

**For discussion
on 10 February 1999**

EC(98-99)23

ITEM FOR ESTABLISHMENT SUBCOMMITTEE OF FINANCE COMMITTEE

HEAD 118 - PLANNING DEPARTMENT Subhead 003 Recoverable salaries and allowances

Members are invited to recommend to Finance Committee the retention of the following supernumerary posts in the Planning Department from 21 March 1999 to the date of the dissolution of the Land Development Corporation or 30 June 2000, whichever is the earlier -

1 Government Town Planner
(D2) (\$116,650 - \$123,850)

1 Chief Town Planner
(D1) (\$98,250 - \$104,250)

PROBLEM

The existing supernumerary posts of one Government Town Planner (GTP) (D2) and one Chief Town Planner (CTP) (D1) will lapse on 21 March 1999. Director of Planning (D of Plan) needs continued directorate support to cope with the heavy workload associated with the urban renewal initiatives and projects of the Land Development Corporation (LDC). At the meeting on 13 January 1999, Members considered EC(98-99)21 and requested further information on the extent to which our aim to reduce the processing time of planning procedures for LDC projects has been achieved. At Members' request, we withdrew the paper to provide more information on the proposal. We have provided additional information in paragraphs 6 to 7 below.

/PROPOSAL

PROPOSAL

2. We propose to retain the supernumerary posts of one GTP (D2) and one CTP (D1) from 21 March 1999 to the date of the dissolution of LDC or 30 June 2000, whichever is the earlier.

JUSTIFICATION

3. Vide EC(96-97)65, Members approved the creation of the supernumerary posts of one GTP (D2) and one CTP (D1) up to 20 March 1999, designated respectively as the Assistant Director/Urban Renewal (AD/UR) and CTP/LDC. The former heads the Urban Renewal (UR) Division of the Planning Department (Plan D) and the latter the LDC Section set up under the UR Division. Encls.1&2 The job descriptions of AD/UR and CTP/LDC are at Enclosures 1 and 2 respectively.

4. Since its establishment, the UR Division has, through its LDC Section, devoted its efforts to co-ordinating and expediting LDC projects as well as undertaking a study to serve as a basis to formulate an urban renewal strategy. Through its Urban Renewal Section, the division also performs functions such as providing planning advice on all matters related to the Policy Statement "Urban Renewal in Hong Kong" and studies related to urban renewal as well as processing renewal projects proposed by non-LDC agents. An organisation chart of the UR Division is at Enclosure 3. A brief summary of the work of the division and its anticipated commitments for the coming 18 months is given in the following paragraphs. Encl. 3

5. Since May 1997 the UR Division has undertaken the "Urban Renewal Strategy Study", which will set out a strategic planning framework for guiding urban renewal efforts in the metro area. This study has examined ways to enhance the financial viability of urban redevelopment projects. To date, the study has identified sites covering a total area of 76 hectares which require renewal or rehabilitation. The study has also identified 200 priority projects for redevelopment. These projects cover 1 400 old buildings accommodating 35 000 households. Currently, the UR Division is embarking on the final stage of the study which involves the formulation of detailed development parameters for priority urban renewal projects. After completion of the study in early 1999, the UR Division will follow up on the outcome, update the Geographic Information System database, conduct follow-up studies on seven Target Urban Renewal Action Areas identified in the study and undertake a survey in 2000-2001 for a review of the Urban Renewal Strategy.

6. On project co-ordination, the UR Division has undertaken a review of the existing planning procedures in mid-1997. A set of streamlined planning procedures for processing LDC projects within the framework of the existing LDC Ordinance, which aims at reducing the average processing time of a development scheme from 44 months to 18 months, have been adopted since early 1998 and currently six development schemes proposed by LDC are being processed in accordance with these procedures. To date, these schemes are halfway through the statutory planning procedures.

7. Under the streamlined procedures, we anticipated that the time required by LDC to prepare development scheme plans upon initial approval by PELB would be 1½ months. However, owing largely to uncertainties in the current property market, it has taken LDC longer than anticipated to carry out this work. For the six schemes in hand, the time taken has ranged from four to eight months. As regards the remaining procedures for processing the schemes, which we expected to take about 16 to 17 months, current indications are that two of the schemes will be completed in 16 to 19 months and four will take 21 to 25 months. The time required may be shorter if no objections are received upon publication of the schemes in the gazette.

8. In addition to the six schemes, 13 on-going LDC projects and another 19 proposed projects which are at various stages of preparation or implementation will require the continued planning input from the UR Division. Staff will face increased pressure as these projects involve sites with a lesser degree of financial viability or those with environmental or land-use complications. The need to resolve such difficult issues require the involvement of professional officers at the senior and directorate level in co-ordinating action among Government departments and negotiating with the LDC.

