

For information

**LEGISLATIVE COUNCIL PANEL
ON PLANNING, LANDS AND WORKS**

**Revision of Fees and Charges under the
Purview of the Lands Department**

Purpose

This paper outlines the Administration's proposed revision of government fees and charges for services under the purview of the Lands Department which do not directly affect people's livelihood or general business activities.

Background

2. In line with the "user pays" principle, it is Government policy that fees should in general be set at levels sufficient to recover the full cost of providing the services. In the 2004-05 Budget Speech, the Financial Secretary indicated the need to resume revision of government fees and charges.

3. This paper covers 93 fees and charges under the purview of the Lands Department. Some of the fee items covered in this paper were last revised in 2000-01.

The Proposal

4. The fee revision proposal covers the fee items relating to –
- (a) land services (both administrative and legal) provided by the Lands Department;
 - (b) inspection and supply of documents, deposit of land boundary plans, and registration and renewal of registration as an

authorized land surveyor under the Land Survey Ordinance; and

- (c) provision of copies of documents and government information to the public by the Lands Department.

5. Costing exercises at the 2005-06 price level have been carried out to review the costs of the fee items. Details of the proposal are at the *Annexes A to C*. The costing exercises reveal 45 increases and 47 reductions in the first year, and one item changing from charging scale to fixed rate. The proposed adjustments for the first year range from a reduction of 92% to an increase of 21% (apart from item 6 of Annex B).

6. Taking into account affordability and acceptability, we propose that the fees that are recovering at a rate below the full cost level should be brought to the full-cost recovery level gradually in accordance with the following Government-wide general guidelines for fee increases –

- (a) to achieve full-cost recovery within seven years for those fees with an existing cost recovery rate of less than 40% of target, through an about 20% increase each year;
- (b) to achieve full-cost recovery within three to seven years for those fees with an existing cost recovery rate of between 40% and 70% of target, through an about 15% increase each year; and
- (c) to achieve full-cost recovery within one to three years for those fees with an existing cost recovery rate of over 70% of target, through an about 10% (or lower) increase each year.

7. For fee increases, they have little impact on the daily life of the general public or the running cost of general business activities. For fee reductions, we propose to reduce the fees concerned to the full cost level in one go. Similar guidelines were applied in the 2000-01 fee revision exercise.

Efficiency Improvement Measures

8. We have been taking measures to reduce or contain cost of our services through implementing efficiency initiatives, reprioritizing service provision and streamlining procedures. Such efficiency savings and improvement measures have been factored into the calculation of costs for individual fee items.

Financial Implication

9. When the proposed fees and charges adjustments are implemented, there will be a net decrease of revenue of about \$0.3 million in the first year.

Way Forward

10. Members are invited to note the proposed revision of fees and charges as set out in paragraphs 4 to 6 above. For those items where legislative amendments are required, we will proceed with the necessary legislative amendments to implement the adjustments for the first year.

Housing, Planning and Lands Bureau
April 2006

Proposal for Revision of Fees and Charges
Land services (both administrative and legal) provided by the Lands Department

