

Head 91 — LANDS DEPARTMENT

Controlling officer: the Director of Lands will account for expenditure under this Head.

Estimate 2005–06	\$1,409.4m
Establishment ceiling 2005–06 (notional annual mid-point salary value) representing an estimated 3 299 non-directorate posts as at 31 March 2005 reducing by two posts to 3 297 posts as at 31 March 2006	\$933.6m
In addition, there will be an estimated 46 directorate posts as at 31 March 2005 and as at 31 March 2006.	
Commitment balance	\$8.1m

Controlling Officer's Report

Programmes

Programme (1) Land Administration
Programme (2) Survey and Mapping
Programme (3) Legal Advice

These programmes contribute to Policy Area 21: Transport (Secretary for the Environment, Transport and Works), Policy Area 22: Buildings, Lands and Planning (Secretary for Housing, Planning and Lands) and Policy Area 31: Housing (Secretary for Housing, Planning and Lands).

Detail

Programme (1): Land Administration

	2003–04 (Actual)	2004–05 (Original)	2004–05 (Revised)	2005–06 (Estimate)
Financial provision (\$m)	1,098.9	1,068.6	1,033.9 (-3.2%)	1,009.7 (-2.3%)
				(or -5.5% on 2004–05 Original)

Aim

2 The aim is to administer land in Hong Kong by disposing of land; acquiring private land and clearing private and government land required for the implementation of public works and other projects; managing government leases and unleased land and certain buildings held by the Administration; re-granting and modifying leases; and maintaining man-made slopes on unallocated and unleased government land.

Brief Description

3 The Lands Department is responsible for the disposal of government land. It acquires private land and clears private and government land required for public works projects or other approved schemes. It is also responsible for managing government leases to ensure compliance with the lease conditions; managing government land to ensure that it is not illegally occupied; managing certain buildings or units in buildings held by the Administration; extending government leases; modifying conditions in existing leases; and maintaining man-made slopes on unallocated and unleased government land.

4 On 9 January 2004, Government announced the resumption of land sales through the Application List System. During 2004, five lots were triggered for sale by auction as a result of successful applications from interested parties. In addition, five sites for petrol filling station purpose were successfully disposed of by a single batch tender during the year. Other disposals such as those by private treaty, exchange, modification, extension and short term tenancy proceeded along the established practice. Processing of land leases to facilitate Housing Authority's Divestment of Commercial Properties Initiative commenced in 2004.

5 In 2004, the total area resumed was in response to demand for land for the public works and other projects. In order to eliminate the breeding grounds of mosquitoes to prevent the spread of dengue fever and Japanese encephalitis, the Department also cleaned up 781 sites under its charge.

6 The key performance measures in respect of land administration are:

Head 91 — LANDS DEPARTMENT

Targets

	Target	2003 (Actual)	2004 (Actual)	2005 (Plan)
<i>Land disposal</i> §				
small houses (cases processed).....	2 300	2 132	2 178	2 300
<i>Lease modifications (non small house cases)</i>				
issue letter of reply to application within three weeks	100%	97%	99%	100%
issue letter of offer of provisional basic terms (without premium)/rejection/ indicating in-principle agreement within 24 weeks from receipt of application..	100%	97%	96%	100%
issue legal document for execution within 12 weeks from receipt of a binding acceptance of the final basic terms and premium offer.....	100%	98%	99%	100%
<i>Land acquisition</i>				
offers of compensation based on ex-gratia rates made within four weeks from the date of gazette notice of resumption of agricultural land in New Territories (N.T.)	100%	100%	100%	100%
cheques for compensation made available for collection within four weeks from receipt of acceptance by the Department proof of legal title (for agricultural land cases in N.T.).....	100%	100%	100%	100%
offer of compensation or invitation to claims made within three weeks from land reversion	100%	100%	100%	100%

§ “land disposal (ha)” is no longer presented as a target because with effect from January 2004, sale of government land is mainly effected through the market-driven Application List System. Information on actual land disposal in 2004 is presented under “*Indicators*” below.