9. Subject to Members' approval, we plan to establish the Urban Renewal Authority (URA) in late 1999/early 2000 to succeed LDC. We are now drawing up the proposed terms of reference, powers and operational guidelines. In this interim period, the UR Division will have to continue to provide professional planning input and technical advice to SPEL on the establishment of the proposed URA and on the implementation of the recommendations of the Urban Renewal Strategy.

10. In view of these commitments, we consider that there is a need to continue the tenure of the existing supernumerary posts of one GTP (D2) and one

CTP (D1) to lead the UR Division and its LDC Section. We therefore propose their retention from 21 March 1999 until the date of succession of LDC by the proposed URA or until 30 June 2000, whichever is the earlier. We expect that upon the expiry of the extended tenure, new institutional arrangements on the establishment of the proposed URA will come into effect. We shall review the need for directorate support when the date of the establishment of the proposed URA is determined.

11. To provide professional and secretarial support to the UR Division, we will retain the existing 19 posts of two Senior Town Planners, five Town Planners, six technical staff, four clerical and two secretarial staff currently funded by LDC.

FINANCIAL IMPLICATIONS

12. The notional annual salary cost of the proposal at mid-point is \$2,656,200. The full annual average staff cost of the proposal, including staff on-costs, is \$4,697,364.

13. In addition, this proposal will necessitate the retention of 19 non-directorate posts at a notional annual mid-point salary cost of \$7,221,270 and a full annual average staff cost of \$11,040,234..

14. We shall recover the full staff costs of the proposed retention of the GTP (D2) and CTP (D1) posts and 19 non-directorate staff under the UR Division from LDC, which has agreed to this funding arrangement.

BACKGROUND INFORMATION

15. In 1996, SPEL completed a review of the urban renewal policy and issued a Policy Statement. The review set out a package of short-term and long-term measures to facilitate and speed up urban renewal. Most of these measures and changes concern the LDC, which plays a major role in this process through its statutory powers to implement development schemes and proposals and negotiate with affected owners regarding the purchase of properties identified for redevelopment. Following the issue of the Policy Statement, we set up the UR Division in Plan D in March 1997 to handle all planning-related urban renewal matters.

/CIVIL

CIVIL SERVICE BUREAU COMMENTS

16. The Civil Service Bureau supports the retention of the posts until the dissolution of the Land Development Corporation or 30 June 2000, whichever is the earlier, on the understanding that the Administration will review the continued need for the posts in the light of the establishment of the URA.

ADVICE OF THE STANDING COMMITTEE ON DIRECTORATE SALARIES AND CONDITIONS OF SERVICE

17. As we propose to retain the posts of one GTP and one CTP on a supernumerary basis, we will report the arrangement, if approved, to the Standing Committee on Directorate Salaries and Conditions of Service in accordance with the agreed procedure.

Planning, Environment and Lands Bureau
February 1999

Job Description
Assistant Director of Planning/Urban Renewal

Rank : **Government Town Planner (D2)**

Aim of the Job -

As head of the Urban Renewal Division, AD/UR is responsible to Deputy Director of Planning/District (D3) for the LDC Section and UR Section on urban renewal matters.

Main Duties and Responsibilities -

1. liaising with relevant bureaux and directorate staff in Government departments and agencies on all urban renewal related matters including the establishment of the URA;
2. providing expert advice on the preparation of studies to serve as the basis for the formulation of urban renewal strategy;
3. ensuring that territorial and sub-regional planning objectives have been incorporated into urban renewal proposals;
4. devising planning mechanisms to facilitate implementation of LDC projects within the statutory planning framework and relevant legislation;
5. advising LDC on the acceptability of planning parameters including assessment on planning gains relating to LDC's urban renewal efforts;
6. resolving promptly land use and design problems/conflicts arising from LDC's projects among development agencies/departments and exploring measures to achieve financial viability of development schemes/proposals including the identification of sites suitable for the linked site approach;
7. monitoring planning inputs and setting out the pros and cons of LDC schemes/proposals for the consideration of the Secretary for Planning, Environment and Lands;

8. co-ordinating the provision of infrastructure and government, institution or community facilities arising from LDC's projects;
9. conducting Liaison Meetings with LDC which are attended by the Director, Planning Division of LDC and his senior staff;
10. conducting/attending meetings and advising on LDC's consultancy studies;
and
11. providing professional advice to the Planning Committee and the Managing Board of LDC.

