

Head 91 — LANDS DEPARTMENT

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

Estimate 2012–13..... **\$1,943.9m**

Establishment ceiling 2012–13 (notional annual mid-point salary value) representing an estimated 3 867 non-directorate posts as at 31 March 2012 rising by 23 posts to 3 890 posts as at 31 March 2013 **\$1,332.9m**

In addition, there will be an estimated 46 directorate posts as at 31 March 2012 and as at 31 March 2013.

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: Land and Waterborne Transport (Secretary for Transport and Housing), Policy Area 22: Buildings, Lands, Planning, Heritage Conservation, Greening and Landscape (Secretary for Development) and Policy Area 31: Housing (Secretary for Transport and Housing).

Detail

Programme (1): Land Administration

	2010–11 (Actual)	2011–12 (Original)	2011–12 (Revised)	2012–13 (Estimate)
Financial provision (\$m)	1,262.6	1,326.5	1,369.5 (+3.2%)	1,426.2 (+4.1%)
				(or +7.5% on 2011–12 Original)

Aim

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

Brief Description

3 The Lands Department (the Department) is responsible for the disposal of government land. It acquires private land and clears 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; renewing government leases; modifying conditions in existing leases; and maintaining man-made slopes on unallocated and unleased government land.

4 On 24 February 2011, the Government announced the Land Sale Programme 2011–12 which comprises a list of sites for sale by application (Application List) (including designated sites which the Government would initiate for sale in the course of the year) and a list of sites to be initiated by the Government for sale by tender. Seventy-one sites (52 residential, five hotel and 14 commercial/business) were on the two lists. During the year, 29 lots from the new Land Sale Programme were sold by auction or tender, of which five were triggered from the Application List and 24 sites were initiated for sale by the Government. Other land disposals such as those by private treaty, land exchange, lease modification, land extension and short-term tenancy proceeded in accordance with the established practice.

5 In terms of land resumption, the total area resumed in 2011 was in response to requirements for land for public works and other projects. In terms of land management, the Department regularly cleaned up 812 sites under its management in order to eliminate the breeding grounds of mosquitoes to prevent the spread of dengue fever and Japanese encephalitis.

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

Targets

	Target	2010 (Actual)	2011 (Actual)	2012 (Plan)
<i>Land disposal</i>				
small houses (cases processed).....	2 300	2 768	2 416	2 300
<i>Lease modifications (non small house cases)</i>				
issue of letter of reply to application within three weeks (%)	100	100	100	100
issue of letter of offer of provisional basic terms (without premium)/rejection/indicating in-principle agreement within 22 weeks from receipt of application (%)	100	98	97	100
issue of legal document for execution within 12 weeks from receipt of a binding acceptance of the final basic terms and premium offer (%).....	100	99	100	100
<i>Land acquisition</i>				
offer of compensation based on ex-gratia rates made within four weeks from the date of gazette notice of resumption of agricultural land in the 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	99	100	100

Indicators

	2010 (Actual)	2011 (Actual)	2012 (Estimate)
<i>Land disposal</i>			
land disposed (ha).....	166.73	40.70	—Δ
land sale programme			
land sold (auction and tender) (ha)	15.25	25.90	—Δ
no. of flats	5 836	6 705	—Δ
private treaty grants			
land granted (ha).....	147.18	4.50§	23.00
no. of flats	1 328	477‡	10 300
<i>Lease variations</i>			
lease modifications, exchanges and extensions			
no. of cases	139	101	95
no. of flats	11 284	6 387	12 200
processing of applications from indigenous villagers for rent concession (no. of lots/tenements)	1 122	1 050	1 000
<i>Land acquisition</i>			
Public Works Programme projects (ha).....	3.87	2.33	64.48
railway development projects (ha).....	47.18	3.91	2.66
urban renewal projects (no. of property interests)	115	625	1 209
Rural Planning and Improvement Strategy/Village Improvement (ha).....	1.03	0.00	0.27
total acquisition/clearance costs (\$m).....	1,349.0	549.3	1,243.0
<i>Land management</i>			
lease enforcement cases	904	939	940
rebuilding of temporary domestic structures.....	56	46	44
government sites cleared and guarded	7 022	6 909	6 900
maintenance of slopes on unallocated and unleased government land			
man-made slopes to be inspected.....	10 810	11 285	11 350
man-made slopes to be maintained or improved.....	6 660	6 650	6 600

