

## **Chapter VII : Planning and Lands**

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7.1 At the Chairman's invitation, the Secretary for Housing, Planning and Lands (SHPL), Mr Michael SUEN, briefed members on the four priority tasks of the Housing, Planning and Lands Bureau (HPLB) in the buildings, lands and planning policy areas in 2003-04 (Appendix V-6).

### **Proposed amendments to Town Planning Ordinance**

7.2 Noting that the Administration planned to introduce the Town Planning (Amendment) Bill into the Legislative Council (LegCo) in mid 2003, Ms Emily LAU was concerned whether the scrutiny of the Bill could be completed by the end of the LegCo term in July 2004. SHPL advised that the Administration proposed to amend the Town Planning Ordinance (Cap. 131) in stages, giving priority to those amendments which had general consensus. The Administration had already consulted the Panel on Planning, Lands and Works, major political parties, professional bodies and stakeholders on the proposed amendments under Stage One to be introduced into LegCo in mid 2003. The Director of Planning (D of P) added that the proposed amendments under Stage One included those amendments that would streamline the town planning process, enhance the openness of the planning system and facilitate greater public participation in the town planning process. The more controversial issues, such as the power and composition of the Town Planning Board, would be dealt with at a later stage.

### **Planning studies**

7.3 On the "Hong Kong 2030: Planning Vision and Strategy" Study (HK2030 Study) commenced in November 2000, Ms Emily LAU was concerned about the progress made in the past two years. D of P advised that the HK2030 Study aimed to assess Hong Kong's future development needs in a wider regional perspective and for a longer time horizon of 30 years. The Study was conducted in four stages. During the first two stages, the Administration had conducted public consultation on the proposed planning objectives and nine strategic planning issues. The Study had proceeded to Stage Three during which various development options would be formulated. The Administration planned to consult the public on the proposed options later this year.

7.4 Mr Albert HO Chun-yan enquired about the objectives of the "Study on Rural Planning and Land Management in the New Territories" and the timing for completing Phase One of the Study. D of P advised that Phase One of the Study, which commenced in 2002 and was scheduled for completion by the end

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of 2003, was being conducted in-house by the Planning Department (Plan D) to identify problems and possible redress measures to better manage the land in the New Territories (NT). Phase Two was scheduled to commence in 2004 to work out action plans for pilot projects for assessing the feasibility and effectiveness of the proposed improvement measures. Mr HO was concerned whether the Study would help address the existing problems relating to land management in rural areas, such as the environmental problems caused by container storage and flooding problems. D of P advised that the aforesaid problems would be covered by the Study. At the request of Mr HO, D of P undertook to provide a list of issues being/to be examined under the Study.

### **Small house applications**

7.5 Noting the reduction in the number of small house grants from 1 000 in 2001 to 842 in 2002, Dr TANG Siu-tong urged the Administration to expedite processing of the 13 054 outstanding small house applications. The Director of Lands (D of Lands) explained that as the straightforward applications had been processed in the past few years, the outstanding applications were more complex and required more time for processing, such as those involving unclear land titles, local objections and site constraints. Moreover, over 700 applicants failed to proceed with execution of the land grant documents after approval of their applications. All these factors accounted for the reduction in the number of small house grants in 2002. Nevertheless, the Administration was actively exploring ways to expedite processing of the outstanding applications with the available resources, for example, to streamline the processing procedures.

7.6 Dr TANG Siu-tong enquired about the progress of the implementation of the Village Layout Plan Scheme which was introduced by the Administration to facilitate the processing of small house applications. D of Lands advised that the Lands Department (Lands D) had been in consultation with Heung Yee Kuk and 16 Rural Committees. They raised a number of issues and further consultation would be conducted.