Indicators

	2003 (Actual)	2004 (Actual)	2005 (Estimate)
<i>Land disposal</i>			
land disposal (ha)Δ	15.8	32.32	—
land sale programmeΔ			
land sold (auction and tender) (ha)	2	7.25	—
no. of flats	—	5 367	—
private treaty grants			
land granted (ha)	12.8	20.91	209
no. of flatsΩ	1 800	2 552	14 320
land let by short term tenancy (ha).....	67.07	54.75	60
<i>Lease variations</i>			
lease modifications, exchanges and extensions			
no. of cases	152	123	120
no. of flats	5 793	7 626	12 000
processing of applications from indigenous villagers for rent concession (no. of lots/tenements).....	7 212	7 699	9 500
<i>Land acquisition</i>			
Public Works Programme projects (ha)	48.92	7.44	12.43
railway development projects (ha)	—	—	1.4
urban renewal projects (no. of property interests)	136	161	550
Rural Planning and Improvement Strategy/Village Improvement (ha)	2.39	0.98	2.07
total acquisition/clearance costs (\$m)	1,434	620	1,801

Head 91 — LANDS DEPARTMENT

	2003 (Actual)	2004 (Actual)	2005 (Estimate)
<i>Land management</i>			
lease enforcement cases	709	810	882
rebuilding of temporary domestic structures.....	72	71	70
government sites cleared and guarded ϕ	3 420	3 411	3 500
clearance of environmental black spots on private and government land in N.T. (no. of cases)	347	58 β	—
maintenance of slopes on unallocated and unleased government land			
man-made slopes to be inspected.....	7 500	9 100	9 200
man-made slopes to be improved.....	3 400	5 250	5 800
demolition of structures under non-development clearance in the N.T. (no. of structures)	106	116	100
<i>Property management</i>			
properties/units managed	332	307	295
repair orders issued for government properties.....	131	102	103
disposal of government properties	13	15	15

Δ Estimated figures for “land disposal (ha)” and “land sale programme” are not reported because with effect from January 2004, sale of government land is mainly effected through the market-driven Application List System.

Ω Previous reference to subsidised home ownership housing projects deleted as the sale of subsidised home ownership housing projects has been suspended.

ϕ Including black spots cleared as identified by Team Clean.

β The task force (black spots) team was disbanded on 1 April 2004.

Matters Requiring Special Attention in 2005–06

7 During 2005–06, the Department will:

- continue land sales under the Application List System;
- continue with the residual claim settlement and land administration work for West Rail, Ma On Shan to Tai Wai Rail Link, East Rail Extension to Tsim Sha Tsui, Sheung Shui to Lok Ma Chau Spur Line and Tseung Kwan O Extension; and provide inputs for new railway projects, in particular the planning and implementation of the Sha Tin to Central Link and the Kowloon Southern Link;
- continue to process land resumption to make land available for urban renewal projects;
- continue to oversee all land transactions on a proactive basis with the computerised Case Monitoring System;
- continue to process land leases for rental estates to facilitate Housing Authority’s Divestment of Commercial Properties Initiative;
- under the Working Group on Small House, continue to explore measures to speed up the processing of small house applications; and
- continue to clean up sites under its charge for eliminating the breeding grounds of mosquitoes to prevent the spread of dengue fever and Japanese encephalitis.

Programme (2): Survey and Mapping

	2003–04 (Actual)	2004–05 (Original)	2004–05 (Revised)	2005–06 (Estimate)
Financial provision (\$m)	383.6	368.8	366.8 (–0.5%)	352.8 (–3.8%)

(or –4.3% on
2004–05 Original)

Aim

8 The aim is to formulate and implement survey and mapping policies, standards, regulations and specifications; provide and maintain the basic mapping, geodetic and land boundary databases; carry out geodetic, mapping and land boundary surveys; and administer the Land Survey Ordinance under the Land Survey Authority in coping with land and building developments in Hong Kong.

Head 91 — LANDS DEPARTMENT

Brief Description

9 The Survey and Mapping Office (SMO) provides and maintains the 1:1000 basic maps covering the whole territory. It also provides maps and plans at various scales and for various purposes. In particular, it provides survey and mapping services to the Lands Administration Office for land administration functions such as land acquisition and disposal, lease modification and enforcement, and small house development. It also provides photogrammetric and aerial survey services for specific purposes in addition to general mapping. It is responsible for the establishment and maintenance of the territory-wide geodetic network. Under the Land Survey Authority, it administers the Land Survey Ordinance which governs the conduct, practices and standard of Authorised Land Surveyors in land boundary survey. SMO is also delegated with the authority to name roads and streets under the Public Health and Municipal Services Ordinance. It operates a Computerised Land Information System for maintaining updated digital map and cadastral databases. Apart from government departments, private organisations and the public can purchase the data for their own uses under a permit or licence.