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	2010 (Actual)	2011 (Actual)	2012 (Estimate)
demolition of structures under non-development clearance (no. of structures)	60	51	50
temporary use of government land			
temporary allocations to government departments (ha).....	853	866	834
land let by short-term tenancy			
short term tenancies let by tender (ha)	46.86	48.93	66.00
short term tenancies let by direct grant (ha).....	95.9	152.0	51.0
<i>Property management</i>			
properties/units managed	249	242	237
repair orders issued for government properties.....	105	105	105
disposal of government properties	10	13	13
<i>Squatter Control & Clearance</i>			
unauthorised structures demolished	319	364	320
surveyed structures inspected	196 866	200 383	199 800
cases under freezing action for demolition of surveyed structures occupied by squatters who have applied for public rental housing	214	116	120
structures cleared in programmed squatter clearances or emergency clearances.....	2 300	1 000	2 300

Δ Not possible to estimate because sale of government land is subject to market response.

§ The decrease was mainly due to completion of divestment of Housing Authority's retail and carparking facilities in 2010.

‡ There are some railway property development projects deferred from 2011 to 2012 and hence the decrease in 2011 figure. The figure is anticipated to increase in 2012.

Matters Requiring Special Attention in 2012–13

7 During 2012–13, the Department will:

- continue to strengthen land control and lease enforcement work;
- continue to explore measures to streamline and expedite the processing of lease modifications, land exchanges and premium assessments and to expedite the processing of special waiver applications in respect of conversion of the entire industrial buildings to other permitted uses and new lease modification applications for redevelopment of industrial buildings as from 1 April 2010 by a dedicated team set up in the Headquarters;
- continue land sales under the Application List System and such government-initiated sales of the sites on the Application List as considered appropriate and monitor the tenders of property development projects of the Urban Renewal Authority and the MTR Corporation Limited;
- continue to undertake preparatory work on resumption and clearance of land required for proposed new projects such as the Tuen Mun – Chek Lap Kok Link, the Hong Kong – Zhuhai – Macao Bridge Hong Kong Link Road, the Hong Kong – Zhuhai – Macao Bridge Hong Kong Boundary Crossing Facilities, as well as the Liantang/Heung Yuen Wai Boundary Control Point and its connecting roads; and
- continue with the handling of residual compensation claims in respect of the completed railway projects and projects under construction; undertake work on resumption and clearance, creation of easements and rights of temporary occupation, granting and administration of short term tenancies and land allocations required for the West Island Line, the Hong Kong section of the Guangzhou – Shenzhen – Hong Kong Express Rail Link, the South Island Line (East) and the Kwun Tong Line Extension; and provide land administration input for the proposed Shatin to Central Link.

Programme (2): Survey and Mapping

	2010–11 (Actual)	2011–12 (Original)	2011–12 (Revised)	2012–13 (Estimate)
Financial provision (\$m)	416.0	427.1	449.6 (+5.3%)	456.2 (+1.5%)
				(or +6.8% on 2011–12 Original)

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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 (Cap. 473) (LSO) under the Land Survey Authority to cope with land and building developments in Hong Kong.

Brief Description

9 The Survey and Mapping Office (SMO) provides and maintains the 1:1 000 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 operates a Land Information System for maintaining updated digital maps 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. 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 LSO which governs the registration and discipline of Authorised Land Surveyors and the control of the standards of land boundary surveys. It is also responsible for street naming under the Public Health and Municipal Services Ordinance (Cap. 132).

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

Targets

	Target	2010 (Actual)	2011 (Actual)	2012 (Plan)
setting out land boundaries within 12 weeks from receipt of request (%).....	100	98	94	100
providing mapping and geodetic information within one working day from receipt of request (%).....	100	100	100	100
updating large-scale plans within 12 weeks on completion of major infrastructural projects (%).....	100	100	100	100

Indicators

	2010 (Actual)	2011 (Actual)	2012 (Estimate)
<i>Geodetic survey</i>			
precise horizontal and vertical control points fixed	915	879	900
survey monuments and marks built and maintained.....	4 385	4 386	4 300
<i>Topographical survey and map production</i>			
continuous revision, area surveyed and inspected (ha)	74 361	71 115	71 000
maps and charts produced.....	8 177	8 313	8 200
reprographic services provided (no. of copies).....	438 737	407 213	400 000
<i>Cadastral survey</i>			
lots defined or set out.....	2 769	2 434	2 500
cadastral plans prepared.....	42 867	52 350	52 000
<i>Aerial survey</i>			
photographs taken for measurement and record	11 184	9 541	9 500
total area of photogrammetric survey conducted (ha).....	31 012	29 982	31 000
<i>LSO</i>			
total number of lot sub-division plans examined	2 043	2 164	2 000

