

**Head 138 — GOVERNMENT SECRETARIAT: DEVELOPMENT BUREAU
(PLANNING AND LANDS BRANCH)**

Controlling officer: the Permanent Secretary for Development (Planning and Lands) will account for expenditure under this Head.

Estimate 2012–13..... **\$800.7m**

Establishment ceiling 2012–13 (notional annual mid-point salary value) representing an estimated 117 non-directorate posts as at 31 March 2012 rising by one post to 118 posts as at 31 March 2013 **\$57.1m**

In addition, there will be an estimated 12 directorate posts as at 31 March 2012 and as at 31 March 2013.

Commitment balance **\$2,043.4m**

Controlling Officer's Report

Programmes

- Programme (1) Director of Bureau's Office** This Programme contributes to Policy Area 27: Intra-Governmental Services (Secretary for Development).
- Programme (2) Buildings, Lands and Planning** These Programmes contribute to Policy Area 22: Buildings, Lands, Planning, Heritage Conservation, Greening and Landscape (Secretary for Development).
- Programme (3) Development Opportunities Office**

Detail

Programme (1): Director of Bureau's Office

	2010–11 (Actual)	2011–12 (Original)	2011–12 (Revised)	2012–13 (Estimate)
Financial provision (\$m)	8.0	11.2	8.5 (–24.1%)	11.5 (+35.3%)
				(or +2.7% on 2011–12 Original)

Aim

2 The aim is to ensure the smooth operation of the Office of the Secretary for Development.

Brief Description

3 The Office of the Secretary for Development is responsible for providing support to the Secretary for Development in undertaking political work. This includes the support provided by the Under Secretary and the Political Assistant. The Office is also responsible for providing administrative support to the Secretary for Development in carrying out her duties. The work includes the planning, co-ordination and implementation of all arrangements for the Secretary's public, media and community functions.

Programme (2): Buildings, Lands and Planning

	2010–11 (Actual)	2011–12 (Original)	2011–12 (Revised)	2012–13 (Estimate)
Financial provision (\$m)	949.3	815.5	677.8 (–16.9%)	786.9 (+16.1%)
				(or –3.5% on 2011–12 Original)

Aim

4 The aim is to facilitate Hong Kong's continual development through effective planning and use of land, a steady and sufficient supply of land, efficient registration of land, promoting and ensuring building safety and timely maintenance, and facilitating urban renewal.

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Brief Description

5 In 2011, the Planning and Lands Branch:

- arranged with the Lands Department the sale of government land through Government-initiated land sale and the Application List system;
- worked with the MTR Corporation Limited (MTRCL) to revise the schemes for the West Rail property development projects at Nam Cheong, Tsuen Wan 5 (Bayside), Tsuen Wan 5 (Cityside) and Long Ping (North) to comply with the requirements of quality and sustainable built environment and to increase the supply of small and medium-sized flats;
- turned the pilot scheme for “hotel use only” sites into a long-term policy to encourage the development of hotels to support the tourism industry;
- continued to work on the proposals to resolve the problem of missing or illegible government leases;
- continued the review on the New Territories Small House Policy;
- continued to monitor the implementation of the amended Town Planning Ordinance (Cap. 131);
- continued to co-ordinate harbourfront-related planning and land issues, and inter-departmental efforts in the planning and implementation of harbourfront enhancement projects;
- worked with the Harbourfront Commission (HC) to ensure that our planning, land use and urban design are in line with our stated mission to protect the Victoria Harbour and to enhance the harbourfront for the enjoyment of our residents and visitors alike, with the participation of the community;
- maintained close liaison with the Guangdong authorities on planning matters under the auspices of the Hong Kong-Guangdong Co-operation Joint Conference;
- continued to co-operate with the Shenzhen Municipal Government through the Hong Kong-Shenzhen Joint Task Force on Boundary District Development to jointly explore the feasibility of co-development of the Lok Ma Chau Loop;
- provided policy steer on the “North East New Territories New Development Areas Planning and Engineering Study” and the “Hung Shui Kiu New Development Area Planning and Engineering Study”;
- continued the preparation work on the implementation of the new title registration system;
- adopted a package of measures, taking into account the recommendations of the Council for Sustainable Development, to foster a quality and sustainable built environment;
- adopted a new multi-pronged approach to enhance building safety, covering legislation, enforcement, support and assistance to owners as well as publicity and public education;
- oversaw the implementation of the minor works control regime to streamline the control of small-scale building works;
- enacted the Buildings (Amendment) Ordinance 2011 for the Mandatory Building Inspection Scheme and the Mandatory Window Inspection Scheme and the subsidiary legislation under the Buildings (Amendment) Ordinance 2011 to set out the operational details of the two schemes;
- oversaw the implementation of the \$3.5 billion Operation Building Bright jointly launched with the Hong Kong Housing Society (HKHS), Urban Renewal Authority (URA) and Buildings Department (BD) to enhance safety of old and dilapidated buildings and create jobs for the building maintenance and construction sector;
- monitored the programme of enforcement action by the BD against unauthorised and dangerous building works;
- oversaw the implementation of the Comprehensive Building Safety Improvement Loan Scheme;
- continued to monitor the scheme undertaken by the HKHS to assist owners of old buildings in building management and maintenance;
- continued to oversee the HKHS’s implementation of the Building Maintenance Grant Scheme for Elderly Owners to provide financial assistance to elderly owner-occupiers for the maintenance of their properties;
- worked with the HKHS and URA to consolidate their various financial assistance schemes into the Integrated Building Maintenance Assistance Scheme;
- continued to support the URA in its implementation of various redevelopment, rehabilitation, revitalisation and preservation initiatives under its business plan;
- promulgated a new Urban Renewal Strategy (URS) after a two-year extensive public consultation;
- worked with the URA and the Old Wan Chai Revitalisation Initiatives Special Committee (WRISC) on a district-based approach to renew and revitalise old Wan Chai;

