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我們矢志努力不懈，提供盡善盡美的土地行政服務。  
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來函請註明本署檔號  
Please quote our reference in your reply.

4 June 2020

By email [ahychu@legco.gov.hk](mailto:ahychu@legco.gov.hk)  
and By despatch

Public Accounts Committee  
Legislative Council  
Legislative Council Complex  
1 Legislative Council Road  
Central, Hong Kong  
(Attn: Mr. Anthony CHU)

Dear Mr. CHU,

**Public Accounts Committee**  
**Consideration of Chapter 7 of the Director of Audit's Report No. 74**  
**Management of Short Term Tenancies**

Thank you for your letter of 22 May 2020.

Please find attached our responses in English version to the matters as set out in Part(I) of the Appendix to your letter. Our responses in Chinese version will be provided in due course.

Yours sincerely,

(Ms. Angela CHAN)  
for Director of Lands

Encl.

c.c. Secretary for Development (Fax No. : 2147 3691)  
Secretary for Financial Services and the Treasury (Fax No. : 2147 5239)  
Director of Audit (Fax No. : 2583 9063)  
LD SD/GEN/133 Pt.13

**Public Accounts Committee  
Consideration of Chapter 7 of the Director of Audit's Report No. 74  
Management of Short Term Tenancies**

**For the Lands Department**

**Part 1: Introduction**

- (1) According to paragraph 1.6(b), please elaborate on the existing basis for determining nominal or concessionary rent charged for short term tenancies (STTs) by way of direct grant (for community, institutional or non-profit-making uses).

Reply:

In general, the Government would charge full market rent for STTs by direct grant unless with the policy support of the relevant policy bureau or department for charging concessionary or nominal rent. For example, subject to policy support, an STT for social welfare use may be granted at a nominal rent, while an STT for religious use may be granted at a concessionary rent.

**Part 2: Granting and Renewal of Short Term Tenancies**

- (2) According to paragraphs 2.5 and 2.6, Audit Commission (Audit) noted from its analysis of the 1 165 STTs approved by Lands Department (LandsD) from 2014-15 to 2018-19, that the processing time for 204 (18%) STT applications was longer than 3 years.
- (a) Please provide details about the uses of the above 204 STTs under application, reasons for the long processing time, in particular, the 8 STT applications that took more than 12 years to process (e.g. whether manpower shortage or mishandling was involved), and comment on whether or not the situation is desirable;

Reply:

Out of the 204 STTs with processing time longer than 3 years, most of them (195 STTs) were let by direct grant mainly for

private garden use (146 STTs, or 75%) and community, institutional or non-profit-making uses (23 STTs, or 12%). In respect of the 8 STTs with processing time longer than 12 years, 7 of them were let for private garden use and the remaining one was for storage purpose.

For the 8 STTs with processing time longer than 12 years, we observed that the reasons for long processing time were that District Lands Offices (DLOs) needed to take time to clarify the land title of the applicant (e.g. for private garden STTs, the applicant should be verified to be the owner or the occupant of the adjoining residential lot or ground floor of the adjoining residential building if it is in multiple ownership) and resolve associated local objections. Further, we found that the data in the Tenancy Information System (TIS) for some cases were mistakenly entered and the actual processing time is shorter than recorded in the TIS. Processing time for four of them indeed are within 3 to 8 years.

Regarding STTs for private garden use, another reason for the long duration between receipt and approval of the applications is the waiting time for commencement of processing by DLOs in view of the large number of applications in some districts. In respect of these cases, the actual processing time spent (counting from the juncture of commencement of processing) is actually shorter than that recorded in the TIS. As for STTs granted for community, institutional or non-profit-making uses, the procedures including consultation with relevant bureaux/departments for policy support and clarification with applicants about their proposed use may sometimes be lengthy.

To improve the situation, an internal working group convened by senior management with District Lands Officers has been formed to review the mechanism of handling STT applications and to identify improvements in various aspects for management of STTs, including data accuracy of TIS. Besides, LandsD is prepared to revamp the TIS or make use of other related IT systems to facilitate overall monitoring and management of STTs.

- (b) Policy support from the relevant policy bureaux/departments is one of the factors adopted by LandsD for considering STT applications. As the processing of STT applications takes time,

during which applications may be subject to policy changes and the applications may be affected, how will LandsD follow up on these applications (e.g. will LandsD take the initiative to inform applicants of the policy changes made by the relevant policy bureaux/departments, so that they can consider whether to withdraw or revise their applications)?

Reply:

Under the established practice, where an application for direct grant STT is approved on policy support by the relevant policy bureaux/departments and no objection from other bureaux/departments, the applicant will be provided with the provisional terms and conditions incorporating the comments of all consulted bureaux/departments (including those of the bureaux/departments giving policy support from the prevailing policy perspectives) and allowed to consider whether or not to accept them before execution. Moreover, LandsD Headquarters issued a memorandum to all DLOs on 27 May 2020 providing additional guidelines for handling STTs. In particular, to ensure that the decision of the policy bureaux/departments or any change of which will be conveyed timely to the applicants, where the relevant policy bureaux/departments refuse to provide policy support, the application should be rejected immediately for reasons of lack of policy support and the applicant should be further advised that they may contact the relevant bureaux/departments directly for further information if necessary.

- (c) LandsD indicated in paragraphs 2.17(a)(i) and (ii) that it would review the current instructions/guidelines and mechanisms, including for processing STT applications with a view to strengthening progress monitoring, and it would incorporate an appropriate time target for processing STT applications. Please advise us the standards for setting a time target for processing STT applications, the specific measures for achieving the target, as well as the progress and time schedule of the follow-up actions; and

Reply:

An internal working group convened by senior management with District Lands Officers has been formed to review the

mechanism of handling STT applications and to identify possible improvements in various aspects for management of STTs. In particular, the working group will consider setting an appropriate time target for processing different types of STT and relevant monitoring system etc., taking into account various relevant factors affecting the necessary processing time. The review is expected to be completed within 6 months for implementation.

- (d) (i) Applicant A wrote to the District Lands Office/Hong Kong West and South (DLO/HKW&S) to enquire about the status of his application in 2006, 2007 and 2014, but no reply was given. Please provide the reasons for no reply given to the Applicant and for not following up on the works progress with the Applicant in a timely and proactive manner (e.g. whether manpower shortage or mishandling was involved).

Reply:

(i)-(iii)

In 2017, having considered the departmental comments and the on-site situation that the landscaped garden and the gate over the Government land had been completed, DLO/HKW&S approved the application according to the prevailing regularization policy. Among others, to address the concerns of CEDD, a relevant tenancy condition has been imposed to require the applicant to complete the slope upgrading works at his own expense within a prescribed time after granting the proposed STT. To date, the slope upgrading works have not been completed.

Having reviewed the case, we agree that there is room for improvement in its handling. It was undesirable that DLO/HKW&S did not respond to the enquiries of the applicant during the application stage in a timely manner, and has not followed up with the tenant closely on the required slope upgrading works after granting the STT. Notwithstanding the competing priorities of the office, we acknowledge that better arrangements could have been made.