Item	Description of Fee	Full Cost at 2005-06 price level (\$)	Existing Fee		Proposed Fee at 2005-06 price level				No. of years for full cost recovery (Years)
			Amount (\$)	Cost recovery rate	Proposed Amount (\$)	Proposed amount of increase/decrease (\$)	Proposed percentage increase/decrease	Cost recovery rate	
1	Fee for preparation, signing and issue of Government lease and counterpart	39,942.0	51,660.0	129%	39,950.0	-11,710.00	-22.7%	100%	1
2	Fee for surrender of Government lease or other tenancy from the Government (except in exchange for a new grant of land for NT Small House cases) for cases of 1-100 lots (Note 1)	15,225.0	36,470.0	240%	15,250.0	-21,220.00	-58.2%	100%	1
3	Fee for Government Built Housing Schemes - underlease	3,246.0	2,520.0	78%	2,770.0	250.00	9.9%	85%	3
4	Fee for Government Built Housing Schemes - deed of surrender	2,333.0	2,780.0	119%	2,330.0	-450.00	-16.2%	100%	1
5	Fee for Government Built Housing Schemes - mortgage / legal charge	2,349.0	2,780.0	118%	2,350.0	-430.00	-15.5%	100%	1
6	Fee for Government Built Housing Schemes - reassignment	1,302.0	1,180.0	91%	1,300.0	120.00	10.2%	100%	1
7	Fee for Government Built Housing Schemes - deed of variation of underlease	1,573.0	1,390.0	88%	1,570.0	180.00	12.9%	100%	1
8	Fee for Government Built Housing Schemes - deed of release	1,794.0	1,840.0	103%	1,790.0	-50.00	-2.7%	100%	1
9	Fee for Government Built Housing Schemes - deed of disclaimer	1,489.0	1,460.0	98%	1,490.0	30.00	2.1%	100%	1
10	Fee for Government Built Housing Schemes - undertaking	2,146.0	1,620.0	75%	1,780.0	160.00	9.9%	83%	3
11	Fee for Government Built Housing Schemes (transfer of title to civil servant - assignment)	3,696.0	1,830.0	50%	2,200.0	370.00	20.2%	60%	4
12	Fee for Government Built Housing Schemes (transfer of title to civil servant - legal charge)	2,418.0	1,810.0	75%	1,990.0	180.00	9.9%	82%	3
13	Fee for Government Built Housing Schemes (transfer of title to civil servant - discharge of legal charge)	1,978.0	1,510.0	76%	1,660.0	150.00	9.9%	84%	3

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			Amount (\$)	Cost recovery rate	Proposed Amount (\$)	Proposed amount of increase/decrease (\$)	Proposed percentage increase/decrease	Cost recovery rate	
14	Fee for Government Built Housing Schemes - nomination of beneficial successor	983.0	1,460.0	149%	985.0	-475.00	-32.5%	100%	1
15	Fee for Government Built Housing Schemes - appointment of appointed guardian	715.0	645.0	90%	715.0	70.00	10.9%	100%	1
16	Fee for Co-operative Building Societies - mortgage	1,834.0	1,870.0	102%	1,830.0	-40.00	-2.1%	100%	1
17	Fee for Co-operative Building Societies - reassignment	1,714.0	1,070.0	62%	1,230.0	160.00	15.0%	72%	4
18	Fee for Co-operative Building Societies (transfer of title to civil servant - assignment)	2,916.0	1,890.0	65%	2,170.0	280.00	14.8%	74%	4
19	Fee for Co-operative Building Societies (transfer of title to civil servant - legal charge)	1,496.0	1,330.0	89%	1,500.0	170.00	12.8%	100%	1
20	Fee for Co-operative Building Societies (transfer of title to civil servant - discharge of legal charge)	1,716.0	980.0	57%	1,130.0	150.00	15.3%	66%	4
21	Fee for consent to agreement for sale and purchase	22,398.0	38,590.0	172%	22,400.0	-16,190.00	-42.0%	100%	1
22	Fee for consent to assignment, deed of exchange, etc.	19,616.0	18,770.0	96%	19,600.0	830.00	4.4%	100%	1
23	Fee for consent to tenancy agreement	2,959.0	5,640.0	191%	2,960.0	-2,680.00	-47.5%	100%	1
24	Fee for consent to building mortgage/charge	6,580.0	7,240.0	110%	6,580.0	-660.00	-9.1%	100%	1
25	Fee for consent to further building mortgage/charge	4,359.0	5,420.0	124%	4,360.0	-1,060.00	-19.6%	100%	1

