

Chapter VII : Planning and Lands

7.1 At the Chairman's invitation, Mr Michael SUEN, the Secretary for the Housing, Planning and Lands (SHPL), briefed members on the major initiatives of the programmes under the Policy Area: Planning and Lands (Appendix V-6).

Staffing arrangement in the Lands Department

7.2 Notwithstanding the saving of \$58.8 million resulting from a net deletion of 235 posts in the Lands Department (LanD) under Programme (1): Land Administration in 2004-05, Ms LI Fung-ying was concerned about staff morale as a result of the massive deletion of posts. She also enquired whether the Administration would employ temporary staff or outsource some services in order to meet the service demand after the deletion. Miss CHAN Yuen-han concurred with Ms LI and pointed out that the workload of LanD staff such as Land Executives (LEs) was already heavy. She expressed grave concern about the impact of the deletion on the progress of current tasks and the implementation of new projects.

7.3 In response, the Director of Lands (D of L) acknowledged that staff morale would be inevitably affected, but the management would work hand in hand with staff members and staff unions to streamline procedures, reprioritize workload, and to achieve greater efficiency through the "3R1M" principle in meeting public expectations. Non-civil service contract (NCSC) staff would only be employed in accordance with the guidelines set out by the Civil Service Bureau (CSB) to cope with urgent, short-term or ad hoc tasks, but not to fill vacancies of civil service posts. D of L also advised that additional manpower would be sought for new projects/tasks on the merits of each case.

7.4 Referring to the recent non-renewal of contracts for some LEs on Special Local Agreement Terms (SLAT), Miss CHAN Yuen-han pointed out that these LEs were employed on the understanding that they could be converted to permanent terms. In view of the upcoming development project in Southeast Kowloon and in the New Territories, she enquired if these SLAT LEs could be further engaged for these new projects. D of L replied that a number of civil service posts on agreement terms had been created over the past 10 years in LanD on a project basis to deal with time-limited assignments, but no guarantee had been given that in due course these officers would be offered employment in the permanent establishment. In practice, as permanent vacancies arose from time to time, some of the agreement officers had been transferred to permanent terms. D of L stressed that SLAT LE posts were created for time-limited tasks such as the

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Task Force (Black Spots) for which funding was approved for a period of 10 years up to 1 April 2004. In fact, when the contracts of 38 SLAT LEs were due to expire on 31 March 2004, only 21 permanent vacancies would be available, and they would all be filled by SLAT LEs. The management had no choice but to release the remaining 17 SLAT LEs on 1 April 2004.

7.5 In this connection, Mr LEE Cheuk-yan pointed out that by allowing promotion and post-retirement re-employment to take place at senior ranks, there was already unfairness to junior staff. He urged the Administration to keep the 17 SLAT LEs in question given their valuable experiences in land administration. Mr Albert CHAN echoed Mr LEE's views. He also pointed out that while most departments such as LanD were facing budget cut, the general departmental expenses of the Housing, Planning and Lands Bureau (Planning and Lands Branch) (HPLB(PLB)) would increase by 8% in 2004-05.

7.6 D of L responded that the allegation of unfairness was unfounded. Since 2002, CSB had requested that in every case of promotion, departments concerned had to provide full justification to their policy bureaux and CSB that the promotion was absolutely necessary on operational grounds. It would be unreasonable to freeze well justified promotion exercises as it would affect staff morale and create management problems. LanD had been able to reduce a significant number of directorate posts in the past few years. D of L also stressed that the 17 SLAT LEs had completed their contracts and the original justifications for the creation of their posts no longer existed. These LEs could not continue to be employed to fill the vacancies arising from the implementation of the 2 000 Voluntary Retirement (VR) Scheme as all appointments to the VR grades had been frozen in accordance with the Scheme. The Permanent Secretary for Housing, Planning and Lands (Planning and Lands) (PSPL) also advised that there would be a deletion of eight permanent posts from the establishment of the Planning and Lands Branch of HPLB(PLB) in 2004-05. The increase in general departmental expenses was mainly due to a contingency provision to meet the cost of administering the policy portfolio and many ongoing and new commitments as well as unforeseen requirements. One of the new commitments was to provide support to the planned Advisory Committee on Enhancement of the Harbour-front.

7.7 Noting that LanD had completed two studies on its Land Administration Office and Survey and Mapping Office with a view to improving their operating efficiency, Mr LEE Cheuk-yan was concerned about further reduction of staff resulting from efficiency initiatives such as corporatization. D of L advised and PSPL confirmed that the Administration had no plans to corporatize these two Offices.

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Monitoring of land grant for development projects

7.8 Citing the Cyberport and the West Kowloon Cultural District project as examples, Mr Albert HO noted that the Administration would grant land at nominal land premium to “subsidize” some development projects. Similar arrangement would likely be adopted in the delivery of some private-sector participation public works projects. As land was a valuable asset, Mr HO considered that such form of “subsidy” should be properly monitored by the Legislative Council and the public. In response, SHPL pointed out due to the limited land resources in Hong Kong, the Administration had to ensure that sites intended for Government development would be put to full use by allowing compatible users, including those from the private sector, to develop the sites. Private developers who participated in joint development projects would not be subsidized by the Administration; on the contrary, they would be required to finance the construction of Government and public facilities in the sites. SHPL also said that in relation to the possible merger of the MTR Corporation Limited and the Kowloon-Canton Railway Corporation, the Administration would need to review the residential property development rights of the two corporations if circumstances so required.