The tenant requested on 23 March 2020 for extension of time to complete the slope work and submitted the relevant information to DLO/HKW&S including a detailed works programme to justify the application for time extension. Amongst them is the time required for a topographic survey of the boundary and subsequent submissions to relevant departments (e.g. Buildings Department) for approval for implementation of slope upgrading works on site. The tenant advised that it would take around 36 weeks from site survey to completion of slope upgrading works. In general, LandsD would consider requests for time extension for outstanding works based on the justifications provided by the tenant. Each case will be considered on its own merits. For the subject case, having considered the justifications provided by the tenant, DLO gave approval for the time extension sought.

- (ii) The application was approved in March 2017. DLO/HKW&S required the tenant to complete the slope works within 1 year or such extended period as approved. However, the required slope works had yet to be completed as of February 2020. Why did DLO/HKW&S approve the above STT application before completion of the slope works by the tenant? Does LandsD consider it desirable that DLO/HKW&S imposed the requirement of implementing slope works under the tenancy agreement without following up with the tenant? What are LandsD's criteria for granting extension of time? Did LandsD approve the Applicant's time extension? If no, will LandsD take back the STT site in accordance with the tenancy conditions or take other follow-up actions? And

Reply:

Please refer to the reply in Q2(d)(i)

- (iii) Please advise us the latest progress regarding the slope works and the STT application.

Reply:

Please refer to the reply in Q2(d)(i)

- (3) Regarding Case 2 under paragraph 2.7,
- (a) Prior to its policy support given in granting the STT to Applicant B at nominal rent in July 2009, why was the relevant policy bureau unaware of the advice of Legal Advisory and Conveyancing Office (LACO)/Kowloon that Applicant B could not be regarded as a legal entity suitable to sign the tenancy agreement? How will LandsD refine the guidelines on handling cases of similar nature? For example, will there be any refinement of the procedures for seeking advice from LACO and the relevant bureaux? If yes, when will the refinement be made? If no, how will LandsD avoid the recurrence of the above?

Reply:

Under existing practice, in processing a direct grant STT, DLOs would seek the necessary policy support from the relevant bureaux/departments at the early stage in parallel with other procedures including departmental circulation. It was the practice that the case would not be passed to LACO for checking of the legal capacity until execution stage of the STT. To improve the situation, LandsD Headquarters issued a memorandum to all DLOs on 27 May 2020 providing additional guidelines for handling STTs. In respect of tenant's capacity to execute the STT, DLOs are advised to obtain information from the applicant on the capacity to sign the tenancy agreement for non-personal cases as early as possible.

- (b) District Lands Office/Kowloon East (DLO/KE) suspended the processing of Applicant B's application for 2 years (from May 2010 to May 2012) as the applicant claimed that it was undergoing the process of registering as a limited company in May 2010. The STT was finally approved in August 2014 (i.e. 5 years after Applicant B's application was received). During the period, an application for the site was received from another applicant but was rejected on the grounds that Applicant B's application was under processing. Why did LandsD neither reject Applicant B's application right away nor



allow others to submit an application? Are there any specific guidelines adopted by LandsD on handling situations as such to avoid keeping the site idle while the application is under processing?

Reply:

For the subject case, departmental circulation for the application was completed in 2009 and policy support from relevant policy bureau was also given in the same year. The legal capacity to sign the tenancy agreement was considered a technical problem which could be resolved either by the tenant taking up the STT under the name of the Chairman or to be incorporated as a limited company. The applicant eventually chose to set up a limited company as a more proper way to take up the STT. It was under this consideration that DLO/KE continued processing the STT application pending incorporation of a limited company by the applicant. With the additional guidelines issued by LandsD Headquarters on 27 May 2020 as explained in response in Q3(a) above, it is expected that similar technical problem could in future be identified at the start of application in order to shorten the processing time.

- (c) Does LandsD process STT applications on a first-come-first-process basis or by making reference to other criteria? If yes, please provide details about the criteria, and the ways of publicising such criteria. If a number of applications for the same STT site are concurrently made, what are the specific guidelines adopted by LandsD to ensure a fair application process?

Reply:

Before November 2018, LandsD adopted the “first-come-first-process” approach in handling STT applications. In November 2018, the approach was revised to allow a grace period for submission of competing applications. Under the revised approach which remains valid at present, upon receipt of a valid application for use of a vacant Government site (VGS) by STT, a remark would be shown against that site on GeoInfo Map indicating that a valid application has been received. Subsequent valid applications for

the same site would be accepted within the two-week grace period after publication of such remark on GeoInfo Map. Upon the lapse of the said two-week grace period, further applications for the site would not be accepted. All valid applications received would then be processed in parallel, and if more than one application receive the requisite policy support, LandsD would escalate the case to the Development Bureau (DEVB) for a steer.

- (4) According to paragraph 2.8, LandsD had no specific guidelines relating to the handling of STT applications with lack of policy support from the relevant policy bureaux/departments, including whether the applicant should be informed of the reason for lack of policy support, and whether the applicant could be allowed to modify its proposal in order to obtain policy support. In this connection,
- (a) From 2014-2015 to 2018-2019, what was the number of STT applications rejected due to lack of policy support from the policy bureaux/departments and the main reasons for their lack of policy support? Will LandsD disclose to the public the criteria for obtaining policy bureaux/departments' policy support? If no, what are the reasons?

Reply:

(a)–(c)

LandsD has no readily available information on the number of STT applications rejected due to lack of policy support, the compilation of which would require DLOs to divert significant resources for search of extensive file records. As for the criteria or rationale for a bureau or department to give policy support for an STT application, we believe that each bureau/department considers each STT application according to their relevant policy objectives.

Under the existing practice, it is not uncommon for the respective bureau or department to contact the applicant direct if considered necessary, especially for the consideration of granting policy support. To further enhance the efficiency and transparency, LandsD Headquarters issued a memorandum to all DLOs on 27 May 2020 on additional guidelines to process STTs. In respect of cases with lack of policy support, DLOs

have been instructed to reject the application immediately on reasons of lack of policy support and the applicant should be further advised that he or she may contact the relevant bureaux/departments directly for further information if necessary.

- (b) At present, it takes a long time to seek policy bureaux/departments' support. Will LandsD consider requesting the relevant policy bureaux/departments to contact the applicant direct, and allowing an applicant to modify its proposal in order to obtain the necessary policy support? If no, will the applicant be provided with policy bureaux/departments' contact details so that they can arrive at a solution directly, to expedite the processing of STT applications?

Reply:

Please refer to the reply in Q4(a)

- (c) As indicated in paragraph 2.17(a)(iii), LandsD will review the current instructions/guidelines and mechanisms, including the handling of STT applications with lack of policy support from the relevant policy bureaux/departments. Please advise us the review findings. If the review is yet to complete, what is the expected date of completion? And what measures are currently in place for informing STT applicants of the reasons why their applications are rejected?

Reply:

Please refer to the reply in Q4(a)

- (5) Regarding the handling of the case mentioned in Table 3 under paragraph 2.9, it took more than about 4 years for LandsD to get notification from the relevant bureau, what were the reasons? Whether manpower shortage or mishandling was involved?