Proposal for Revision of Fees and Charges

Land services (both administrative and legal) provided by the Lands Department

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			Amount (\$)	Cost recovery rate	Proposed Amount (\$)	Proposed amount of increase/decrease (\$)	Proposed percentage increase/decrease	Cost recovery rate	
26	Fee for consent to amendment to approved form of agreement for sale and purchase, deed of mutual covenant, etc.	4,549.0	9,590.0	211%	4,550.0	-5,040.00	-52.6%	100%	1
27	Fee for consent to deed of variation of approved building mortgage and/or further charge	5,395.0	8,660.0	161%	5,400.0	-3,260.00	-37.6%	100%	1
28	Fee for approval of deed of mutual covenant	71,648.0	93,580.0	131%	71,700.0	-21,880.00	-23.4%	100%	1
29	Fee for approval of sub-deed of mutual covenant, supplementary deed of mutual covenant or separate management agreement	24,065.0	35,570.0	148%	24,050.0	-11,520.00	-32.4%	100%	1
30	Administrative fee for entry onto government land for various geotechnical exploration purposes by adjoining owners, developers or tenants	31,445.0	19,200.0	61%	22,100.0	2,900.00	15.1%	70%	4
31	Fixed administrative fee for private treaty grant, extension, modification (except for non-profit-making purposes, under the NT Small House Policy, those granted for cutting slopes for remedial works and those to non-profit making bodies for non-profit making purposes and nominal premium grant cases) plus fee of \$8,400 per \$1M (or part) of the land value (subject to an upper limit of \$168,000)	258,486.0	23,000.0	9%	27,600.0	4,600.00	20.0%	11%	14
32	Administrative fee for technical modification	34,904.0	16,200.0	46%	18,650.0	2,450.00	15.1%	53%	6
33	Administrative fee for modification by means of "No Objection" letter	117,632.0	23,000.0	20%	27,600.0	4,600.00	20.0%	23%	9
34	Administrative fee for short term waiver (of the use of the land) for new application or amendment/modification to existing waiver	52,242.0	7,800.0	15%	9,360.0	1,560.00	20.0%	18%	11

Proposal for Revision of Fees and Charges

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35	Administrative fee for modification to remove non- alienation clause from individual lease of ex-member of civil servants co-operative housing schemes granted by Financial Secretary Incorporated to individual owners	44,609.0	11,300.0	25%	13,550.0	2,250.00	19.9%	30%	8
36	Administrative fee for modification by waiver letter for co-operative building society cases to waive the live-in requirement upon the transfer of title from the society to individual members or "local Government officer" requirement upon the transfer of an officer to the hospital authority or other similar bodies	16,301.0	1,010.0	6%	1,210.0	200.00	19.8%	7%	16
37	Administrative fee for short term tenancy- direct grant (other than to non-profit making/charitable tenants)	75,994.0	7,800.0	10%	9,360.0	1,560.00	20.0%	12%	13
38	Administrative fee for short term tenancy - amendment/modification to user clause of existing tenancy, or amendment to tenancy agreement where such has been initiated by action/at the request of the tenant	44,773.0	7,800.0	17%	9,360.0	1,560.00	20.0%	21%	10
39	Administrative fee for temporary waiver (of the use of a building) for new application or amendment/modification to user, area or ownership in existing waiver	56,760.0	22,100.0	39%	26,500.0	4,400.00	19.9%	47%	6
40	Administrative fee per case for establishment of missing lots and boundary rectification of non Small House cases	46,198.0	22,100.0	48%	25,400.0	3,300.00	14.9%	55%	6
41	Administrative fee for retrospective consent letter for tree felling	45,974.0	32,300.0	70%	35,550.0	3,250.00	10.1%	77%	3