10 In 2004, six more Global Positioning System reference stations were built making a total of 12 stations for the Territorial Continuous Global Positioning System Array covering the whole territory of Hong Kong. This system helps enhance the efficiency and quality of land survey operations. SMO has published the first photomap edition for the Hong Kong Guide 2004 and this edition has been overwhelmingly welcomed by users.

11 The key performance measures in respect of survey and mapping are as follows:-

Targets

	Target	2003 (Actual)	2004 (Actual)	2005 (Plan)
setting out land boundaries within 12 weeks from receipt of request.....	100%	99%	99%	100%
providing mapping and geodetic information within three working days from receipt of request.....	100%	100%	100%	100%
updating large scale plans within 12 weeks on completion of major infrastructural projects.....	100%	99%	98%	100%

Indicators

	2003 (Actual)	2004 (Actual)	2005 (Estimate)
<i>Geodetic survey</i>			
precise horizontal and vertical control points fixed	1 120	735	750
survey monuments and marks built and maintained.....	3 907	4 815	4 900
<i>Topographical survey and map production</i>			
continuous revision, area surveyed and inspected (ha) ...	69 217	79 792	82 000
maps and charts produced.....	3 442	4 480	4 600
reprographic services provided (no. of copies).....	475 283	493 538	501 000
<i>Cadastral survey</i>			
lots defined or set out.....	2 991	2 110	2 600
cadastral plans prepared.....	17 987	26 587	27 000
<i>Aerial survey</i>			
photographs taken for measurement and record	8 672	8 573	8 710
total area of photogrammetric survey conducted (ha).....	35 220	30 225	30 700
<i>Land Survey Ordinance</i>			
total number of lot sub-division plans examined	558	669	680

Matters Requiring Special Attention in 2005–06

12 During 2005–06, the Department will:

- implement the Data Alignment Measures project for improvement of the efficiency and effectiveness in data exchange among government departments;
- develop the Digital Map and Land Record Data Dissemination System for efficient dissemination of digital maps and land record data;
- complete the territory-wide network of Global Positioning System reference stations to enhance the efficiency and quality of survey operations; and
- continue to maintain the Quality Management System to enhance the overall quality of survey and mapping services.

Head 91 — LANDS DEPARTMENT

Programme (3): Legal Advice

	2003–04 (Actual)	2004–05 (Original)	2004–05 (Revised)	2005–06 (Estimate)
Financial provision (\$m)	52.4	51.0	49.4 (–3.1%)	46.9 (–5.1%)
				(or –8.0% on 2004–05 Original)

Aim

13 The aim is to facilitate government land transactions by providing legal advice and conveyancing service to the departments and bureaux concerned, and to give consent to sales of units in uncompleted developments.

Brief Description

14 The Legal Advisory and Conveyancing Office (LACO) provides professional legal services within the Department in relation to Programme (1) for the issue, renewal and variation of government leases as well as the drafting and execution of conditions of sale (by auction or tender), grant and exchange. In compulsory acquisition cases, LACO is responsible for approving the legal title of the former private owners and the compensation documents before compensation is released. It also provides conveyancing services to The Financial Secretary Incorporated, the Secretary for Home Affairs Incorporated and to other government departments and policy bureaux in their property transactions.

15 Under the Lands Department Consent Scheme, LACO processes all applications for consent to sell units in uncompleted buildings prior to compliance with lease conditions. The Scheme's main objective is to protect the interests of purchasers. As a pre-requisite of the consent requirement in respect of commercial and residential developments, Deeds of Mutual Covenant (DMC) setting out the respective rights and obligations of all the owners of the buildings will need to be approved by LACO before consent can be issued and sales of the units can commence.

16 In 2004, the performance of LACO for approval of sale and purchase and approval of DMCs was lower than 2003 due mainly to the complexity of the cases processed requiring longer consideration by the affected parties. In July 2004, LACO issued a comprehensive set of revised consent measures after completing a review of the Consent Scheme with a view to further strengthening the Scheme and to improving protection for flat purchasers. LACO began to prepare leases and approve DMCs to facilitate Housing Authority's Divestment of Commercial Properties Initiative.