Reply:

According to the file records, when Applicant C submitted the application in April 2013, District Lands Office/Sai Kung (DLO/SK) had been processing other applications for the same site, which were

submitted earlier than Applicant C. Based on the “first-come-first-process” processing approach which was prevailing at that time, the application was not processed. After DLO/SK had rejected the other earlier applications, Applicant C confirmed his intention to apply for STT of the site in September 2014. During the period from June 2015 to September 2015, Applicant C had made several amendments to the proposal. As such, DLO/SK processed the various amendments by engaging concerned departments and requested the applicant to address the departments’ comments during the same period of time.

In view of the various changes which might cause confusion to relevant departments, DLO/SK in December 2016 re-circulated the final proposal for relevant departments’ comments including seeking the advice from Home Affairs Department (HAD) for policy support. After receiving the requested supplementary information in February 2017 and June 2017, HAD advised in August 2017 that policy support would not be given for the application.

To improve the situation, an internal working group convened by senior management with District Lands Officers has been formed to review the mechanism of handling STT applications and to identify possible improvements in various aspect for management of STTs. The review is expected to be completed within 6 months for implementation.

- (6) According to paragraph 2.11, in July 2018, an STT was granted to Tenant A of Case 3 for the operation of a car park. The car park commenced operation in August 2018. However, it was not until April 2019 that District Lands Office/Hong Kong East (DLO/HKE) enquired with the Fire Services Department (FSD) whether Tenant A’s facilities at the site complied with the fire service requirements. While Tenant A’s fire service facilities installed at the site were considered unacceptable by FSD, Tenant A had continued to operate the car park for 1 year until the tenancy was terminated in September 2019 in accordance with a Notice to Quit. Please advise us of the following:
- (a) Why DLO/HKE did not ascertain Tenant A’s non-compliance with the tenancy agreement at an earlier stage? What were the reasons for DLO/HKE not to consult FSD until April 2019? Will LandsD pursue the further action against Tenant A? If yes, what are the details; if no, what are the reasons?

Reply:

According to the tenancy agreement, the tenant is obliged to observe and comply with the fire services requirements, including the construction of walls within one calendar month from the date of commencement of the tenancy (i.e. by 1 September 2018) or such extended period as may be approved by the District Lands Officer along the periphery of the Liquefied Petroleum Gas (LPG) Cylinder Wagons Parking Area as fire barriers (hereinafter referred to “FSI proposal”) to the satisfaction of FSD before parking of LPG Cylinder Wagons in the LPG Cylinder Wagons Parking Area.

During the period from August 2018 to May 2019, DLO/HKE closely liaised with the tenant, Electrical and Mechanical Services Department and FSD about the safety requirements for parking of LPG Cylinder Wagons. In August 2018 and September 2018, DLO/HKE sent reminders to the tenant to observe and comply with such submission requirement in respect of the FSI proposal. In November 2018, the tenant explained that the relevant work was delayed due to the strong typhoon and the electricity supply work of the power companies. The tenant stated that they would submit the plan to FSD for vetting and complete the project as soon as possible. At a site inspection in January 2019, DLO/HKE found parking of LPG vehicles and erection of fire barriers by a metal wall within the site.

Following the tenant's submission of FSI proposal to FSD with copy to DLO/HKE in April 2019, DLO/HKE enquired and FSD advised in May 2019 that the submitted FSI proposal at the subject site was considered not acceptable. Subsequent to the tenant's failure to obtain FSD's approval for the FSI proposal, the tenant served a 3-month Notice to Quit to terminate the tenancy, which took effect in September 2019. In respect of any further possible course of action against the ex-tenant, DLO/HKE is seeking legal advice.

- (b) Does LandsD consider it desirable to take a year to process an STT with fire safety concerns? In respect of this case, has LandsD reviewed and worked out any procedures and target time frames for handling tenancies with public safety concerns? If yes, please provide the details; if no, what are the reasons?

Furthermore, how can LandsD ensure that the STTs granted pose no threat to public safety?

Reply:

(b)-(c)

Notwithstanding that DLO/HKE had closely liaised with the concerned parties on the fire services requirements, the time taken in handling the matter is considered undesirable. To avoid re-occurrence of similar situation as far as possible, LandsD Headquarters issued a memorandum to all DLOs on 27 May 2020 providing additional guidelines for handling STTs. In relation to fulfilment of STT conditions related to public safety (e.g. scheme of security, Fire Safety Certificate, other safety requirements, etc.), DLOs should require the tenant to submit and obtain approval from the relevant department within the time period as specified in the tenancy agreement. The STT should be terminated if the tenant fails to comply with the requirement. District Lands Officer will only exercise his or her discretion to extend the deadline based on reasonable justifications (e.g. the submission is with the relevant department and has yet to be commented or approved) and subject to comments from other relevant departments.

- (c) LandsD stated that it would review and enhance the relevant guidelines so as to ensure that the tenant commences operation of its facilities after all the requirements set out in an STT agreement have been duly observed by the tenant. What are the review findings? If the review is still in progress, when will it be completed?

Reply:

Please refer to the reply in Q6(b)

- (7) Why did LandsD demand a deposit from Tenant C mentioned in paragraph 2.13? What was the number of cases in which deposits were demanded from non-profit-making or charitable organisations in the past 3 years and what were the reasons? Has LandsD examined why there are different practices in demanding deposits from STT tenants among various DLOs and how the situation can be improved? According to paragraph 2.17(b), LandsD will review the current

instructions/guidelines on demanding deposits from non-profit-making or charitable organisations for STTs involving erection of permitted structures. What are the review findings? If the review is still in progress, when will it be completed?

Reply:

According to the prevailing guidelines, LandsD in general would not demand deposit for nominal rent cases. Notwithstanding this, based on individual case circumstances, to safeguard Government's interest against incurring cost for demolition of structures, DLOs may exercise discretion to demand deposit. Based on the TIS records, there are 11 nominal rent STTs with deposit collected.

To improve the situation and maintain consistency, an internal working group convened by senior management with District Lands Officers has been formed to review the mechanism of handling STT applications and to identify possible improvements in various aspects for management of STTs. In particular, the working group will review the instruction/guidelines on demanding deposit from non-profit-making or charitable organisations for STTs involving erection of permitted structures. The review is expected to be completed within 6 months for implementation.

- (8) According to paragraphs 2.14, 2.15 and 2.17(c), please advise the following:
- (a) The programme for publishing information on the Government's GeoInfo Map and the contents of the information;

Reply:

Since December 2018, LandsD has been progressively uploading information on those STTs newly granted and those with rent reviewed in the period from January 2018 onwards, onto the GeoInfo Map, with updates on a quarterly basis.

The STT information available on the GeoInfo Map includes short term tenancy no., site area, commencement date, tenancy term, use and rent. The information provided is for general reference.

- (b) The manpower deployed by LandsD to handle such matters; and

Reply:

Uploading of STT information to the GeoInfo Map is being handled by 4 staff members of the Estate Management Section of LandsD. Since these officers are also responsible for other land administration duties and the uploading exercise is just part of their daily works, breakdown of staff resources solely for the purpose of uploading STT information to the GeoInfo Map is not available.