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42	Fixed administrative fee for possession licence <u>plus</u> fee of \$4,200 per \$1M (or part) of the land value (subject to an upper limit of \$84,000), i.e. 50% of the administrative fee applicable for the grant assessed in relation to the capital sum (premium)	125,660.0	11,500.0	9%	13,800.0	2,300.00	20.0%	11%	14
43	Fixed administrative fee for regrant including those documented by conditions of lease extension but excluding those regrants covered under Financial Secretary Incorporated leases extension cases or assignment of flats/units from Financial Secretary Incorporated <u>plus</u> fee of \$8,400 per \$1M (or part) of the "after" land value (subject to an upper limit of \$140,000)	133,248.0	23,000.0	17%	27,600.0	4,600.00	20.0%	21%	10
44	Administrative fee for assignment of flats or units from Financial Secretary Incorporated - fee on top of the fee charged by Legal Advisory Conveyancing Office	887.0	945.0	107%	885.0	-60.00	-6.3%	100%	1
45	Fixed administrative fee for cancellation of re-entry <u>plus</u> fee of \$8,400 per \$1M (or part) of the land value or property (subject to an upper limit of \$140,000)	137,112.0	23,000.0	17%	27,600.0	4,600.00	20.0%	20%	10
46	A once and for all administrative fee for licence for temporary bridges and conveyors over public streets, deep bore wells, pipeline/cables (including submarine cables) excluding those under item 47	45,000.0	22,100.0	49%	25,400.0	3,300.00	14.9%	56%	6
47	A once and for all administrative fee for licence for minor drainage channels/pipes/minor waterpipes	44,114.0	22,100.0	50%	25,400.0	3,300.00	14.9%	58%	5

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			Amount (\$)	Cost recovery rate	Proposed Amount (\$)	Proposed amount of increase/decrease (\$)	Proposed percentage increase/decrease	Cost recovery rate	
48	Fixed administrative fee for issue of Deed of Easement or substantial amendment to an easement for permanent rights plus fee of \$8,400 per \$1M (or part) of assessed premium (subject to an upper limit of \$140,000) (Land Administrative Meeting may approve a higher fee upon Legal Advisory Conveyancing Office's recommendation)	97,012.0	23,000.0	24%	27,600.0	4,600.00	20.0%	28%	8
49	Administrative fee for encroachments on Government land-sheet piling or temporary ground anchors extending into Government land and a "No Objection" letter is issued	38,766.0	21,100.0	54%	24,250.0	3,150.00	14.9%	63%	5
50	A once and for all administrative fee for block licence	47,837.0	22,100.0	46%	25,400.0	3,300.00	14.9%	53%	6
51	Administrative fee for consent letter to vary the description of approved building plans stated in lease conditions with no premium implication cases	24,408.0	14,700.0	60%	16,900.0	2,200.00	15.0%	69%	4
52	Administrative fee for issue of "chap chius" to land owners (per copy)	371.0	140.0	38%	170.0	30.00	21.4%	46%	6
53	Enquiry fee for Government rent/premium per lot per enquiry (for New Territories area)	748.0	155.0	21%	185.0	30.00	19.4%	25%	9
54	Enquiry fee for Government rent/premium per lot per enquiry (for New Kowloon and Hong Kong areas)	151.0	86.0	57%	99.0	13.00	15.1%	66%	4
55	Fee for copying of land records in connection with application from utility companies	788.0	805.0	102%	790.0	-15.00	-1.9%	100%	1
56	Fee for provision of slope maintenance responsibility information (per 2 pages of printout)	25.0	5.0	20%	6.0	1.00	20.0%	24%	9
57	Fee for location filming on Government land up to one month (per application)	3,787.0	4,270.0	113%	3,790.0	-480.00	-11.2%	100%	1

Proposal for Revision of Fees and Charges

Land services (both administrative and legal) provided by the Lands Department

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			Amount (\$)	Cost recovery rate	Proposed Amount (\$)	Proposed amount of increase/decrease (\$)	Proposed percentage increase/decrease	Cost recovery rate	
58	Fee for location filming on Government land - for any part of a month after the first month (per application)	3,787.0	4,270.0	113%	3,790.0	-480.00	-11.2%	100%	1
59	Fee for cancellation of re-entry/vesting for non-payment of Government rent, and for non-payment of regrant premium instalments in FSI cases (Note 2)	20,820.0	NA	NA	20,800.0	NA	NA	100%	1

Note 1 : Fee for surrender of Government lease or other tenancy from the Government (except in exchange for a new grant of land for NT Small House cases) - For cases of over 100 lots, they will be charged on individual case basis to recover full cost of providing the service by the Government.