Job Description
Chief Town Planner/Land Development Corporation

Rank: Chief Town Planner (D1)

Aim of the Job -

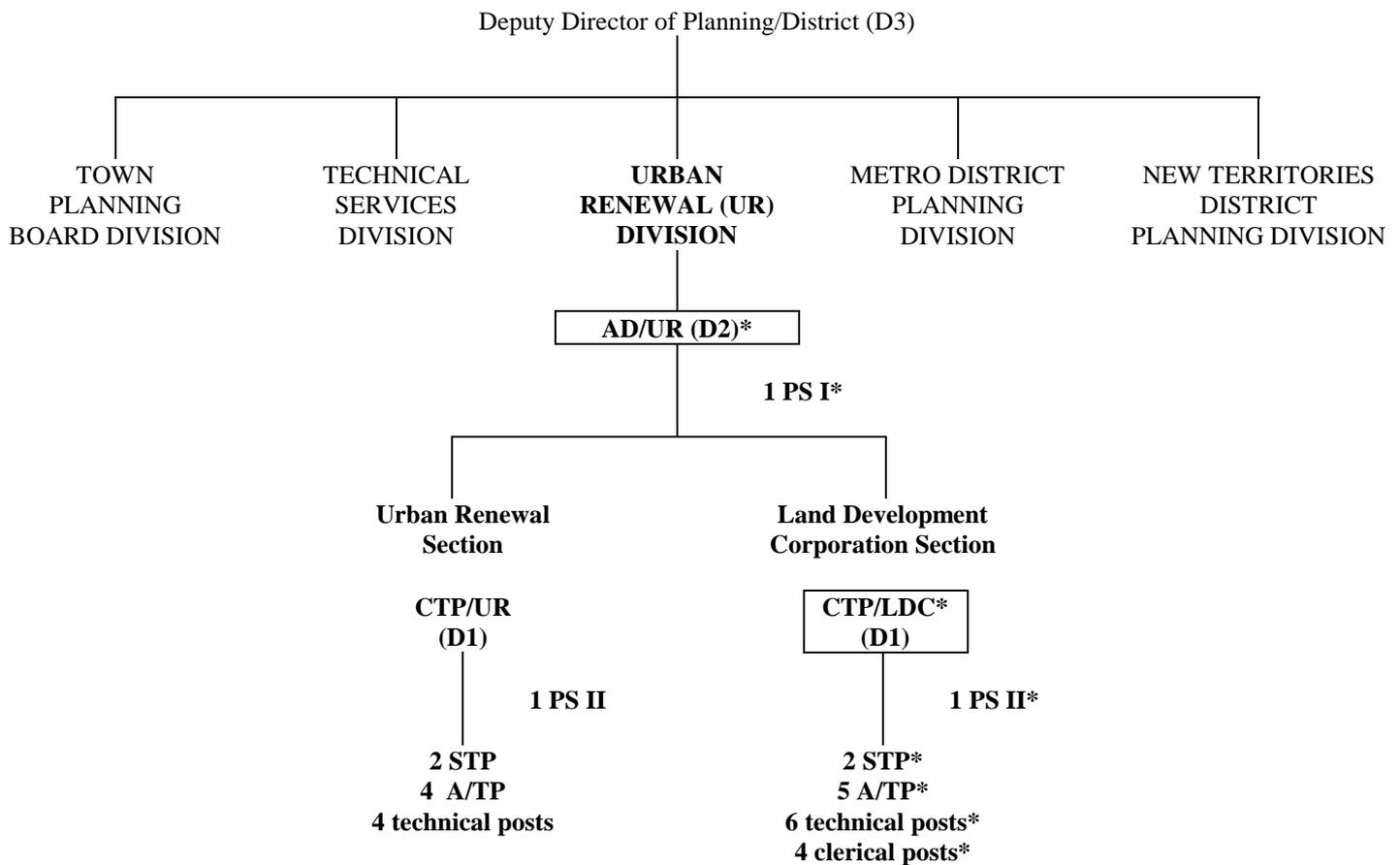
As head of the LDC Section, CTP/LDC is responsible to Assistant Director of Planning/Urban Renewal (D2) for urban renewal matters related to LDC and supervises a dedicated team of non-directorate professional as well as technical staff.