- (c) LandsD expects that only until 2023 will tenancy information of all STTs granted be published on GeoInfo Map. Why the department cannot accomplish the work sooner? With a view to enhancing the transparency of land information, will LandsD consider expediting the work mentioned above, or publishing the information in table form first for public access?

Reply:

Currently, there are over 5,000 STTs managed by LandsD. LandsD has since December 2018 been uploading STTs newly granted (either by open tender or direct grant) or those with rent reviewed in the period from 1 January 2018 onwards, based on a disclosure clause under the respective tenancy agreements. For existing STTs, the disclosure clause is progressively being incorporated in the tenancy agreement upon the regular rent review of STTs conducted at an interval of 3 to 5 years. Given the aforementioned review cycle of STTs, LandsD's current programme aims to publish information of all STTs on the GeoInfo Map by 2023.

- (9) According to para. 2.20, Audit noted from its analysis of 5 590 STTs managed by LandsD that the tenants of 4 565 (82%) STTs had remained the same for over 7 years, whereas those of 2 353 (42%) STTs had remained the same for more than 20 years (up to 55 years). In this regard, please provide the following details/inform Audit of:
- (a) The existing procedures for renewal, monitoring and enforcement of STTs granted for more than 7 years;



Reply:

According to the current guidelines, STTs are normally granted for a fixed term of not more than five years (in some cases where there are policy justifications, a longer term of up to seven years may be granted). In general, an STT may be allowed to continue beyond the fixed term on a periodic basis (generally monthly or quarterly) in the following circumstances:

- (i) For an STT granted by tender, upon expiry of the fixed term or the first 3 years (whichever is the later), if it is clearly established that the site will still be available for temporary use for a further 3 years or more (e.g. where it is certain that the site will not be put to its permanent use for at least the next 3 years), the site will be re-tendered. If it is foreseen that the site may be put to its permanent use or to another higher priority temporary use shortly, the STT will be allowed to continue on a periodic basis (usually monthly or quarterly).
- (ii) For an STT under direct grant for community, institutional or non-profit-making uses, when the initial term has expired, the STT will continue on a monthly or quarterly basis until the site is required for its permanent use or another temporary use, subject to rental review, the tenant's compliance with the tenancy conditions and policy support from relevant bureaux/departments for continuation of the STT.
- (iii) For an STT under direct grant for private use, when the initial term has expired, the STT will continue on a monthly or quarterly basis, until the site is required for its permanent use or another temporary use, subject to rental review, the tenant's compliance with the tenancy conditions, and the considerations of granting the STT in the first place remaining valid (e.g. the site cannot be separately alienated).

Under the prevailing practice, STTs granted at full market rent or concessionary rent will be brought up for rent review and site inspection every 3 years (for STTs other than private gardens) or every 5 years (for private garden STTs). For STTs

granted at nominal rent, cases will be brought up for site inspection every 3 years.

Where cases involving policy support are brought up for rent review/site inspection, the initial supporting bureau/department will be consulted on their policy support for continuation of the tenancy.

Upon completing the review, subject officers would update the TIS records including the latest effective rent and site inspection date for monitoring purposes.

- (b) The major land uses of the STTs continuously granted to the same tenants, by duration of “more than 7 years to 10 years”, “more than 10 years to 20 years”, “more than 20 years to 30 years”, “more than 30 years to 40 years” and “more than 40 years to 55 years”;

Reply:

(b) & (c)

The required information details are listed below:-

Cumulated Length of Tenancy	No. of STTs	Major Uses
7-10 years	618	Private garden, storage
10-20 years	1 594	Private garden, storage
20-30 years	1 021	Private garden, storage
30-40 years	1 006	Shops, private garden
40-55 years	326	Shops, workshops

In general, the reasons for continuously granting STTs to the same tenants include:-

- (i) For STTs granted by direct grant for private use, LandsD’s established practice, upon the expiry of the initial term, is to examine whether the considerations of granting the STT in the first place are still valid (e.g. the site could not be separately alienated, the presence of geographical problem rendering the site unsuitable for development such as the lack of vehicular access or shapes of the sites being

irregular with low marketability). If the considerations remain valid, the STT would be allowed to continue until the site is required for its permanent use or another higher priority temporary use. This accounts for the continuation of most STTs for private garden use and some STTs for storage use in the above table.

- (ii) There are also STTs with special historical backgrounds (e.g. STTs granted for repovisioning of commercial undertakings affected by public works). This accounts for the continuation of some of the STTs for storage use in the above table.
- (iii) For STTs converted from Government land licences (GLLs), it is the Government's policy to allow the tenants to continue as long as there is no permanent development programme of the site. These STTs are mainly used for shops and workshops purposes.
- (iv) Other STTs continuously granted to the same tenants are mainly those granted by direct grant for various community, institutional or non-profit-making uses for which policy support from relevant bureaux has been obtained for continuation of the STT upon regular reviews.

Under the statutory planning requirements, if a use in urban and new town areas is not permitted under the relevant town plan, it should be temporary with a duration of not more than five years. For rural areas, temporary uses (if not an always permitted use on Column 1 and provided that they are not uses permitted or prohibited under the Covering Notes of the Outline Zoning Plan) would generally require the Town Planning Board's permission. For both urban/new town and rural areas, uses which were in existence before the first publication of the relevant statutory plan need not be made to conform to the plan, provided that such use has continued since it came into existence and there has been no material change of use.

Before letting out a site by STT, LandsD will consult relevant bureaux/departments, including Planning Department, on the proposal including the term of the STT. This ensures compliance of the proposed STT with the requirements under different administrative and statutory regimes, including the

town planning requirements.

- (c) Whether LandsD has analysed the main reasons for continuously granting STTs to the same tenants, and whether it has ascertained that the statutory planning requirements regarding the uses are met. If yes, what are the results? If no, how will LandsD monitor the STTs granted for a long time?

Reply:

Please refer to the reply in Q9(b)

- (d) Whether LandsD has evaluated the appropriateness of the guideline on granting STTs for a fixed term of not over 7 years, given that the renewal of STTs granted for a term of more than 7 years is common?

Reply:

(d)&(e)

STT is a land instrument for disposing land for temporary or short-term uses under specified circumstances as mentioned above. Typically, they are granted where the site, for one reason or another, is not foreseen to be able to put to its permanent use in the immediate future. In such circumstances, the granting of STTs facilitates the gainful use of land resources without compromising any long-term planned use. Indeed, as soon as a site is ready for its permanent use, it will be put to such use through appropriate arrangements such as Government-led implementation, Government land sale or a long term grant to a suitable party.

The duration of the fixed term of an STT is generally not more than five years, and up to seven years where there are policy justifications. In fact, the majority of the fixed terms of STTs are within one to five years, depending on the individual natures and circumstances of the STTs. Such a limit on the duration of STT is considered to be reasonable for the said objectives of putting the sites to gainful use on the one hand, and providing sufficient flexibility without compromising any long term development plans on the other. Under the established mechanism, STTs can be allowed to continue on a monthly or quarterly after the fixed term subject to the fulfilment of certain circumstances as mentioned above. We

will keep this mechanism under review to examine if there is room for providing a higher degree of certainty to tenants without compromising the above-mentioned objectives of STTs.