Note 2 : The current charging scale being used for the collection of the said fee is :

<u>Rent outstanding</u>	<u>Penalty * (w.e.f. 1.4.1997)</u>
Up to \$1,500	\$1,800
\$1,501 to \$2,500	\$3,900
\$2,501 to \$3,500	\$5,700
\$3,501 to \$4,500	\$7,500
\$4,501 to \$10,000	\$9,400
\$10,001 upwards	A fixed fee of \$18,500 plus \$6,900 per additional \$10,000 (or part) of outstanding Government rent subject to an upper limit of \$137,100

(* Inclusive of administrative fee and no separate administrative fee should be levied.)

**Proposal for Revision of Fees and Charges
under Land Survey Ordinance**

Item	Description of Fee	Full Cost at 2005-06 price level (\$)	Existing Fee		Proposed Fee at 2005-06 price level				No. of years for full cost recovery (Years)
			Amount (\$)	Cost recovery rate	Proposed Amount (\$)	Proposed amount of increase/ decrease (\$)	Proposed percentage increase/ decrease	Cost recovery rate	
1	Fee for each land boundary plan included in the record (per inspection)	53.0	225.0	425%	53.0	-172.00	-76.4%	100%	1
2	Fee for each survey record plan included in the record (per inspection)	53.0	225.0	425%	53.0	-172.00	-76.4%	100%	1
3	Fee for supply of each copy of land boundary plan (per copy)	73.0	325.0	445%	73.0	-252.00	-77.5%	100%	1
4	Fee for supply of each copy of survey record plan (per copy)	73.0	325.0	445%	73.0	-252.00	-77.5%	100%	1
5	Deposit of land boundary plan and corresponding survey record plan with the Authority (per copy)	2,516.0	2,290.0	91%	2,520.0	230.00	10.0%	100%	1
6	Registration as an authorized land surveyor (per registration) (Note)	4,083.0	1,150.0	28%	4,080.0	2,930.00	254.8%	100%	1
7	Renewal as an authorized land surveyor (per renewal) (Note)	713.0	1,150.0	161%	715.0	-435.00	-37.8%	100%	1

Note : The current fee item on registration and renewal of Land Surveyor with an existing fee of \$1,150 per annum is proposed for splitting into two fee items: one for registration and one for renewal. Under the new fee structure, the service user will start paying less fees from the 8th year onwards and the service user's savings will continue to grow in coming years.

Proposal for Revision of Fees and Charges
Provision of copies of documents and government information to the public by the Lands Department