17 The key performance measures in respect of legal advice are:

Targets

	Target	2003 (Actual)	2004 (Actual)	2005 (Plan)
<i>Consents</i>				
Sale and Purchase Agreement— approved within 13 weeks (excluding time for approval of DMC).....	100%	92%	70%	90%
DMC—approved within 13 weeks.....	100%	81%	68%	80%

Indicators

	2003 (Actual)	2004 (Actual)	2005 (Estimate)
<i>Consents</i>			
Sale and Purchase Agreements approved			
—non-residential developments	6	6	6
—residential developments.....	32	30	35
sale of uncompleted residential units (no. of flats)	17 813	19 274	20 000
DMCs approved			
—non-residential developments	4	6	5
—residential developments.....	44	41	75

Matters Requiring Special Attention in 2005–06

18 During 2005–06, the Department will:

- finalise the revised guidelines for DMCs including responsibilities of owners on building safety and preventive maintenance of new buildings;
- continue to contract out to private firms the processing of applications for approval of DMCs, title checking and related legal work for payment of compensation for land resumption;

Head 91 — LANDS DEPARTMENT

- monitor the implementation of the improvement measures for the sale of uncompleted units under the Consent Scheme;
- continue to explore ways to streamline the existing procedures in relation to Programme (1) so as to improve efficiency; and
- continue to prepare and issue leases and approve DMCs to facilitate Housing Authority's Divestment of Commercial Properties Initiative.

Head 91 — LANDS DEPARTMENT

ANALYSIS OF FINANCIAL PROVISION

Programme	2003-04 (Actual) (\$m)	2004-05 (Original) (\$m)	2004-05 (Revised) (\$m)	2005-06 (Estimate) (\$m)
(1) Land Administration.....	1,098.9	1,068.6	1,033.9	1,009.7
(2) Survey and Mapping	383.6	368.8	366.8	352.8
(3) Legal Advice	52.4	51.0	49.4	46.9
	1,534.9	1,488.4	1,450.1 (-2.6%)	1,409.4 (-2.8%)
				(or -5.3% on 2004-05 Original)

Analysis of Financial and Staffing Provision

Programme (1)

Provision for 2005-06 is \$24.2 million (2.3%) lower than the revised estimate for 2004-05. This is mainly due to the full-year effect of the 2005 civil service pay cut.

Programme (2)

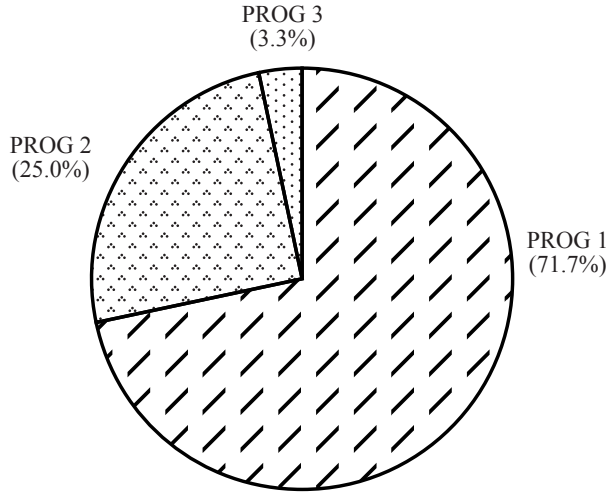
Provision for 2005-06 is \$14.0 million (3.8%) lower than the revised estimate for 2004-05. This is mainly due to the full-year effect of the 2005 civil service pay cut and reduced operating expenses.

Programme (3)

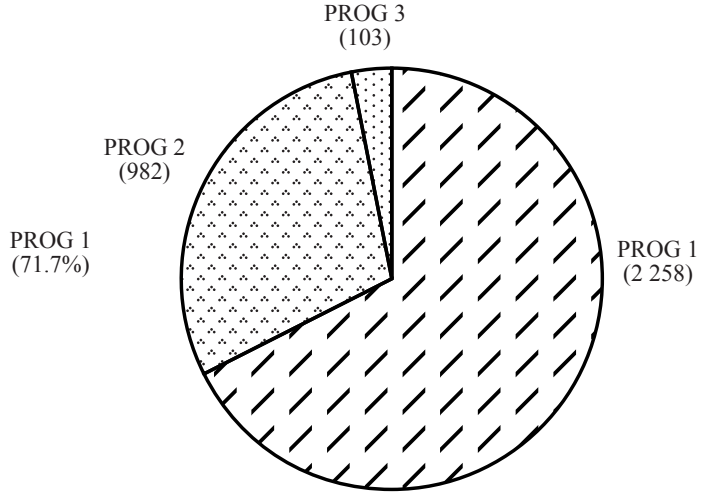
Provision for 2005-06 is \$2.5 million (5.1%) lower than the revised estimate for 2004-05. This is mainly due to the deletion of two posts and the full-year effect of the 2005 civil service pay cut.