There are cases where STTs are granted, with the support of the relevant bureaux/departments, as a tool to implement the long term use of the sites as set out in the relevant Outline Zoning Plans. This happens for examples in some sites zoned for logistics use. The use of STT as a tool to implement the use provides more flexibility to tenants and the Government and are considered suitable in the circumstances.

- (e) Whether LandsD will consider granting land by way of long-term tenancies or even through land sale, so as to increase land revenues and allow tenants to devise long-term development plans, having regard to the individual circumstances of each STT case?

Reply:

Please refer to the reply in Q9(d)

- (10) In paragraph 2.22(a), it is stated that District Lands Office/Sai Kung (DLO/SK) suspended site inspections in relation to garden STT cases owing to work priority arrangement. In this regard,

- (a) Please provide details of work priority and explain how the priority is set.

Reply:

(a)–(d)

In accordance with the prevailing guidelines, DLOs should, where practicable and staff resources permit, consider implementing a programme for STT site inspection at regular intervals. DLOs should classify STTs into four categories to facilitate formulating the inspection programme:

- (i) High priority cases: to be inspected annually, e.g. STTs with high risk of breach, all STTs granted by tender in the first year of the tenancy, all cases with breaches purged within last 12 months; and
- (ii) Medium priority cases: to be inspected randomly,

- with an inspection frequency higher than the low priority cases, subject to resources;
- (iii) Special cases: inspection to be carried out outside office hours might be required as the situation warrants; and
  - (iv) Low priority cases: for instance, STTs with no records of breaches. These cases could be inspected once every 3 years (or 5 years for private garden STTs).

LandsD Headquarters issued revised guidelines on 9 January 2020 regarding inspection for the transfer/cancellation and reissue of private garden STTs. According to the guidelines, if DLO is satisfied with the identity of the incoming tenant (e.g. he is the owner or the occupant of the adjoining residential lot or ground floor of the adjoining residential building if it is in multiple ownership) for the STT transfer, a private garden STT may be granted to the incoming tenant, without carrying out any site inspection.

DLO/SK had heavy backlog of applications of over 200 cases for cancel and reissue/transfer of STT in 2017. To assist DLO/SK in clearing the backlog, LandsD Headquarters deployed additional resources in 2019 to deal with the backlog so that the office can resume site inspections of STTs soon.

- (b) Has LandsD provided DLOs with any guidelines on the circumstances under which site inspections can be suspended? If yes, please provide the details. If no, please explain why?

Reply:

Please refer to the reply in Q10(a)

- (c) Regarding the suspension arrangement reviewed by DLO/SK in January 2020, what is the conclusion. And

Reply:

Please refer to the reply in Q10(a)

- (d) How will LandsD follow up on the situation in which DLO/SK did not conduct site inspections in accordance with the guidelines issued by LandsD?

Reply:

Please refer to the reply in Q10(a).

**Part 3: Monitoring of Tenancy Conditions**

- (11) With reference to Note 26 in paragraph 3.2, please illustrate with real cases how LandsD defines serious breaches, and explain the policy guidelines and enforcement procedures for handling serious breaches/complaints;

Reply:

Example of serious breaches are breach of user or unauthorized change of user, default in payment of rent, fueling activities, storage of dangerous goods. According to current guidelines, DLOs are required to tighten up enforcement action on those serious breaches that are actionable under a tenancy and closely monitor the rectification progress. If the tenant fails to rectify within a reasonable time frame, the tenancy shall be terminated. Further, the District Review Board (DRB) would monitor and review progress of STT enforcement including those difficult and highly sensitive cases.

- (12) Paragraph 3.3 states that as of October 2019, among the 5 590 STTs managed by LandsD, no site inspection has been conducted for 1 409 STTs; while site inspections for 1 057 non-private garden STTs and 481 private garden STTs have not been conducted in accordance with the mandatory requirements (i.e. once every 3 or 5 years respectively for these two types of STTs) with no reasons documented. In this connection:

- (a) Why LandsD did not conduct site inspections for the 1 409 STTs? When will site inspections be conducted for these STTs?

Reply:

(a) – (b)

According to LandsD's guidelines, all STTs have to be inspected once in 3 years (once in 5 years for private garden STTs) so as to prevent tenants from subletting the premises, erecting unauthorized structures or illegally extend the area of

occupation onto adjacent Government land. After DLOs' examination of the 1,409 STTs (as mentioned in paragraph 3.3(a)) as well as the 1,057 non-private garden STTs and 481 private garden STTs (as mentioned in paragraph 3.3(b)), it was found that inspections for some of the sites had been conducted in accordance with the prevailing guidelines but they were not properly recorded in the TIS. Relevant DLOs have been asked to duly update the relevant records and in case where inspection has not yet been conducted, to set up a plan for inspection and arrange the same as soon as possible.

- (b) Why LandsD did not conduct site inspections for the 1,057 non-private garden STTs and the 481 private garden STTs in accordance with the mandatory requirements? Why there was no record? When will site inspections be conducted for these STTs again?

Reply:

Please refer to the reply in Q12(a)

- (c) For the years between 2014-15 and 2018-19, what were the yearly numbers of STTs for which site inspections were conducted by LandsD?

Reply:

According to the TIS, the number of site inspection from 2014-15 to 2018-19 are as follows:

Year	No. of Site Inspection
2014-15	1 367
2015-16	1 092
2016-17	889
2017-18	875
2018-19	774

*\*Remarks: If more than one inspection were conducted for an STT during the 5-year period above, only the latest site inspection record is counted.*

- (d) Does LandsD have any information on whether regular site inspection programmes are formulated and implemented by DLOs based on inspection priorities? If no, how does LandsD monitor the work of DLOs?



Reply:

(d) & (f)

The TIS records contain data of the due date for inspection of respective STTs. From time to time, reminder for site inspection is sent by LandsD Headquarters to DLOs. As an enhancement measure, LandsD is prepared to revamp the TIS or make use of other related IT systems to enhance data accuracy of inspection dates and incorporate the information of inspection priorities to facilitate the overall monitoring and management of STTs. It is anticipated that more comprehensive data, including inspection priorities, nature of breaches and corresponding enforcement actions, and more monitoring functions will be incorporated in the upgraded system as far as possible.

- (e) How does LandsD define cases with high risk of breach? Will LandsD consider imposing more terms and conditions on STTs with high risk of breach for tenants to comply with? If no, what are the reasons? and

Reply:

According to the existing guidelines, DLOs are responsible for management of STTs including identification of STTs with high risk of breach, for which more frequent inspections would be conducted as far as possible. For cases where a previously rectified breach is discovered again within 12 months' time, District Lands Officer has the discretion to issue an immediate warning letter for rectification within 14 days. Inspection should be conducted within 7 days of expiry of the warning. If the tenant fails to purge the breach or respond with a pragmatic and reasonable rectification schedule, the tenancy should be terminated.