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- launched a pilot mediation scheme for compulsory sale for redevelopment and a pilot out-reach service scheme to help owners of old buildings who may be involved in compulsory sale for redevelopment;
- continued to work with the URA on the revitalisation of the Central Market;
- completed the review on the policy for the provision of public open space in private developments and promulgated the “Public Open Space in Private Developments Design and Management Guidelines”;
- took forward the proposed conversion of Murray Building to hotel use and redevelopment of West Wing of the Central Government Offices; and
- formulated a plan to strengthen enforcement against unauthorised building works in New Territories exempted houses.

Matters Requiring Special Attention in 2012–13

6 During 2012–13, the Branch will:

- continue to arrange for the sale of government land through Government-initiated land sale and the Application List system, as well as to increase land supply for private housing through implementing a host of measures;
- continue to work with the MTRCL to implement the West Rail property development projects not yet tendered to increase the supply of small and medium-sized flats;
- continue to work on the proposals to resolve the problem of missing or illegible government leases;
- continue the review on the New Territories Small House Policy;
- co-ordinate implementation of measures to encourage revitalisation of industrial buildings through redevelopment and wholesale conversion, including the refinements recommended in the mid-term review starting from 1 July 2012 after the cessation of the operation of the Development Opportunities Office;
- provide secretariat support to the Steering Committee on Housing Land Supply starting from 1 July 2012 after the cessation of the operation of the Development Opportunities Office;
- continue to co-operate with Shenzhen authorities through the Hong Kong-Shenzhen Joint Task Force on Boundary District Development in jointly exploring feasible options for the co-development of the Lok Ma Chau Loop and steering the “Planning and Engineering Study on Development of Lok Ma Chau Loop” as well as research and planning work on other cross-boundary development issues;
- continue to provide policy steer on and oversee various planning and engineering studies, including the “North East New Territories New Development Areas Planning and Engineering Study” and the “Hung Shui Kiu New Development Area Planning and Engineering Study”;
- continue to maintain close liaison with the Guangdong authorities on planning matters under the auspices of the Hong Kong-Guangdong Co-operation Joint Conference;
- continue to work with the HC to ensure that our planning, land use and urban design are in line with our stated mission to protect the Victoria Harbour, and to enhance the harbourfront for the enjoyment of our residents and visitors alike, with participation of the community;
- continue to take forward the proposed conversion of Murray Building to hotel use and redevelopment of West Wing of the Central Government Offices;
- provide policy steer on various planning and engineering studies, including the “Planning and Engineering Study on the Remaining Development in Tung Chung” and “Planning and Engineering Study for Yuen Long South”;
- oversee the Land Registry’s continued enhancement of the Integrated Registration Information System and preparation of information technology systems to support the implementation of the new title registration system;
- continue to refine the proposals in consultation with stakeholders to amend the Land Titles Ordinance (Cap. 585) to provide for effective implementation of the new title registration system;
- continue to oversee the implementation of the new package of measures to foster a quality and sustainable built environment;
- continue to oversee the implementation of the new multi-pronged package of measures to enhance building safety in Hong Kong, covering legislation, enforcement, assistance for building owners as well as publicity and public education;
- pursue legislative proposals to enhance building safety in Hong Kong;
- continue to oversee the implementation of the Operation Building Bright;
- oversee the implementation of the new URS with particular emphasis on the work of the Kowloon City District Urban Renewal Forum and the Urban Renewal Trust Fund as well as alternative approaches to redevelopment undertaken by the URA;