Head 91 — LANDS DEPARTMENT

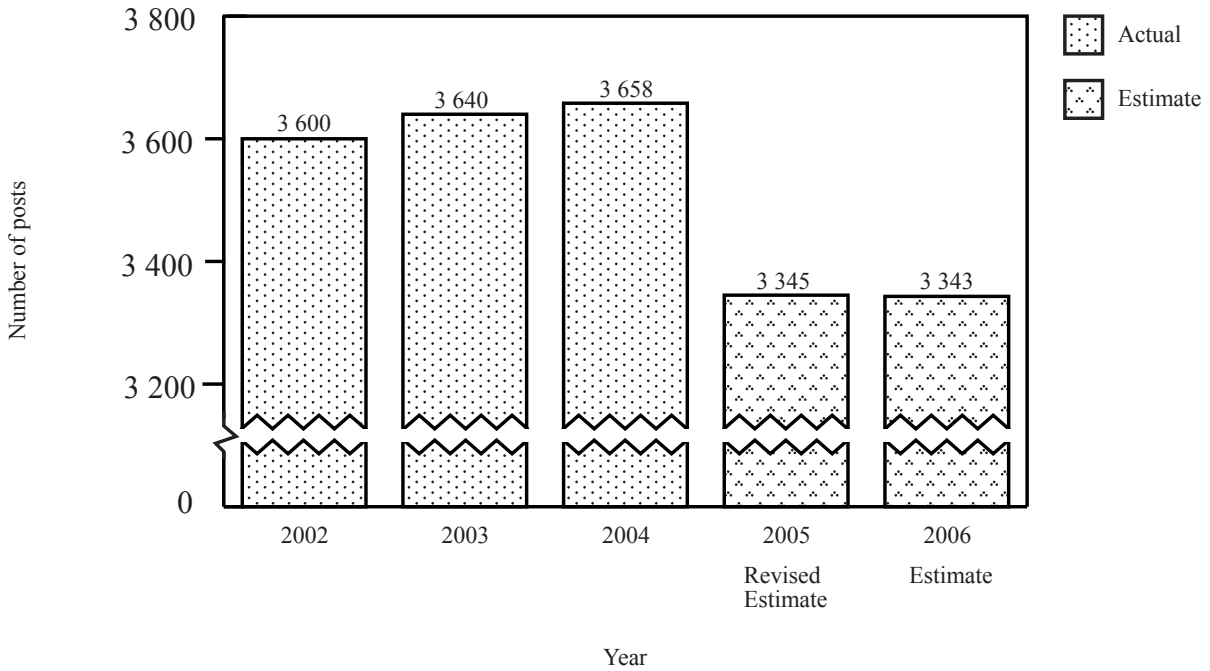
*Allocation of provision
to programmes
(2005-06)*



*Staff by programme
(as at 31 March 2006)*



*Changes in the size of the establishment
(as at 31 March)*



Head 91 — LANDS DEPARTMENT

Sub-head (Code)		Actual expenditure 2003-04	Approved estimate 2004-05	Revised estimate 2004-05	Estimate 2005-06
	\$'000	\$'000	\$'000	\$'000	\$'000
Operating Account					
Recurrent					
000	Operational expenses	1,509,144	1,460,627	1,435,242	1,392,954
003	Recoverable salaries and allowances (General)	29,511			
	<i>Deduct</i> reimbursements..... <i>Cr.29,511</i>	—	—	—	—
221	Clearance of government land - ex-gratia allowances	843	12,220	4,873	10,395*
	Total, Recurrent.....	<u>1,509,987</u>	<u>1,472,847</u>	<u>1,440,115</u>	<u>1,403,349</u>
Non-Recurrent					
700	General non-recurrent	2,068	10,400	5,745	4,700
	Cleaning up of black spots in N.T. (block vote)	10,326	2,500	600	—
	Total, Non-Recurrent.....	<u>12,394</u>	<u>12,900</u>	<u>6,345</u>	<u>4,700</u>
	Total, Operating Account	<u>1,522,381</u>	<u>1,485,747</u>	<u>1,446,460</u>	<u>1,408,049</u>
Capital Account					
Plant, Equipment and Works					
600	Works.....	12,551	2,040	2,040	830
661	Minor plant, vehicles and equipment (block vote).....	—	609	1,570	545
	Total, Plant, Equipment and Works.....	<u>12,551</u>	<u>2,649</u>	<u>3,610</u>	<u>1,375</u>
	Total, Capital Account.....	<u>12,551</u>	<u>2,649</u>	<u>3,610</u>	<u>1,375</u>
	Total Expenditure	<u><u>1,534,932</u></u>	<u><u>1,488,396</u></u>	<u><u>1,450,070</u></u>	<u><u>1,409,424</u></u>