Item	Description of Fee	Full Cost at 2005-06 price level (\$)	Existing Fee		Proposed Fee at 2005-06 price level				No. of years for full cost recovery (Years)
			Amount (\$)	Cost recovery rate	Proposed Amount (\$)	Proposed amount of increase/decrease (\$)	Proposed percentage increase/decrease	Cost recovery rate	
1	Plans attached to Government lease and counterpart, or other document or copies (other than photocopies) thereof (per plan)	7,004.0	5,270.0	75%	5,800.0	530.00	10.1%	83%	3
2	Film Reproduction - graphic film of size 760 x 300 mm (per copy)	61.0	705.0	1156%	61.0	-644.00	-91.3%	100%	1
3	Film Reproduction - graphic film per additional unit of 760 x 150 mm (per copy)	20.0	240.0	1200%	20.0	-220.00	-91.7%	100%	1
4	Film Reproduction - documentary negative of size 210 x 297 mm (per copy)	66.0	140.0	212%	66.0	-74.00	-52.9%	100%	1
5	Colour Photocopy - colour photocopy print of size A3 or A4 (per copy)	28.0	150.0	536%	28.0	-122.00	-81.3%	100%	1
6	Colour Photocopy - black/white photocopy print of size A3 or A4 (per copy)	27.0	75.0	278%	27.0	-48.00	-64.0%	100%	1
7	Computer plotting - electrostatic plotter computer plotting paper (760 x 900mm) (per copy)	244.0	270.0	111%	245.0	-25.00	-9.3%	100%	1
8	Computer plotting - electrostatic plotter computer plotting film (760 x 900mm) (per copy)	347.0	375.0	108%	345.0	-30.00	-8.0%	99%	1
9	Lamination for Topographic Map (HM50CL)	211.0	320.0	152%	210.0	-110.00	-34.4%	100%	1
10	Lamination and Mounting for Topographic Map (HM50CL)	679.0	820.0	121%	680.0	-140.00	-17.1%	100%	1
11	Aerial photo mosaic (inkjet print) - with lamination	537.0	1,675.0	312%	535.0	-1,140.00	-68.1%	100%	1
12	Aerial photo mosaic (inkjet print) - with lamination and mounting	940.0	2,110.0	224%	940.0	-1,170.00	-55.5%	100%	1
13	Data charge for digital topographic map database - B1000 (per sheet)	232.0	250.0	108%	230.0	-20.00	-8.0%	99%	1

Proposal for Revision of Fees and Charges
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14	Data charge for digital topographic map database - B5000 (per sheet)	284.0	300.0	106%	285.0	-15.00	-5.0%	100%	1
15	Data charge for digital topographic map database - B10000 (per sheet)	514.0	535.0	104%	515.0	-20.00	-3.7%	100%	1
16	Data charge for digital topographic map database - B20000 (per sheet)	303.0	320.0	106%	305.0	-15.00	-4.7%	101%	1
17	Data charge for digital land boundary database - C1000 (per sheet)	232.0	250.0	108%	230.0	-20.00	-8.0%	99%	1
18	Data charge for Geo-reference database - G1000 (per sheet)	193.0	190.0	98%	195.0	5.00	2.6%	101%	1
19	Data dictionary (per database) (Note)	NA	1,200.0	NA	230.0	-970.00	-80.8%	NA	1
20	Reproduction charge of Digital Orthophoto DOP10000 (per order)	939.0	1,000.0	106%	940.0	-60.00	-6.0%	100%	1
21	GeoCommunity Data Charge (per district per copy)	1,102.0	1,150.0	104%	1,100.0	-50.00	-4.3%	100%	1
22	Data charge of digital Orthophoto DOP 5000 (per tile)	656.0	750.0	114%	655.0	-95.00	-12.7%	100%	1
23	Supply of survey record plan (per copy)	73.0	210.0	288%	73.0	-137.00	-65.2%	100%	1
24	Supply of land boundary plan (per copy)	73.0	105.0	144%	73.0	-32.00	-30.5%	100%	1
25	Digital photogrammetric workstation - LH system with SGI computer (per hour)	105.0	86.0	82%	95.0	9.00	10.5%	90%	2
26	Digital Photogrammetric System for production of orthophoto (per hour)	652.0	735.0	113%	650.0	-85.00	-11.6%	100%	1

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			Amount (\$)	Cost recovery rate	Proposed Amount (\$)	Proposed amount of increase/decrease (\$)	Proposed percentage increase/decrease	Cost recovery rate	
27	Film and chemical for film development - colour 200' (per roll)	9,563.0	8,920.0	93%	9,560.0	640.00	7.2%	100%	1

Note : The charge of this fee item is set at the level equivalent to fee item no. 13 "Data charge for digital topographic map database - B1000 (per sheet)".