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- continue to monitor and review the implementation of the pilot mediation scheme for compulsory sale for redevelopment and the pilot out-reach service scheme to help owners of old buildings who may be involved in compulsory sale for redevelopment;
- support the URA to take forward the revitalisation proposals in respect of the Central Market;
- oversee the implementation of the enforcement policy against unauthorised building works in New Territories exempted houses, including the operation of the reporting scheme for pre-existing unauthorised building works; and
- finalise the proposals for revising the Building (Standards of Sanitary Fittings, Plumbing, Drainage Works and Latrines) Regulations (Cap. 123I), with a view to upgrading standards and transforming the existing prescriptive standards to performance-based standards.

Programme (3): Development Opportunities Office

	2010–11 (Actual)	2011–12 (Original)	2011–12 (Revised)	2012–13 (Estimate)
Financial provision (\$m)	4.8	4.7	4.6 (–2.1%)	2.3 (–50.0%)
				(or –51.1% on 2011–12 Original)

Aim

7 The aim is to facilitate implementation of land development projects considered to be beneficial to Hong Kong by offering one-stop consultation and co-ordination service.

Brief Description

8 In 2011, the Development Opportunities Office:

- assessed, in consultation with relevant bureaux and departments, the broader social and economic merits of individual land development proposals handled by the Office;
- provided one-stop consultation and co-ordination service to facilitate implementation of eligible land development proposals by non-governmental organisations and private sector project proponents;
- provided secretariat support to the Land and Development Advisory Committee and sought the Committee's advice on projects handled by the Office;
- reviewed the effectiveness of the work of the Office in facilitating implementation of eligible land development projects and whether the facilitation service, in its current form, should continue;
- co-ordinated and monitored the implementation of a package of measures to facilitate redevelopment and wholesale conversion of industrial buildings, and having regard to the practical experience of their implementation, completed a mid-term review on the measures and announced a number of refinements to encourage more gainful use of existing industrial premises; and
- provided secretariat support to the Steering Committee on Housing Land Supply which aims to ensure a stable and adequate supply of housing land.

Matters Requiring Special Attention in 2012–13

9 During 2012–13, the Office will:

- continue to provide one-stop consultation and co-ordination service to facilitate implementation of land development projects which will bring broader social and economic merits to Hong Kong. The Office will cease operation after it has completed its full three-year term on 30 June 2012;
- continue to co-ordinate implementation of measures to encourage revitalisation of industrial buildings through redevelopment and wholesale conversion, including the refinements recommended in the mid-term review, until 30 June 2012, after that the work will be taken up by the Branch; and
- continue to provide secretariat support to the Steering Committee on Housing Land Supply until 30 June 2012, after that the work will be taken up by the Branch.

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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) Director of Bureau’s Office.....	8.0	11.2	8.5	11.5
(2) Buildings, Lands and Planning.....	949.3	815.5	677.8	786.9
(3) Development Opportunities Office ..	4.8	4.7	4.6	2.3
	962.1	831.4	690.9 (–16.9%)	800.7 (+15.9%)
				(or –3.7% on 2011–12 Original)

Analysis of Financial and Staffing Provision

Programme (1)

Provision for 2012–13 is \$3.0 million (35.3%) higher than the revised estimate for 2011–12. This is mainly due to the provision required for filling the position of the Under Secretary and increased provision for other related expenses for administrative support.

Programme (2)

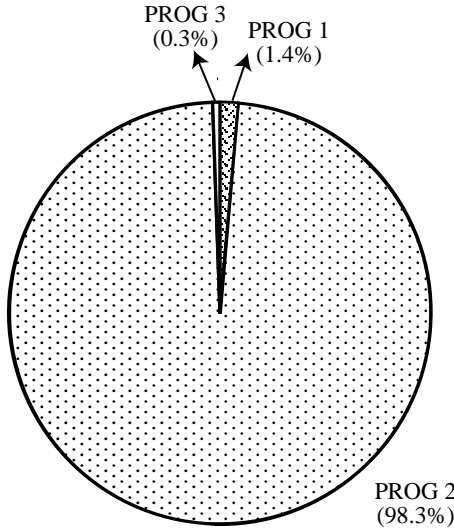
Provision for 2012–13 is \$109.1 million (16.1%) higher than the revised estimate for 2011–12. This is mainly due to the net increase in cash flow requirement for non-recurrent items and the increased operating expenses to meet the demands of ongoing and new commitments. In addition, there will be an increase of three posts in 2012–13.

