

Legislative Council Public Accounts Committee
Public Hearing on 12 June 2020
Director of Audit's Report No. 74
Chapter 7: Management of Short Term Tenancies by the Lands Department

Opening Remarks by the Secretary for Development

Chairman,

I would like to thank the Audit Commission for its comprehensive review and invaluable recommendations on the management of short term tenancies (STTs) by the Lands Department (LandsD). I would also like to thank the Legislative Council Public Accounts Committee for inviting the Development Bureau (DEVB) and the LandsD to attend today's public hearing.

2. The DEVB and the LandsD have been constantly reviewing and improving their efforts in land administration to ensure the effective use of land resources. STT is one of the land instruments used by the LandsD. The grant of STT mainly serves to put sites pending long-term development into short-term gainful uses, including carparks, workshops, storage, community purposes, etc.; or to allocate vacant sites that are considered not suitable for development or with low development potential for temporary non-profit making purposes, such as recreation, plant nursery, etc.. In some cases, the Government may also grant sites by means of an STT for a use that is in line with the site's long-term planned use, due to certain policy considerations. In essence, the STT system is conducive to the optimised use of land resources. In fact, existing STT sites carry an array of gainful uses to meet the economic and social needs of our society.

3. To encourage non-profit-making organisations to make better use of vacant government sites, the DEVB launched a funding scheme in February 2019 to support the use of vacant government sites by non-profit-making organisations by way of STTs.

A total of 11 applications have been approved so far. We will continue to proactively promote this scheme in order to benefit more projects, and the endeavour ties in with the recommendation in the Audit Report. During the process, we will strengthen communication within the Government to ensure that views on and policy support for vacant site applications from the departments and bureaux concerned will be garnered and confirmed within a reasonable timeframe. As a matter of fact, the DEVB had invited the LandsD to bring up cases that require particular attention at the bureau level to facilitate discussion among relevant bureaux in a timely manner so as to deal with the problems at the earliest opportunity. This would expedite the application processing procedures, and allow us to give a definite reply to the applicant as soon as possible. Our work on this front is starting to bear fruits. We will continue to work along this direction, and conduct reviews as and when necessary.

4. The Audit Report pointed out the inadequacies of the LandsD in its management and operation of STTs in areas covering the processing procedures, monitoring, enforcement, operation guidelines, and information management. It also pointed out that some individual cases have not been handled satisfactorily. We fully agree to the recommendations raised in the report. The LandsD has already taken follow-up action on these individual cases, and will continue to monitor the progress closely until conclusion of the cases. As for the recommendations relating to the STT system, while improvements have been made immediately in light of some recommendations, some others will be acted upon shortly.

5. Now I would like to invite the acting Director of Lands to give a brief account of the LandsD's follow-up actions. My colleague and I will be happy to answer in detail any questions that Members may wish to raise. Thank you, Chairman.