Matters Requiring Special Attention in 2012–13

11 During 2012–13, the Department will continue to:

- enhance the Land Information System for maintaining the territory-wide digital map database;
- enhance the Map Archives Retrieval System to allow the general public to place orders and make payments for paper map products on the Internet;
- provide survey and mapping services for the planning, land resumption and clearance, and land disposals in order to make land available for the construction of various new railway projects;
- enhance and extend the Hong Kong Special Administrative Region Geospatial Information Hub service to facilitate easy access to geospatial information within the Government;
- develop and enhance the GeoInfo Map service to facilitate easy access to geographic information by the general public through the Internet;

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- develop the 3D Spatial Data Processing System to produce territory-wide 3D spatial data and establish data standard for exchange of 3D spatial data among government departments; and
- replace the film-based aerial camera with a large-format digital aerial camera system for providing high resolution digital aerial photographs.

Programme (3): Legal Advice

	2010–11 (Actual)	2011–12 (Original)	2011–12 (Revised)	2012–13 (Estimate)
Financial provision (\$m)	51.7	56.5	57.1 (+1.1%)	61.5 (+7.7%)
				(or +8.8% on 2011–12 Original)

Aim

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

Brief Description

13 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, the LACO is responsible for approving the legal title of the former owners and preparing the compensation documents before compensation is released. The LACO is also responsible for checking the legal title of the former owners and preparing the surrender documents before their land is surrendered to the Government in exchange for a new grant of land for development. It also provides conveyancing services to The Financial Secretary Incorporated, The Secretary for Home Affairs Incorporated and other government departments and policy bureaux in their property transactions.

14 Under the Lands Department Consent Scheme, the LACO processes all applications for consent to sell units in uncompleted buildings prior to compliance with the lease conditions. The Scheme's main objective is to ensure that developers have the financial and technical ability to complete the units to be sold to protect the interests of purchasers. As one of the terms imposed under the land grants for commercial and residential developments, Deeds of Mutual Covenant (DMCs) setting out the respective rights and obligations of all the owners of the buildings need to be approved by the LACO before consent is issued or sales of the units can begin.

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

Targets

	Target	2010 (Actual)	2011 (Actual)	2012 (Plan)
<i>Consents</i>				
Sale and Purchase Agreements—approved within 13 weeks (excluding time for approval of DMC) (%)	100	100	100	100
DMCs—approved within 13 weeks (%)	100	98	100	100

Indicators

	2010 (Actual)	2011 (Actual)	2012 (Estimate)
<i>Consents</i>			
Sale and Purchase Agreements approved			
—non-residential developments	5	7	4
—residential developments.....	15	16	20
sale of uncompleted residential units (no. of flats)	6 694	9 112	10 000
DMCs approved			
—non-residential developments	2	7	4
—residential developments.....	47	16	24

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Matters Requiring Special Attention in 2012–13

16 During 2012–13, the Department will continue to:

- expedite the approval of legal title of former owners and preparation of compensation documents in respect of private land resumed under various infrastructure projects;
- 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; and
- explore further ways to streamline the existing procedures in relation to Programme (1) so as to improve efficiency.

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ANALYSIS OF FINANCIAL PROVISION

Programme	2010–11 (Actual) (\$m)	2011–12 (Original) (\$m)	2011–12 (Revised) (\$m)	2012–13 (Estimate) (\$m)
(1) Land Administration	1,262.6	1,326.5	1,369.5	1,426.2
(2) Survey and Mapping	416.0	427.1	449.6	456.2
(3) Legal Advice	51.7	56.5	57.1	61.5
	1,730.3	1,810.1	1,876.2 (+3.7%)	1,943.9 (+3.6%)
				(or +7.4% on 2011–12 Original)

Analysis of Financial and Staffing Provision

Programme (1)

Provision for 2012–13 is \$56.7 million (4.1%) higher than the revised estimate for 2011–12. This is mainly due to the creation of 13 posts for land administration, resumption and clearance work, salary increments for staff, filling of vacancies and other operating expenses.

