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覆函請註明本署檔號

Please quote our reference in response to this letter.

我們矢志努力不懈，提供盡善盡美的土地行政服務。
We strive to achieve excellence in land administration.

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20 January 2016

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

Dear Mr. CHU,

Public Accounts Committee
Consideration of Chapter 3 of the Director of Audit's Report No.65
Use and disposal of vacant school premises ("VSP")

I refer to your letter of 6 January 2016 and provide herewith the information requested therein:

- (a) *referring to Annex 7 of the reply from Education Bureau ("EDB") dated 31 December 2015, which contains information on schools which ceased operation under the Consolidation Policy since 2003/2004 school year, please provide the following information relating to school number 22 and 24:*
- i) current use of the VSP;*
 - ii) whether the VSP is on government land or private land;*

- iii) if the VSP is located on private land, whether there was a cessation/diminution of user clause in the land lease such that the Government has the right to re-enter the site; and*
- iv) whether physical possession of the VSP has been delivered to the Government; if not, the reasons. What are the actions to be taken by the Lands Department (“LandsD”) for taking back the site.*

The 2 VSP are on Government land. Physical possession of the VSP in respect of School Number 22 has been delivered to the Government. It is one among the 22 cases mentioned in paragraph 3.15(b) of the Audit Report, i.e. Lands Department (LandsD) is considering an application for short term use pending long-term disposal of the site. The VSP of School Number 24 used to be governed by a Government Land Licence, and is one among the 10 cases mentioned in paragraph 3.15(c) of the Audit Report. The Government has not yet obtained physical possession of the site in view of the objection from local villagers having regard to the site history (that the land was freely donated by the villagers for operation of a school many years ago, and the construction costs of the school premises were funded by them at that time). The concerned party submitted an application for school use in late November 2015 and the application is being considered by LandsD.

- (b) for the 105 VSP not being used as at 30 April 2015, please indicate their status based on the procedures set out in the flowcharts on the mechanism of handling of VSP provided in Annexes 3, 4(a) and 4(b) of EDB’s reply dated 31 December 2015;*

Amongst the 105 VSP, 77, 25 and 3 are currently under the respective purview of LandsD, Education Bureau (EDB) and Housing Department (HD). LandsD will provide information on the 77 VSP while EDB would provide the information on the remaining 28 VSP under the purview of EDB and HD.

The 77 VSP (49 on government land and 24 on private land presented in Table 11 of the Audit Report as under LandsD’s purview as at 30 April 2015, plus 4 VSP presented in Table 11 as under EDB’s purview as at 30 April 2015 but have recently been “returned” by EDB for considering alternative uses) under LandsD’s purview are those not required by EDB for school/other educational uses and referred to PlanD under the central clearing

house mechanism. Their present statuses in handling are set out below in the context of ~~Annex 3 (for VSP on government land) and Annex 4(b) (for VSP on private land)~~ of EDB's reply dated 31 December 2015 to the Public Accounts Committee.

Appendix 32

(i) 49 VSP on Government land – ~~Annex 3~~ cases

- 41 VSP are at the stage of Action Step 5. Among them, two have been approved for alternative long-term uses and are pending site possession by the project proponents while 18 VSP have planned uses/applications being considered and processed by LandsD. The remaining 21 VSP are on the list of vacant government sites available for use on short-term basis.
- 8 VSP are now at Action Step 3, i.e. LandsD is taking action to either terminate the Government Land Licence or recover physical possession. In some of the cases the former licensees have objected to returning the sites to the Government for reasons that the school premises had been constructed at their costs and they wish to retain the premises for other uses. Pending the Government's identification of specific long-term uses for these sites, LandsD will continue to liaise with the concerned parties to arrange gainful use of the VSP during the interim. As at today, the concerned parties of 4 VSP have put forward proposals to retain the sites for short-term uses. These proposals are being considered in consultation with relevant bureaux/departments pending the identification of specific long-term uses by the Government.

