LEGISLATIVE COUNCIL PANEL ON DEVELOPMENT

Revision of Fees for Services Provided by the Lands Department under the Land Survey (Fees) Regulation (Cap. 473A)

Purpose

This paper outlines the proposed revision of seven fee items for services provided by the Lands Department as set out in the Schedule to the Land Survey (Fees) Regulation (Cap. 473A) (the "Schedule").

The Proposal

2. In line with the "user pays" principle, it is the Government's policy that fees charged by the Government should in general be set at levels adequate to recover the full costs of providing the services. The seven fee items concerned are prescribed in the Land Survey (Fees) Regulation (Cap. 473A) under the Land Survey Ordinance (Cap. 473) as listed below-

- (a) inspection of land boundary record (item 1(a) for each land boundary plan included in the record and 1(b) – for each survey record plan included in the record);
- (b) supply of copies of plans (item 2(a) for each copy of land boundary plan and 2(b) for each copy of survey record plan);
- (c) deposit of land boundary plan and corresponding survey record plan with the Land Survey Authority (item 3);
- (d) registration as an authorized land surveyor (item 4); and
- (e) renewal of registration as an authorized land surveyor (item 5).

The seven fee items above do not directly affect the livelihood of the general public or the running of general business activities.

3. The seven fee items were last revised in March 2016. A costing exercise at the 2018-19 price level has been carried out to review the costs of providing the services for the seven items as set out in the Schedule. The result reveals that the cost recovery rate at existing fee level ranges from about 76.2% to 101.3%.

4. It was raised at a previous Panel on Development meeting that the Administration should take into consideration relevant matters in addition to full-cost recovery, such as the amount of additional revenue that could be generated after the fee revision and the manpower resources required for implementing the fee revision. We have taken the aforesaid comments into consideration when formulating the fee revision proposal. For items 1(a) and 1(b), we propose their fees should be decreased by about 1.3% to reflect their respective full-cost levels. For items 2(a), 2(b), 3, 4 and 5, we propose to increase the fees to their respective full-cost levels in one go for cost-effectiveness, taking into account the relatively modest magnitude of the increases and the impact on users of the services as set out in paragraph 5 below. Details of the proposed fee revision are at **Annex**.

5. We estimate that the proposed fee revision would have little impact on the daily life of the general public or the running of the general business activity. For fee items 2(a), 2(b) and 3, the proposed fee increases are less than 10%. For fee items 4 and 5, while the fee increases would be more than 20%, the impact of the fee revision on the general public and business environment would be limited because these two fee items are levied on authorized land surveyors. Fee item 4 is a one-off expenditure to be incurred by a successful applicant who is newly registered as an authorized land surveyor¹ and fee item 5 is an annual expenditure to be incurred by authorized land surveyors for renewal of The amount of increase of the one-off expenditure (i.e. item 4) is registration. \$1,830, while that of the annual expenditure (i.e. item 5) is \$270, both of which are considered affordable for the aforesaid users. Currently there are 38 authorized land surveyors.

¹ In the past 5 years, the average number of newly registered authorized land surveyors was less than 2 per year.

6. We will revise the seven fee items once the amendment procedures are completed.

Efficiency Improvement Measures

7. We have been taking measures to contain the cost of our services through implementing efficiency initiatives, reprioritizing service provision and streamlining procedures. Examples of such efficiency measures include the use of standard forms and computer applications for the relevant services. These measures have been factored into the calculation of costs for individual fee items.

Financial Implications

8. When the fee revision proposal is implemented, there will be an estimated increase in revenue of about \$0.3 million per annum.

Way Forward

9. Members are invited to note the proposed revision of seven fee items as set out in paragraph 4 above and detailed at <u>Annex</u>. The Government will proceed with the necessary legislative amendments by way of negative vetting to effect the proposed fee revision in July 2018.

Development Bureau Lands Department April 2018

Annex

Proposed revision of fees under the Schedule to the Land Survey (Fees) Regulation (Cap. 473A)

Item	Description of Matter	Existing Fee (\$)	Existing Cost Recovery Rate at 2018-19 Price Level	Proposed Fee (\$)	Percentage Increase/ (Decrease)	Cost Recovery Rate after Fee Revision
1	Inspection of land boundary record- (a) For each land boundary plan included in the record	76	101.3%	75	(1.3%)	100.0%
	(b) For each survey record plan included in the record	76	101.3%	75	(1.3%)	100.0%
2	Supply of copies of plans- (a) For each copy of land boundary plan	105	92.1%	115	9.5%	100.9%
	(b) For each copy of survey record plan	105	92.1%	115	9.5%	100.9%
3	Deposit of land boundary plan and corresponding survey record plan with the Land Survey Authority	3,590	91.6%	3,920	9.2%	100.0%

Item	Description	Existing	Existing	Proposed	Percentage	Cost
	of Matter	Fee	Cost	Fee	Increase/	Recovery
		(\$)	Recovery	(\$)	(Decrease)	Rate after
			Rate at			Fee
			2018-19			Revision
			Price			
			Level			
4	Registration as an authorized land surveyor	5,850	76.2%	7,680	31.3%	100.0%
5	Renewalofregistrationasauthorizedlandsurveyor	1,020	79.1%	1,290	26.5%	100.1%