Protection and enhancement of Victoria Harbour

7.9 Mr WONG Sing-chi noted that the Administration had spent about \$780,000 in 2003-04 merely for the production and distribution of booklets and leaflets on Victoria Harbour protection and enhancement. Mr WONG considered that such resources should be used for public education on the protection of the Harbour rather than just for Government’s own propaganda. In response, PSPL pointed out that the Central Reclamation Phase III project had gone through extensive consultations in the past few years and was properly approved and funded in accordance with all statutory requirements. The purpose of producing the booklets and leaflets was to better explain the Government’s stance on reclamation in the Harbour, in particular its undertaking not to carry out any further reclamation work in the Harbour apart from Central, Wanchai North and southeast Kowloon. For 2004-05, the Administration would provide support to the planned Advisory Committee on Enhancement of the Harbour-front to enlist greater community participation in Harbour protection and enhancement.

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7.10 Regarding the terms of reference of the Advisory Committee, PSPL advised that it was tasked to help create the needed partnership and assist in consensus building in protection and enhancement of the Victoria Harbour. The Advisory Committee, which would have a broad-based representation, would be set up shortly and would be consulted on the reviews concerning the remaining reclamation proposals and the “Planning Study on the Harbour and its Waterfront Areas”. A provision of \$5 million was expected to be able to set aside for the Advisory Committee for 2004-05. Details of allocation of these resources would be decided later.

Small house applications

7.11 Dr TANG Siu-tong was concerned that only 711 small house grants were executed in 2003 which was far below the target of 1 200 executed cases per annum. Noting that the target for small house grants would be revised from the number of cases executed to the number of cases processed as from 2004, Dr TANG was also concerned that such a change might not truly reflect the situation of small house applications. In response, SHPL admitted that the review of small house policy had progressed slower than expected as HPLB had given priority to other urgent tasks last year, but he undertook to expedite the progress of the review in the coming year. D of L added that many of the small house applications were considerably complicated and could not be approved owing to various problems beyond the control of LanD but had to be resolved by the applicants themselves. As regards the change in the performance target for small house grants, D of L stressed that 1 710 cases had in fact been approved but the applicants failed to proceed with the execution of the land grant documents and these cases could not be counted as executed cases. The new target was hence proposed in order to reflect more accurately the workload of LanD in the processing of small house applications.

Building safety and maintenance

7.12 Noting that 50 000 unauthorized building works (UBWs) were removed in 2003 and a considerable increase in resources would be set aside for the Buildings Department (BD) to sustain the efforts in 2004-05 in taking enforcement action against UBWs, Ir Dr Raymond HO enquired about the net deduction in the number of UBWs in Hong Kong. The Director of Buildings (DB) advised that there were around 800 000 UBWs throughout the territory in 2001. To tackle the problem, the Administration had implemented a Comprehensive Strategy for Building Safety and Timely Maintenance (the

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Strategy) in 2001. For fire safety reason, priority was given to clearing illegal rooftop structures of buildings with single staircase. Priority was also accorded to the removal of new UBWs. Some 108 000 UBWs had been cleared since the implementation of the Strategy. In order to accelerate the removal of UBWs, 38 staff had been redeployed from the Housing Authority, in addition to a number of temporary staff employed by BD, to carry out enforcement actions.

7.13 Ir Dr Raymond HO also enquired about the progress of other building safety initiatives such as the promotion of timely maintenance and introduction of mandatory requirement on owners to ensure proper building maintenance and management. In response, DB said that under the Strategy, the pilot Co-ordinated Maintenance of Building Scheme (CMBS) was implemented in 2001 to reinforce owners' responsibility for maintaining their buildings in a timely manner. Some 550 buildings were included in CMBS. A review would be carried out this year to assess the effectiveness of the Scheme. DB also pointed out that a public consultation exercise on the policy direction to promote building management and maintenance, including the introduction of mandatory requirement on owners to ensure proper building maintenance and management, was launched in December 2003. The consultation period would end in mid-April 2004.

Application List system

7.14 Mr Albert CHAN noted that more developers were becoming enthusiastic in triggering new land from the Application List in view of the reviving property market. As the Application List announced in January 2004 only consisted of 17 sites, he enquired whether the Administration had any plans to review the List to meet the increasing market demand. SHPL replied that the Application List announced in January 2004 was for the sale of Government land from January 2004 to March 2005. Market situation and development needs had been taken into account when drawing up the List. The Administration would closely monitor the market situation and review the List in early 2005.

7.15 Noting that HPLB had devised a comprehensive monitoring system and a database relating to the private property market, Mr James TIEN enquired whether HPLB would update the database regularly in order to ensure that the Application List system would be more responsive to the market changes. In response, SHPL and PSPL advised that the database was built up from information and analyses provided by the relevant departments on aspects within their purview. These departments included LanD, BD, Inland Revenue Department, Housing

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Authority, Housing Department and Rating and Valuation Department. Other information such as flat prices and transaction volumes in the private property market would also be taken into consideration. The database would be updated every month.

7.16 In response to Mr James TIEN's enquiry about the time required for developers to trigger sites from the Application List, D of L advised that under the Application List system, any developer interested in any of the sites on the List might submit an application to the Government offering a minimum price that it pledged to pay for the site. If the Government considered the minimum price offered by the applicant reasonable and acceptable, the developer would be informed of the acceptance of the offer within two weeks from the application date. The site concerned would then be put up for sale by open tender or public auction. Notice of the sale of the site would be gazetted in three consecutive issues. As such, all those interested in the site would receive sufficient notice of the timing of sale and the upset price at the auction/tender. In sum, the whole process would normally last around two months.