- (f) Has LandsD explored ways of using TIS for the coordination of enforcement work according to inspection priorities?

Reply:

Please refer to the reply in Q12(d)

(13) According to paragraph 3.4, DLOs would conduct site inspections upon receipt of complaints to monitor the uses of STTs. In respect of the years from 2014-15 to 2018-19, please provide the following:

(a) The yearly number of complaints received and site inspections conducted in response to such complaints;

Reply:

(a)-(d)

LandsD generally carries out inspection on receipt of complaints. The total number of all complaints (including complaints relating to STTs and otherwise) received by LandsD from 2014 to 2019 are tabled below:-

Year	No. of complaints received
2014	30,931
2015	34,280
2016	48,140
2017	47,246
2018	54,739
2019	69,509

There is no readily available breakdown on the number of complaints relating solely to the management of STTs.

The existing TIS only records the warning letters issued and date of inspection, hence, the required information is not readily available in the system. As mentioned above, LandsD is prepared to revamp the TIS or make use of other related IT systems to enhance the comprehensiveness of the information to facilitate the overall monitoring and management of STT.

(b) The number of complaints with breach of tenancy conditions substantiated;

Reply:

Please refer to the reply in Q13(a)

(c) The number of cases in which breaches of tenancy conditions were rectified after issuance of warning letters; and

Reply:

Please refer to the reply in Q13(a)

- (d) The number of cases with penalty imposed/tenancy terminated as a consequence of breaches of tenancy conditions.

Reply:

Please refer to the reply in Q13(a)

- (14) According to paragraph 3.8, LandsD had no readily available information regarding the enforcement actions taken against breaches of STT conditions. What were the reasons? Without the information, how could Lands D monitor and follow up on the enforcement actions against STTs? How will LandsD address the issue? For instance, will LandsD record and release the information in future for public's knowledge about the STT status?

Reply:

The existing TIS, which was designed and developed in 2009, is a simple system with basic functions serving the purpose of information recording. It could not fully cope with the current requirements for more robust monitoring and management of STTs. LandsD is prepared to revamp the TIS or make use of other related IT systems to enhance data accuracy and completeness of information to facilitate the overall monitoring and management of STTs. It is anticipated that more comprehensive data, including inspection priorities, nature of breaches and corresponding enforcement actions, and more monitoring functions will be incorporated in the upgraded system as far as possible.

- (15) Regarding Cases 6 and 7 under paragraph 3.9:

- (a) Why had LandsD not taken timely enforcement actions against breaches of STT conditions or terminated the tenancies?

Reply:

The relevant DLOs accorded a relatively lower priority among competing cases handled by the respective offices, as the breach did not involve danger or nuisance to the public.

Having said that, enforcement actions have been taken and the latest developments are as follows.

Regarding Case 6, after DLO/SK issued a warning letter requiring the tenant to purge all the breaches, the tenant submitted an application for regularization, which is now being processed in accordance with the established practice.

Regarding Case 7, after issuance of warning letters and verbal warnings by DLO/HKW&S on site requiring the tenant to rectify the breach within prescribed time frame, a recent re-inspection shows that the breach had been rectified.

- (b) For cases with breaches of STT conditions, apart from issuing warning letters and terminating the tenancies, did LandsD impose other penalties or pursue further action against the breaches in the past 3 years? and

Reply:

Under existing practice, upon identification of breaches, LandsD would issue warning letters to require rectification of the breaches within prescribed time frame; if the breaches are not rectified within the prescribed time frame or such extended time granted by LandsD on reasonable grounds, LandsD would terminate the tenancy as provided under the tenancy conditions. The said practice has been followed in the past 3 years.

- (c) Will LandsD consider imposing higher penalty when handling similar cases, or setting a time target for rectification of the breaches of STT conditions (say 3 months)?

Reply:

An internal working group convened by senior management with District Lands Officers has been formed to identify possible improvements in various aspects for management of STTs. In particular, the working group will review the instructions/guidelines with a view to strengthening enforcement actions, including the issuance of warning letters and work out monitoring measures on enforcement action taken. The review is expected to be completed within 6 months for implementation.

(16) According to paragraph 3.10, if the tenant fails to rectify the breaches within a reasonable time frame, the tenancy shall be terminated. Please provide the following information for the past 5 years:

- (a) The number of cases with breaches of STT conditions required to be rectified within 1 to 3 months, the irregularities involved in those cases, and the number of cases eventually rectified within the time frame.

Reply:

(a)-(b)

According to the current guidelines, upon issuance of the first warning letter, breach of STT conditions should normally be rectified in 1 to 3 months upon issuance of warning letter. Subject to agreement of Regional Assistant Director, a further extension of not more than 3 months can be given upon consideration of justifications. The STT should be terminated if the tenant fails to rectify the breach.

The existing TIS only records the warning letters issued and date of inspection, hence, the required information, is not readily available in the system. As mentioned above, LandsD is prepared to revamp the TIS or make use of other related IT systems to enhance the comprehensiveness of the information to facilitate the overall monitoring and management of STT.

- (b) The number of cases with tenancies terminated by LandsD due to the failure to rectify within the time frame, and the irregularities involved in those cases.

Reply:

Please refer to the reply in Q16(a)

(17) According to paragraph 3.13(a), LandsD will review the current instructions/guidelines with a view to strengthening enforcement actions (including the issuance of warning letters). LandsD will also work out monitoring measures on enforcement actions taken. What are the review findings? If the review has not been completed, what is the expected date of completion?

Reply:

An internal working group convened by senior management with District Lands Officers has been formed to review the mechanism of handling STT applications and to identify possible improvements in various aspects for management of STTs. In particular, the working group will review the current instructions/guidelines with a view to strengthening enforcement actions. The review is expected to be completed within 6 months for implementation.

- (18) Regarding paragraph 3.15, has LandsD investigated whether the data errors and omissions were caused by input errors by human or data errors in paper documents? At present, how many staff members are responsible for data inputting and how many cases are inputted each month?

Reply:

Upon investigation, it is noted that most of the data error was due to mistaken input or non-timely update by the officers. According to the records, on average about 17 new STT records were created per month in year 2019. Apart from creating records for newly granted STTs, responsible officers are also required to carry out routine updating of the existing STT records (e.g. rent review records, inspection records, warning letter records, etc.). LandsD Headquarters issued a memorandum to all DLOs on 27 May 2020 providing additional guidelines for handling STTs. DLOs are reminded to update any status change of STTs in the TIS in a timely manner.

As records updating is part of the overall duties of the officers involved, there is no separate breakdown on resources deployed solely for data updating.

- (19) Regarding paragraph 3.17, please explain why some important STT information, including inspection priorities and records of inspections conducted and enforcement actions taken against breaches of STT conditions identified, was not included in LandsD's TIS. Does LandsD keep records of such important information in some other ways (e.g. in hard copies)? If no, how does LandsD monitor the management of STTs without such important information?

Reply:

(19)–(20)

At present, DLOs rely on hard copies in the subject files for monitoring of the STTs. All the cases with breaches are recorded and discussed in the DRB held regularly by DLOs for monitoring and review of the progress of enforcement actions on STTs .