### **Supply and resumption of land**

7.7 Referring to the recent war between the United States and Iraq as well as the outbreak of Severe Acute Respiratory Syndrome which aggravated the economic downturn in Hong Kong, Mr IP Kwok-him was concerned whether the Government would resume land sale. SHPL advised that as part of the property market stabilization measures announced by the Government in November 2002,

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all scheduled land auctions would not be held and the Application List would be suspended until the end of 2003. The measures involved a change of the established practice for land sale by the Government. As from January 2004, the supply of new land would only be triggered from the Application List. Sites on the Application List would be released for sale only if a developer applied and agreed to pay a minimum price acceptable to the Government. The sites would then be put out for public auction or tender. The Government would not take the initiative to put up land for sale on the market.

7.8 Noting that the professional services engaged through contracting-out by Lands D included resumption of private land, Mr LAU Ping-cheung enquired whether land valuation for private land in NT was different from that for the urban areas. D of Lands said that an ex-gratia zonal compensation system for resumption of land had been in operation in NT, which was different from the basis adopted for land valuation for resumption of land in urban areas. At the request of Mr LAU, D of Lands undertook to provide information on the procedures for land valuation in respect of resumption of private land in NT and the urban areas.

### **Land title registration**

7.9 Mr Albert HO was concerned whether properties involving missing or illegible Government leases and unclear land boundaries could be registered under the proposed land title registration system (LTRS) under the Land Titles Bill being scrutinized by LegCo. Noting that the Administration planned to introduce a bill into LegCo in future to provide a mechanism to reconstitute the missing and illegible Government leases, Mr HO considered that the mechanism should be put in place before the passage of the Land Titles Bill to enable the registration of the relevant properties under LTRS. The Deputy Secretary for Housing, Planning and Lands (Planning and Lands)<sup>2</sup> (DS(PL)<sup>2</sup>) pointed out that the Land Titles Bill and the proposed legislation on missing and illegible Government leases served different purposes. She also pointed out that if properties involving missing and illegible Government leases could not be registered under LTRS, the properties could still be registered under the existing deeds registration system. As regards properties involving unclear land boundaries, the Land Titles Bill provided an avenue for lot owners to apply to the D of Lands to have their lot boundaries determined and registered in the Land Registry. The Administration would revisit whether to provide a guarantee of land boundaries as the number of property surveyed lots in Hong Kong built up after the Land Titles Ordinance had been implemented for a period of time, say,

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five or ten years.

7.10 Mr Albert HO was concerned that no provision had been made in the 2003-04 Estimates for the study of the proposed legislation on missing and illegible Government leases. The Deputy Secretary for Housing, Planning and Lands (Planning and Lands)<sup>1</sup> (DS(PL)<sup>1</sup>) advised that the preparatory work relating to the proposed legislation mainly involved staff costs which would be absorbed by HPLB and the relevant departments within their existing resources.

7.11 Mr Albert HO said that from his experience, the Administration accorded a low priority for dealing with cases involving missing and illegible Government leases. D of Lands explained that given the complex and legal issues involved, it took time for the Administration to process each of these cases. About ten such cases were being processed by the Administration.

### **Unauthorized buildings works**

7.12 Given the safety hazard posed by unauthorized buildings works (UBWs) attached to the exterior walls of buildings, Mr NG Leung-sing enquired whether the Administration had taken the initiative to inspect the UBWs and expedite its actions to remove them. The Director of Buildings (DB) advised that inspections on UBWs had been conducted at the initiative of the Buildings Department (BD) as well as upon receipt of complaints. Since 2002, the annual target of issuing 25 000 removal orders on UBWs had been adopted. BD exceeded this target and issued 54 010 removal orders in 2002. Priority had been given to those UBWs which posed immediate danger to the public. To enhance public awareness of the problems caused by UBWs, information on building maintenance and guidelines on the removal of UBWs had been issued to owners and tenants.

7.13 In view of the fact that 54 010 removal orders on UBWs had been issued in 2002, Dr TANG Siu-tong enquired about the reason why the annual target for 2003 remained 25 000 and whether more resources could be allocated for the work. DB explained that as BD had exceeded the target in 2002, it had to take follow up actions on a much larger number of removal orders that had been brought forward from previous years to ensure the compliance of the orders. The target of issuing 25 000 new orders was considered appropriate for 2003. D of B assured members that the resources allocated for tackling UBWs in 2003 was comparable with those in 2002.