Main Duties and Responsibilities -

1. preparation of the urban renewal strategy studies;
2. advising the identification and prioritisation of urban renewal projects for LDC/future URA;
3. advising the definition of boundaries and assessment on LDC development schemes and development proposals;
4. preparation of planning briefs for LDC projects;
5. setting out the pros and cons of draft development scheme plans for consideration by the Town Planning Board;
6. briefing the affected groups and concerned organisations on the planning aspect of LDC's urban renewal projects;
7. commenting on the objections to LDC's draft development scheme plans under the Town Planning Ordinance and summarising the objections to the Chief Executive in Council;
8. advising LDC on the preparation and subsequent amendments of planning applications to the Town Planning Board;

9. consulting and briefing District Boards, Municipal Councils and their sub-committees, and other relevant bodies on LDC projects;
10. assisting AD/UR in co-ordinating the provision of infrastructure and government, institution or community facilities within LDC's development schemes and development proposals;
11. establishing an information system to facilitate LDC's urban renewal activities; and
12. vetting the technical submissions screened by professional staff of the LDC Section.

**Existing organisation chart of the
Urban Renewal Division**



Legend :

- AD - Assistant Director of Planning
- CTP - Chief Town Planner
- STP - Senior Town Planner
- A/TP - Town Planner/Assistant Town Planner
- * - **Posts funded by LDC**
- Posts proposed to be retained

Checklist for ESC Submission

Retention of Supernumerary Posts of One Government Town Planner (D2) and One Chief Town Planner (D1) in Urban Renewal Division of Planning Department

(a) **Necessity to go to ESC**

The supernumerary posts of one GTP (D2) and one CTP (D1) will lapse on 21 March 1999. ESC/FC approval is required for their retention for over six months. The proposal is a re-submission providing additional information responding to Members' views expressed at the ESC meeting on 13 January 1999.

(b) **Authority**

Not applicable.

(c) **Funding**

The Land Development Corporation (LDC) will reimburse Government the full costs of the proposal. We have included sufficient provision under Subhead 003 Recoverable salaries and allowances of Head 118 Plan D in the 1999-2000 draft Estimates to meet the cost.

(d) **Political Assessment**

Members are likely to support proposals to speed up urban renewal and appreciate the need to retain the dedicated team in Plan D to take forward proposals in the Policy Statement "Urban Renewal in Hong Kong" issued in June 1996.

(e) **Consultation with LegCo Panel**

Consultation with LegCo Panel is deemed unnecessary. When this submission was first considered by the ESC on 13 January 1999, there was no request for this to be run past the LegCo Panel.

(f) **Lobbying Requirement**

The Planning, Environment and Lands Bureau will lobby selected LegCo Members for their support of the proposal.

(g) **Fallback Option**

Since this is a re-submission, there is no fallback option other than asking Members to vote on the proposal.

(h) **Attendance at the ESC Meeting**

The Deputy Secretary (Lands & Planning) of Planning, Environment and Lands Bureau (Mr. Patrick Lau), the Principal Assistant Secretary (Urban Renewal) of Planning, Environment and Lands Bureau (Mr. Richard Luk) and Assistant Director of Planning (Urban Renewal) of Planning Department (Mrs. June Li) will attend the meeting.

(i) **Special Consideration**

We need to retain the two posts to take forward proposals in the Policy Statement “Urban Renewal in Hong Kong”, particularly in preparing to set up the URA and in taking follow-up action in respect of the Urban Renewal Strategy Study. The ESC considered the item on 13 January 1999 and requested additional information before making a decision on the matter. The information required is now at paras. 6 & 7 of the paper.

Planning, Environment and Lands Bureau
February 1999

**Streamlined Procedures Introduced in April 1998 for
Processing Land Development Corporation (LDC) Development Schemes**

Procedures	Time (in months)																										
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25		
1. Formal submission of an outline of a development scheme by LDC to SPEL and approval of SPEL for LDC to prepare a development scheme under s.13(1) of LDC Ordinance (LDCO)	—																										
2. Preparation of a development scheme by LDC under s.13(2) of LDCO		—																									
3. Submission of a development scheme plan (DSP) by LDC to SPEL and consideration by SPEL			—																								
4. Submission of the DSP by SPEL to Town Planning Board (TPB) and approval by TPB under s.14 of LDCO				—																							
5. Exhibition of DSP under s.5 of Town Planning Ordinance (TPO) and consultation with District Board/Municipal Council						—																					
6. Processing of objections under s.6 of TPO										—						*											
7. Submission of DSP to ExCo under s.8 of TPO and approval by ExCo under s.9(1)(a) of TPO																	—										

* s.8 of TPO provides a 9-month statutory period for handling objections, which may be extended by a maximum of 6 months, subject to the approval of the Chief Executive. The actual time required for processing objections depends on whether there are objections and, if yes, the number and complexity of the objections received.