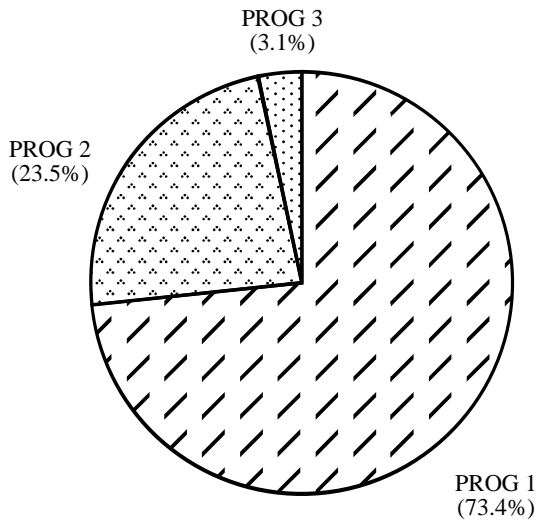
Programme (2)

Provision for 2012–13 is \$6.6 million (1.5%) higher than the revised estimate for 2011–12. This is mainly due to the creation of seven posts for land administration, resumption and clearance work, salary increments for staff and filling of vacancies.

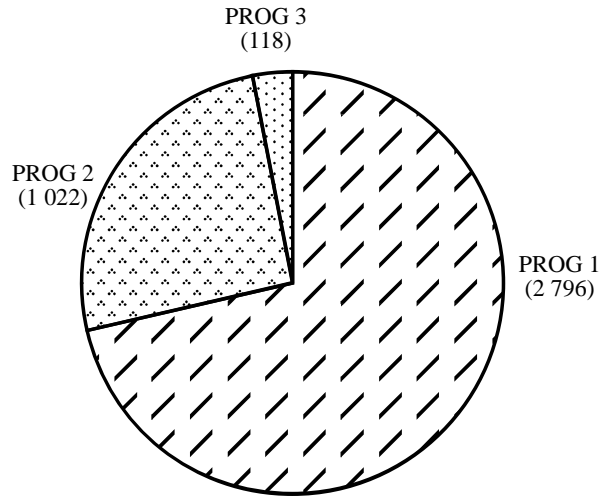
Programme (3)

Provision for 2012–13 is \$4.4 million (7.7%) higher than the revised estimate for 2011–12. This is mainly due to the creation of three posts for land administration work, salary increments for staff and filling of vacancies.

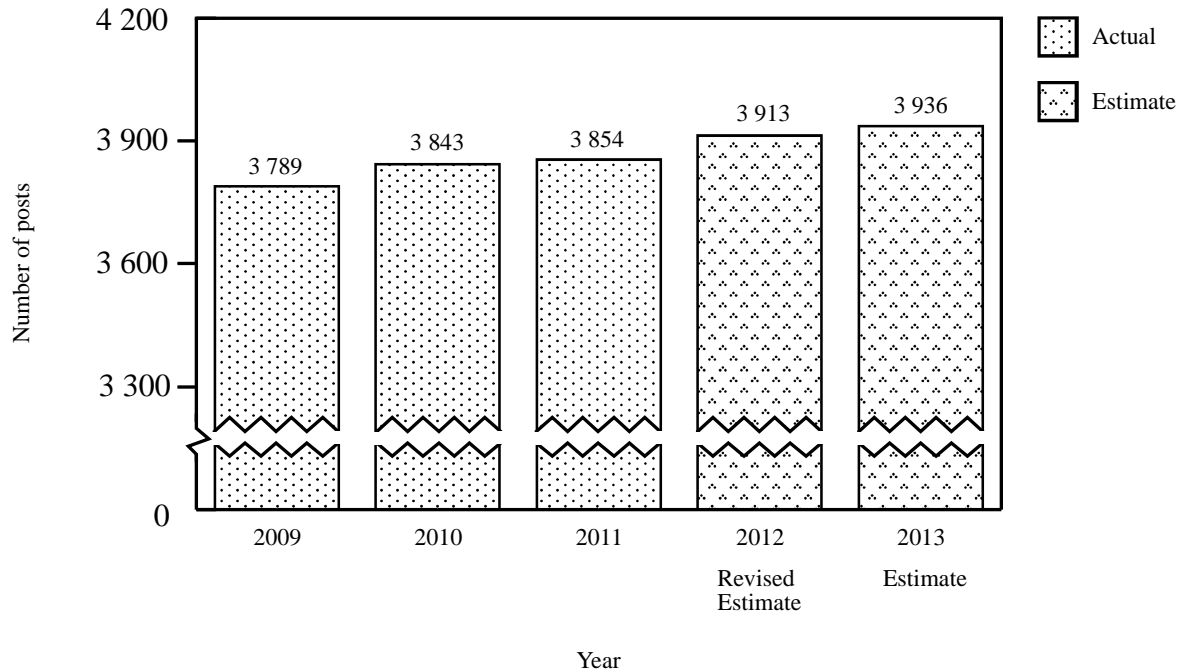
Allocation of provision to programmes (2012-13)