Appendix 34

(ii) 28 VSP on Private land – ~~Annex 4(b)~~ cases

- 21 VSP do not have cessation/diminution of user clause under lease and Action Step 2 has been completed. No further action by LandsD is warranted at the moment.
- 7 VSP have cessation/diminution of user clause under lease (one of which has a cessation/diminution of user clause applying only to 1 out of 8 lots comprising the VSP) that allows Government to re-enter the land upon the cessation of school use. Actions have proceeded to

Action Step 3, i.e. re-entry action by LandsD; if the grantee puts forward a proposal to use the site for education or other purposes, LandsD will process the proposal in consultation with relevant policy bureaux, taking into account also any long-term use identified by PlanD – the lease in respect of 1 VSP was modified in 2012 to accommodate another non-profit making use; 2 VSP have proposals submitted for other uses which are being considered/processed by LandsD in consultation with relevant policy bureaux in accordance with the prevailing policy while LandsD continues actions to recover possession of the other 4 VSP.

- (c) *whether LandsD would consider setting an indicative timeframe for each procedure as stipulated in Annexes 3, 4(a) and 4(b) of the reply from EDB dated 31 December 2015, where appropriate, with a view to expediting the processing of VSP and facilitating the monitoring by the Legislative Council and the public;*

LandsD has been taking actions to recover possession of the VSP where appropriate, and put the VSP into gainful use. It may not be practical or appropriate to set a timeframe across-the-board for each procedure in ~~Annexes 3, 4(a) and 4(b)~~ ^{Appendices 32, 33 and 34} as the circumstances of each case vary. For instance, the conditions of the land lease or Government Land Licences vary and so do the responses of the concerned parties, attractiveness of the site for arranging alternative short-term use or local reaction to applications for alternative uses etc. However, LandsD will consider setting a timeline for bringing up the cases for review by senior officers at the district and headquarters level to strengthen the monitoring and review of progress throughout the work processes. The ultimate objective is to expedite the necessary follow up actions and resolve problems in good time, with a view to putting the VSP to gainful long-term uses or short-term uses in a timely manner.

- (d) *Table 8 of the Audit Report lists out some Audit findings on information about VSP provided by the District Lands Offices (“DLOs”). Please provide details, including the timeframe, of the improvement measures regarding the provision of information on short-term uses of VSP by DLOs.*

Internal guidelines are being prepared to standardize and refine the arrangements for making available the lists for public inspection at

the District Lands Offices. The guidelines are targeted to be issued in January 2016.

- (e) *referring to Table 11 of the Audit Report, there were 62 VSP on private land the physical possession of which had not been delivered to the Government. How many of these sites were granted by the Government under private treaty grant (“PTG”) to the relevant school sponsoring bodies? For those granted under PTG, do they all contain a cessation/diminution of user clause that allows the Government to re-enter the site?*

Among the 62 VSP, the sites of 30 VSP were granted by the Government by way of PTG¹. Among them, 27 have a cessation/diminution of user clause under lease that allows the Government to re-enter the site upon cessation of school uses. For the remaining three PTGs without the clause, two were granted by Government Leases in 1910 and 1920 at nil premium while one with Conditions of Grant dated 1963 was granted at premium.

- (f) *D of Lands had mentioned at the public hearing that there were 28 VSP located on private land the land lease of which did not contain a cessation/diminution of user clause (Table 11 of the Audit Report refers). Please provide details relating to these 28 sites, including forms of land grant, land lease conditions, any other specified purposes of the land and whether the land is granted at nil or nominal premium;*

Out of the 62 VSP on private land that has not been redelivered to the Government as indicated in Table 11, 28 VSP are covered under land leases which do not contain a cessation/diminution of user clause. Details of the grant and lease conditions are as follows:

- (i) The leases of 3 VSP in the New Territories are missing and therefore the history or lease conditions cannot be ascertained;
- (ii) 21 VSP in the New Territories are held under Block Government Lease or Old Schedule Leases which do not have specific user restrictions.

¹ PTG refers to land disposal by direct grant to an applicant.

- (iii) 1 VSP on Hong Kong Island was granted by land exchange at premium for the purposes of church and non-profit-making school.
- (iv) 3 VSP on Hong Kong Island were granted under PTG with the leases being virtually unrestricted. Among these cases, 2 were granted at nil premium in 1910 and 1920 and 1 was granted at premium under Conditions of Grant dated 1963.

Please let me know if further information is required.

Yours sincerely,



**(Ms Bernadette Linn)
Director of Lands**

c.c. Secretary for Development (Fax no. 2147 3691)
Secretary for Education (Fax no. 2810 7235)
Secretary for Financial Services and the Treasury (Fax no. 2147 5239)
Director of Audit (Fax no. 2583 9063)