Head 91 — LANDS DEPARTMENT

Details of Expenditure by Subhead

The estimate of the amount required in 2005–06 for the salaries and expenses of the Lands Department is \$1,409,424,000. This represents a decrease of \$40,646,000 against the revised estimate for 2004–05 and of \$125,508,000 against actual expenditure in 2003–04.

Operating Account

Recurrent

2 Provision of \$1,392,954,000 under *Subhead 000 Operational expenses* is for the salaries, allowances and other operating expenses of the Lands Department.

3 The establishment as at 31 March 2005 will be 3 345 permanent posts. It is expected that there will be a deletion of two permanent posts in 2005–06. Subject to certain conditions, the controlling officer may under delegated power create or delete non-directorate posts during 2005–06, but the notional annual mid-point salary value of all such posts must not exceed \$933,579,000.

4 An analysis of the financial provision under *Subhead 000 Operational expenses* is as follows:

	2003–04 (Actual) (\$'000)	2004–05 (Original) (\$'000)	2004–05 (Revised) (\$'000)	2005–06 (Estimate) (\$'000)
Personal Emoluments				
- Salaries	1,288,371	1,208,923	1,191,587	1,153,766
- Allowances	12,475	11,101	11,101	10,851
- Job-related allowances	1,792	1,706	1,982	1,978
Personnel Related Expenses				
- Mandatory Provident Fund contribution	1,820	1,910	1,540	1,494
Departmental Expenses				
- Hire of services and professional fees	18,425	34,198	25,760	25,175
- Contract maintenance	113,110	123,813	119,597	124,567
- General departmental expenses	73,151	78,961	83,660	75,108
Other Charges				
- Financial Secretary Incorporated - suspense account adjustment	—	15	15	15
	1,509,144	1,460,627	1,435,242	1,392,954

5 Gross provision of \$29,511,000 under *Subhead 003 Recoverable salaries and allowances (General)* includes salaries and allowances for the urban renewal team to process land resumption to make land available for the urban renewal projects. The cost will be fully recovered from the Urban Renewal Authority.

6 Provision of \$10,395,000 under *Subhead 221 Clearance of government land - ex-gratia allowances* is for allowances payable to persons cleared from government land other than in the course of clearances required for public works projects. The increase of \$5,522,000 (113.3%) over the revised estimate for 2004–05 is mainly because the 2005–06 clearance projects on government land are generally expected to be of a larger scale.

Capital Account

Plant, Equipment and Works

7 Provision of \$545,000 under *Subhead 661 Minor plant, vehicles and equipment (block vote)* represents a decrease of \$1,025,000 (65.3%) against the revised estimate for 2004–05. This is mainly due to reduced requirements for minor plant and equipment.

Head 91 — LANDS DEPARTMENT

Commitments

Sub-head (Code)	Item (Code)	Ambit	Approved commitment	Accumulated expenditure to 31.3.2004	Revised estimated expenditure for 2004–05	Balance
			\$'000	\$'000	\$'000	\$'000
<i>Operating Account</i>						
700		<i>General non-recurrent</i>				
	519	Contracting-out of SIMAR studies to identify the responsible parties for maintenance of registered man-made slopes.....	7,500	—	200	7,300
<i>Capital Account</i>						
600		<i>Works</i>				
	256	Demolition of So Kon Po Cottage Area	8,530	6,601	1,320	609
	257	Demolition of Mt. Davis Cottage Area..	6,750	5,809	720	221
			<u>15,280</u>	<u>12,410</u>	<u>2,040</u>	<u>830</u>
		Total	<u><u>22,780</u></u>	<u><u>12,410</u></u>	<u><u>2,240</u></u>	<u><u>8,130</u></u>