include investigation of complaints of maladministration against government departments/agencies and 27 public bodies listed in Part 1 of Schedule 1 to the ordinance to ensure:

- bureaucratic constraints do not interfere with administrative fairness:
- public authorities are readily accessible to the public;
- abuse of power is prevented;
- wrongs are righted;
- facts are pointed out when public officers are unjustly accused;
- human rights are protected; and
- the public sector continues to improve quality and efficiency.

The Ombudsman is also empowered to investigate complaints of non-compliance with the Code on Access to Information against all government departments, including organisations listed in Part 2 of Schedule 1 to the ordinance, such as the Hong Kong Police Force and the ICAC

Besides investigating complaints, the Ombudsman may initiate direct investigations into matters of public interest and widespread concern, and publish reports to redress administrative flaws of a systemic nature and address fundamental problems or the underlying causes of complaints. The reports of all direct investigations are available on the website of the Office of the Ombudsman.

The Ombudsman completed nine direct investigations in 2022-23, which concerned:

- the management and effectiveness of waste separation bins;
- the effectiveness of rodent prevention and control by the Food and Environmental Hygiene Department;
- the Civil Aviation Department's regulation of paragliding activities;
- the problem of abandoned vehicles on government land;
- the problem of alleged illegal operation of kaito ferry service;
- the operational arrangements for statutory visits under the Justices of the Peace Visit Programme;
- the government's enforcement against unauthorised building works in New Territories exempted houses;
- the government's regulation of illegal occupation or obstruction of streets by goods and miscellaneous articles; and
- the e-book lending service of public libraries under the Leisure and Cultural Services Department.

In 2022-23, the Ombudsman received 9,279 enquiries and 5,357 complaints and concluded 5,323 (89.5 per cent) of all cases received during the year and those brought forward from the previous year. A substantial number of complaints related to error, wrong advice or decision, ineffective control, and delay or inaction.

As at 30 June, 89.6 per cent of recommendations made by the Ombudsman had been accepted by the government departments and organisations concerned.

# Websites

Administration Wing, Chief Secretary for Administration's Office: www.admwing.gov.hk Audit Commission: www.aud.gov.hk Government Records Service: www.ars.gov.hk

Office of the Ombudsman: www.ombudsman.hk