The existing TIS, which was designed and developed in 2009, is a simple system with basic functions serving the purpose of information recording. It could not fully cope with the current requirements for more robust monitoring and management of STTs. LandsD is prepared to revamp the TIS or make use of other related IT systems to enhance data accuracy and completeness of information to facilitate the overall monitoring and management of STTs. It is anticipated that the system will be developed taking into account the data storage, user interface, workflow management, analytic and reporting functions with a view to facilitating information analysis and monitoring and management of STT; and more comprehensive data, including inspection priorities, nature of breaches and corresponding enforcement actions, and more monitoring functions will be incorporated in the upgraded system as far as possible. It is expected to take 3 years' time to develop the system.

As an interim measure, the internal working group will also strengthen the relevant guidelines and investigate if the TIS can be modified with some improvements to be made in the short term so as to enhance its accuracy and completeness.

- (20) As stated in paragraph 3.20, LandsD will take steps to make use of information technology (including TIS or other related computer systems), to enhance the completeness and accuracy of STT information and management of STTs. Please report on the progress in this regard, and provide a schedule of future enhancement work. If the enhancement work does not include updating TIS to record the important STT information mentioned above, what are the reasons?

Reply:

Please refer to the reply in Q19.

#### **Part 4: Management of Vacant Government Sites Suitable For Short Term Tenancy Use**

- (21) How does the Government assess if VGSs are of general commercial interest to the public?

Reply:

DLOs will decide whether individual VGSs could be considered for short-term uses having regard to factors such as their physical conditions and programme for long-term development. As short-term uses have wide-ranging types and take different forms, DLOs will also carry out assessment based on the site conditions such as accessibility, site configuration, locations, market demand, local views, current zoning and departmental comments, etc.

- (22) Regarding paragraphs. 4.5 to 4.7, please explain /inform the following:

- (a) Why were 11 sites suitable for STT use by NGOs not included in the list? What is the progress of making those sites available to NGOs for STT use by LandsD? When will the information about the 11 sites be uploaded onto GeoInfo Map?

Reply:

All these 11 cases have already been uploaded onto the GeoInfo Map and included in the list of VGSs suitable for STT use and available for application by NGOs.

- (b) The mechanism and time target for the review of whether the sites are suitable for STT use, and the review result of the suitability of the 67 sites for STT use.

Reply:

According to the current guidelines, all VGSs are reported on a quarterly basis in the DRB of DLOs and the DRB will review the suitability of the sites for STT use, either for letting out for commercial uses through tender or application by NGOs for community, institutional or non-profit-making uses. DRB meetings are chaired by respective District Lands Officers personally. Regional Assistant Directors will attend the DRB



meeting for each of their respective districts at least once a year as appropriate.

Regarding the concerned 67 sites, 5 sites have been included in the list of VGSs suitable for STT use while the other 62 sites are considered not suitable for STT use after review due to lack of access or challenging site conditions etc.

- (c) The reason(s) why some VGSs not suitable for STT use were included on the list.

Reply:

With reference to the memorandum issued by LandsD Headquarters in January 2020, the relevant District Lands Officer has further reviewed the 7 cases concerned, which were originally included on the list and considered 6 of those sites not suitable for STT use due to slopes, safety concern, and challenging site conditions, and the remaining site not suitable due to its current zoning as “Conversation Area”.

- (d) As stated in paragraph 4.6(a), 3 sites had been allocated to or would be required by other bureaux/departments, or under disposal process for long-term development. What are the bureaux/departments involved?

Reply:

The relevant bureaux/departments involved are the Transport and Housing Bureau, the Leisure and Cultural Services Department and the Highways Department.

- (e) The mechanism and criteria (e.g. on a first-come-first-served basis or by other means) of LandsD for granting VGSs to bureaux/departments, and

Reply:

If any bureau/department applies for use of a VGS, LandsD will generally process such application on a first-come-first-process basis. However, if there are competing uses proposed by more than one bureau/ department applying for the same site, the involved bureaux/departments will generally liaise among

themselves with a view to resolving such competing proposals for use as far as possible, failing which LandsD may escalate the applications to DEVB for steer.

- (f) How does LandsD handle STT sites that are unused and left idle after having been allocated to bureaux/departments.

Reply:

Under the standard allocation conditions to bureaux/departments, LandsD has the right to terminate the allocation and retake possession of the whole or any part of the allocated site should it cease to be used for the designated purposes. Should LandsD be aware of such situation or upon receipt of complaint, LandsD will enquire the usage of the site with the allocatee and if the site is no longer required or used by the allocatee, LandsD will take follow up action including termination of the allocation as appropriate.

- (23) According to paragraph 4.8(a), each DLO has its own set of selection criteria endorsed by its District Review Board. Does LandsD accept the view that an applicant's lack of knowledge of the selection criteria and the existence of varying sets of selection criteria will cause confusion in internal administration, inconsistency in policy and unfairness to the applicant? Will LandsD review the selection criteria adopted by various DLOs? If yes, when will the review be completed? If no, what are the reasons?

Reply:

For the sake of reference and to enhance the consistency among DLOs, LandsD Headquarters issued a memorandum to all DLOs in January 2020 to fine-tune and elaborate on the existing guidelines regarding the overall management of VGSs and the assessment criteria for identifying sites suitable for STT use.

- (24) According to paragraph 4.8(b), please explain why some DLOs did not document minutes of meetings. When did this practice of no documented minutes of meetings begin? How does LandsD improve this situation?

Reply:

LandsD noted that decisions of DRBs are not properly documented by some DLOs. LandsD Headquarters issued a memorandum on 27 May 2020 to all DLOs providing additional guidelines for handling STTs. DLOs are reminded to hold DRB meeting on a regular basis and the discussion during the DRB meeting including categorizing the VGSs with reasons and justifications should be well documented in the minutes of DRB meeting.

- (25) According to paragraph 4.10, LandsD Headquarters did not regularly compile management information (e.g. executive summary or highlights) on VGSs suitable for STT use. Will LandsD consider collecting regular returns from DLOs on a quarterly basis and inputting the information into computer systems to achieve the policy objective of full implementation of electronic records management?

Reply:

LandsD will take steps to make use of information technology, including TIS or other related computer systems, to record relevant information of VGSs suitable for STT use and to enhance analysis and monitoring. Electronic keeping of relevant information in IT system will be one of the objectives in developing the system.

- (26) According to paragraph 4.12(b), please give a detailed account of how LandsD will make good use of information technology to monitor and ensure the completeness and accuracy of information on VGSs suitable for STT use. What is the estimated time required for completion of the associated improvement work?

Reply:

LandsD will take steps to make use of information technology, including TIS or other related computer systems, to record relevant information of VGSs suitable for STT use and to enhance analysis and monitoring. The system will be developed taking into account the data storage, user interface, workflow management, analytic and reporting functions with a view to facilitating information analysis and monitoring of VGSs. It is expected to take 3 years' time to develop the system.