### **Urban renewal**

7.14 Mr Fred LI Wah-ming declared that he was a non-executive director of the Urban Renewal Authority (URA) Board. Mr LI noted that \$16 million was provided for the creation of 25 new posts in the Urban Renewal Section of Lands D to process land resumption and to make land available for redevelopment by URA. Given the need to tackle the budget deficit and reduce Government's operating expenditure, Mr LI queried the justifications for the creation of the 25 new posts. As URA was a statutory body which provided a more flexible organizational structure than the Government, Mr LI considered that it would be more cost-effective for the Administration to allocate resources to URA to process land resumption. D of Lands explained that the actual number of land resumption cases to be processed by Lands D in 2003-04 would depend on the progress of acquisition by URA. The 25 proposed new posts would be created only when the workload of the Urban Renewal Section increased to such an extent that it could not be absorbed by existing staff, and with the agreement of URA Board. The actual number of new posts to be created would depend on operational need and not all the 25 new posts would be created at the same time.

7.15 Ms Emily LAU was concerned whether URA had adequate resources to take forward its urban renewal programme and that if URA did not have adequate resources, it would focus its work on rehabilitation and not on redevelopment. DS(PL)2 advised that with the Government's capital injection of \$10 billion and the land premium concessions for urban renewal and rehousing sites as well as finances from the private sector, URA should have adequate resources to take forward its urban renewal programme. According to URA's second Corporate Plan just approved by the Financial Secretary, URA estimated that it would achieve a small surplus by 2016-17. This was in line with the Government's policy intention that the urban renewal programme should be self-financing in the long run. As regards the work of URA, DS(PL)2 pointed out that URA had adopted a "4Rs" strategy comprising redevelopment, rehabilitation, preservation and revitalization, so that a holistic approach could be implemented in the long term. The Administration planned to brief the Panel on Planning, Lands and Works in due course on the URA's work progress in 2002-03 and work plan for 2003-04. SHPL also pointed out that redevelopment was not the only effective means to tackle the urban decay problem in Hong Kong.

### **Staffing provisions for Lands Department and Planning Department**

7.16 Ir Dr Raymond HO noted that Lands D and Plan D planned to reduce six non-directorate posts and one non-directorate post in 2003-04 respectively. Given the suspension of land sale and some planning proposals, such as the planning proposal for the provision of an environmental-friendly city, Ir Dr HO considered that there should be room for further reduction in the staffing provisions for Lands D and Plan D. D of Lands pointed out that Lands D had already deleted five directorate posts and more than 150 non-directorate posts in 2002-03. He also pointed out that despite the suspension of land sale, staff of Lands D was required to perform other types of work, including the statutory procedures for gazettal and consultation on land resumption. Moreover, the fact that the new policy of assessing tenders for various development projects involving disposal of Government land took into account factors other than tender price had also resulted in substantial workload for Lands D in the processing of tender applications and preparation of legal documents for land grant. New development projects, such as that for the development of the West Kowloon Cultural District, would also generate additional workload for the Department. D of P also pointed out that the establishment of Plan D had been under constant review and two directorate posts had just been deleted in February 2003. In fact, apart from engaging in on-going and new planning studies, staff of Plan D had to review their planning proposals from time to time to meet the changing circumstances and the changing needs of the community. More staff resources had been allocated, for example, to cross-boundary issues and to strengthen liaison with the Mainland authorities in the conduct of planning studies.

7.17 Ir Dr Raymond HO pointed out the concern of the industry that staff of Lands D and Plan D had issued various guidelines from time to time, making it difficult for the industry to follow. D of Lands advised that the guidelines issued by Lands D, Plan D and BD in the recent few months aimed to streamline, and not to complicate, the procedures. The Permanent Secretary for Housing, Planning and Lands (Planning and Lands) assured members that guidelines would be issued only when there was a need to do so.

