Chapter 1
Corporate Governance
“The highest standards of Performance, Accountability and Ethical Behaviour”
The Hospital Authority (HA) is a statutory body established under the Hospital Authority Ordinance in December 1990, responsible for managing public hospitals in Hong Kong. We are accountable to the Hong Kong Special Administrative Region (HKSAR) Government through the Secretary for Food and Health.

Principles

Recognising that the Authority’s stakeholders expect the highest standards of performance, accountability and ethical behaviour, the Board acknowledges its responsibility for and commitment to corporate governance principles.

The following outlines the approach and practices of corporate governance of the Authority.

Hospital Authority Board

Under the Hospital Authority Ordinance, the Chief Executive of the HKSAR appoints members to the Authority Board. The 2010/11 Board consists of 28 members, including the Chairman. Details are listed in Appendix 1. Membership of the Authority comprises 24 non-public officers, three public officers and one principal officer (the Hospital Authority Chief Executive). Apart from the principal officer, other members are not remunerated in the capacity as Board members.

The Authority Board meets formally about 12 times a year and any other time as required. In 2010/11, it met 14 times. In addition, three Board papers covering urgent matters were circulated for approval between meetings.

Board Committees

For optimal performance of roles and exercise of powers, the HA Board has established 11 committees: Audit Committee, Emergency Executive Committee, Executive Committee, Finance Committee, Human Resources Committee, Information Technology Services Governing Committee, Main Tender Board, Medical Services Development Committee, Public Complaints Committee, Staff Appeals Committee and Supporting Services Development Committee. Membership of the committees, their terms of reference and focus of work in 2010/11 are outlined in Appendix 3.

Hospital Governing Committees

To enhance community participation and governance of public hospitals in accordance with the HA Ordinance, 31 Hospital Governing Committees have been established in 38 hospitals
and institutions. These committees are listed in Appendix 4. During the year, these committees received regular management reports from Hospital Chief Executives, monitored operational and financial performance of the hospitals, participated in human resources and procurement functions, as well as hospital and community partnership activities. In 2010/11, the 31 Hospital Governing Committees held a total of 129 meetings.

**Regional Advisory Committees**

In accordance with the Hospital Authority Ordinance and to provide the Authority with advice on the healthcare needs of specific regions of Hong Kong, the Authority has established three Regional Advisory Committees for Hong Kong island, Kowloon peninsula and the New Territories. These committees are listed in Appendix 5. Each Regional Advisory Committee meets four times a year.

In 2010/11, the Regional Advisory Committees discussed, amongst other agenda items, manpower strategies for doctors and nurses, protection of patient data security, development of renal services and the “Filmless HA” project. A visit was organised for members to have first-hand preview of the filmless project implementation in Princess Margaret Hospital.

The Regional Advisory Committees also deliberated on the annual plan targets of individual Clusters and advised the Authority on healthcare needs of local communities in the areas of mental services, telephone appointment services, 24-hour stroke services and integration of Chinese and Western medicine in clinical services.

**Executive Management**

The executive management team of the Hospital Authority is outlined in Appendix 2(b). The executives are charged by the Hospital Authority Board with the responsibility to manage and administer day-to-day business and operations. To ensure that the management can discharge its duties in an effective and efficient manner, the Hospital Authority Board has set out clear delegated authority, policies and codes of conduct. The Board also approves an annual plan prepared by the executives in accordance with the Board’s direction. Regular executive reports on the progress of agreed performance indicators and targets are presented to the Board.

Under the powers stipulated in the Hospital Authority Ordinance, the Authority determines the remuneration and terms and conditions of employment for all its employees. Remuneration packages of executive directors and other senior managers are devised so as to attract, motivate and retain high calibre individuals in a competitive international market. Remuneration packages of all senior executives are considered and endorsed by the Hospital Authority Board through the Executive Committee.