(27) Regarding Case 9 under paragraph 4.13:

- (a) It is indicated in an Islands District Council Paper (Paper No. CACRC 5/2020) that the Phase Two development of North Lantau Hospital is expected to commence in the fourth quarter of 2020 for completion in 2024. However, with regard to the three STT applications submitted in July 2010, February 2013 and July 2016, if LandsD had maintained good communication with the Food and Health Bureau (FHB), it is believed that the sites concerned would have been made available for use by different organisations making optimal use of land. Why did not the DLO/Islands consult the FHB before rejecting the first application? What are the reasons for LandsD not fully consulting the relevant bureaux/departments on applications for temporary use of VGSs which have been reserved for development but suitable for STT use, in order to address their concerns when considering such applications?

Reply:

According to relevant file records, the case officer rejected the application due to the permanent development proposal for the site. We acknowledge that there is room for improvement by checking with the relevant bureau beforehand. To improve the situation, LandsD Headquarters issued a memorandum to all DLOs providing additional guidelines for handling STTs on 27 May 2020. In respect of application for sites with permanent development programme, DLOs are reminded to seek comments from the bureau/department responsible for the future project before considering further actions on the application.

- (b) In each of the years from 2014-2015 to 2018-2019, how many STT applications for use of VGSs with tenancies successfully granted by LandsD after discussion with the relevant bureaux/departments to address their concerns?

Reply:

The existing TIS does not record information on the discussion between LandsD and other bureaux/departments during the processing of STTs. Nevertheless, from 2015-16 to 2019-20 (up to December 2019), a total of 24 applications for use of

VGSs were approved by LandsD with the policy support from the relevant bureaux/departments.

- (c) In each of the years from 2014-2015 to 2018-2019, how many STTs were put to temporary use under the co-management arrangement? In respect of the co-management arrangement, has LandsD clearly set out any guidelines as well as authorities/responsibilities to avoid disputes and confusion over the use of the sites among bureaux/departments? If yes, please provide the details; if no, will the department consider doing so?

Reply:

According to LandsD records, there were 7 VGSs co-managed by departments within the specified period for temporary uses including horticultural works and recreational uses. There was no STT granted in the form of “co-management” during the period. LandsD will take steps to explore with relevant bureaux/departments on the co-management arrangement for VGSs when considering applications for temporary use of VGSs reserved for development under their respective purview with a view to putting those VGSs to beneficial use as and where appropriate.

- (28) Regarding the “Funding Scheme for supporting better use of VGSs by NGOs” mentioned in paragraph 4.16, please provide information on the following:
- (a) Progress of the 8 approved applications.
- (b) The numbers of applications received and approved since September 2019 up to present, and the approved funding involved, and
- (c) As mentioned in paragraph 4.19, the Government will keep under review the effectiveness of the Funding Scheme and enhance publicity as and when needed. Please advise us the timetable and progress of the said review, and elaborate on the enhanced publicity measures and their effectiveness.

Reply:

The funding scheme is under purview of DEVB who has provided answer for Q32 (which is the same as Q28)

- (29) In relation to paragraph 4.22, what is the manpower involved in site management provided under LandsD's term contracts? Does LandsD inspect site management on a regular basis? If yes, what is the staff establishment involved? If no, how does LandsD monitor site management?

Reply:

Up to May 2020, LandsD executed a total of 10 contracts in relation to management of Government land, including 2 for security guard services, 5 for vegetation maintenance and 3 for clearance and minor works. The contractors are deploying altogether about 330 staff for the management of vacant Government land and their performance is being regularly monitored by LandsD, for example, through site inspections to ascertain if the works have been properly completed by the contractors; surprise check against the performance of security guards stationed at land control sites and examination of the completion reports on vegetation maintenance work submitted by the contractors; etc. In FY2020-2021, LandsD has 236 full-time equivalent staff engaged in land control work. Apart from monitoring the performance of contractors, they are also required to perform other land control duties. As monitoring the performance of contractors is only part of the overall land control work and land administration duties of the staff concerned, there is no separate breakdown on resources deployed solely on the monitoring of the performance of the contractors.

- (30) According to paragraphs 4.23 to 4.28, Audit noted the inadequacies in site management of some VGSs suitable for STT use. In this connection,
- (a) How will LandsD follow up on and resolve the problem of Site B?

Reply:

On 14 April 2020, District Lands Office/Tuen Mun (DLO/TM) posted a notice at Site B, warning members of the public that

no unauthorized occupation of Government land would be allowed. A 24-hour security service has been arranged on site from 21 April 2020 onwards. DLO/TM's staff also inspected Site B several times during the period between 21 April 2020 and 7 May 2020 arranging repair of the fencing, removal of weeds and erection of pillars and Government land signs which were all completed on 7 May 2020. DLO/TM will continue the 24-hour security service and step up inspection so as to prevent any recurrence of illegal car parking and unauthorized occupation of Government land.

- (b) Please advise, since the submission of a report by DLO/TM to Audit in March 2020, whether the security guard term contractor has further strengthened its guard service in respect of Site C and whether inspections have been conducted by DLO/TM at Site C after March 2020 to find out the latest condition of the site. If yes, please advise us the number and outcome of inspections. If no, what are the reasons?

Reply:

DLO/TM inspected Site C on 6 March 2020, and had already instructed works contractor to repair the broken fencing, the entrance gate, and clear the weeds and various objects found on site. The relevant works were completed on the same day. DLO/TM also extended the security service at Site C to 24-hour from 21 April 2020 onwards. On 25 May 2020, DLO/TM inspected Site C and no unauthorized occupation of Government land was detected.

- (c) Apart from erection of a Government land notice board, what are the specific measures taken by LandsD to prevent VGSSs from unlawful occupation/unauthorized use?

Reply:

Apart from fencing up the land concerned, erection of notice boards and bollards/concrete blocks as barriers at locations where appropriate, LandsD will also arrange mobile patrol through out-sourced security companies and station security guards on site where considered necessary. Appropriate land control actions will be taken when unauthorized occupation of vacant Government land is identified and substantiated.

- (d) In view of the inadequacies of guard or patrol service provided to all VGSs, did LandsD identify some poorly-managed black spots during previous site inspections, and accordingly increase inspection manpower to such locations and impose higher penalties?

Reply:

LandsD has all along been closely monitoring the performance of the security companies including regular and surprise checking of black spots. If unsatisfactory performance is found, DLOs will issue warning letter to the security company concerned in accordance with provisions under respective contracts. Such will also be reflected in the overall performance assessment of the company which may be taken into account when assessing the company's future bids for contracts.

- (31) As reported in paragraph 4.33, LandsD will take measures to improve the site management of VGSs suitable for STT use, and enhance TIS or other related computer systems to improve the disclosure of information relating to VGSs suitable for STT use. Please advise us the latest development of the said improvement measures, as well as the timetable and roadmap for the full implementation of these measures.

Reply:

LandsD will take steps to make use of information technology, including TIS or other related computer systems, to enhance the accuracy and completeness of information for VGSs on the GeoInfo Map. The system will be developed taking into account the data storage, user interface, workflow management, analytic and reporting functions with a view to facilitating information analysis and monitoring of VGSs. It is expected to take 3 years' time to develop the system.