Staff by programme (as at 31 March 2013)



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



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Sub-head (Code)		Actual expenditure 2010–11	Approved estimate 2011–12	Revised estimate 2011–12	Estimate 2012–13
	\$'000	\$'000	\$'000	\$'000	\$'000
Operating Account					
Recurrent					
000	Operational expenses	1,727,941	1,804,469	1,873,667	1,937,684
003	Recoverable salaries and allowances (General)..... 26,787				
	<i>Deduct</i> reimbursements..... <i>Cr.26,787</i>	—	—	—	—
221	Clearance of government land - ex-gratia allowances	631	3,443	404	4,354
	Total, Recurrent	1,728,572	1,807,912	1,874,071	1,942,038
	Total, Operating Account	1,728,572	1,807,912	1,874,071	1,942,038
Capital Account					
Plant, Equipment and Works					
661	Minor plant, vehicles and equipment (block vote).....	1,775	2,155	2,155	1,871
	Total, Plant, Equipment and Works	1,775	2,155	2,155	1,871
	Total, Capital Account	1,775	2,155	2,155	1,871
	Total Expenditure	<u>1,730,347</u>	<u>1,810,067</u>	<u>1,876,226</u>	<u>1,943,909</u>

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Details of Expenditure by Subhead

The estimate of the amount required in 2012–13 for the salaries and expenses of the Lands Department is \$1,943,909,000. This represents an increase of \$67,683,000 over the revised estimate for 2011–12 and of \$213,562,000 over actual expenditure in 2010–11.

Operating Account

Recurrent

2 Provision of \$1,937,684,000 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 2012 will be 3 913 permanent posts. It is expected that there will be an increase of 23 posts in 2012–13. Subject to certain conditions, the controlling officer may under delegated power create or delete non-directorate posts during 2012–13, but the notional annual mid-point salary value of all such posts must not exceed \$1,332,902,000.

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

	2010–11 (Actual) (\$'000)	2011–12 (Original) (\$'000)	2011–12 (Revised) (\$'000)	2012–13 (Estimate) (\$'000)
Personal Emoluments				
- Salaries	1,362,253	1,390,713	1,462,783	1,491,709
- Allowances	13,093	15,951	13,420	13,667
- Job-related allowances.....	1,977	2,337	2,300	2,512
Personnel Related Expenses				
- Mandatory Provident Fund contribution	3,005	3,088	3,123	3,302
- Civil Service Provident Fund contribution	2,853	7,400	8,999	15,245
Departmental Expenses				
- Hire of services and professional fees	41,062	63,035	52,503	74,115
- Contract maintenance	160,952	175,512	189,270	189,320
- General departmental expenses	142,746	146,418	141,269	147,799
Other Charges				
- Financial Secretary Incorporated - suspense account adjustment.....	—	15	—	15
	1,727,941	1,804,469	1,873,667	1,937,684

5 Gross provision of \$26,787,000 under *Subhead 003 Recoverable salaries and allowances (General)* includes salaries and allowances for the urban renewal team which processes land resumption to make land available for urban renewal projects. The cost will be fully recovered from the Urban Renewal Authority.

6 Provision of \$4,354,000 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 \$3,950,000 (977.7%) over the revised estimate for 2011–12 is mainly due to new clearance projects and other projects on government land rescheduled from 2011–12 to 2012–13.

Capital Account

Plant, Equipment and Works

7 Provision of \$1,871,000 under *Subhead 661 Minor plant, vehicles and equipment (block vote)* represents a decrease of \$284,000 (13.2%) against the revised estimate for 2011–12. This is mainly due to the decreased requirement for replacement of minor plant and equipment.