Programme (3)

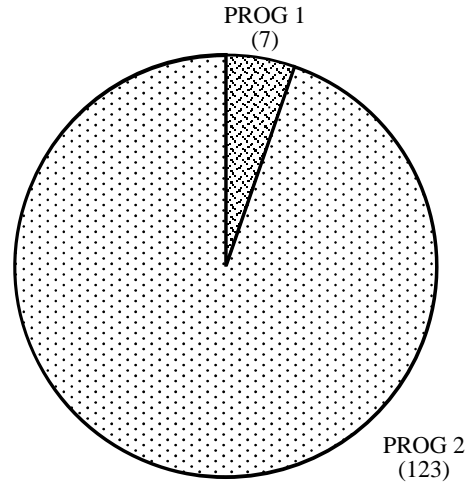
Provision for 2012–13 is \$2.3 million (50.0%) lower than the revised estimate for 2011–12. This is mainly due to the decrease in operating expenses and salary provision for two posts arising from the cessation of the operation of the Development Opportunities Office after the completion of its three-year term on 30 June 2012.

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Allocation of provision to programmes (2012-13)

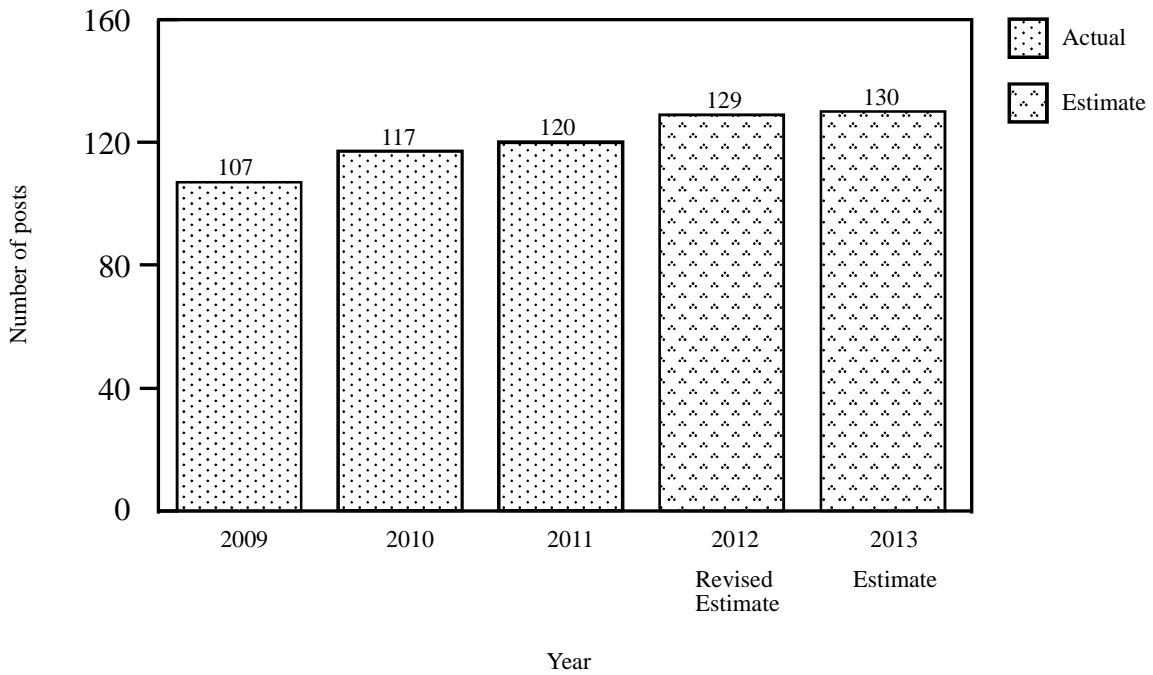


Staff by programme (as at 31 March 2013)



(No government staff under PROG 3)

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	
Operating Account					
Recurrent					
000	Operational expenses	112,154	136,364	136,452	144,664
	Total, Recurrent	112,154	136,364	136,452	144,664
Non-Recurrent					
700	General non-recurrent	849,931	695,000	554,490	656,000
	Total, Non-Recurrent	849,931	695,000	554,490	656,000
	Total, Operating Account	962,085	831,364	690,942	800,664
Total Expenditure					
		962,085	831,364	690,942	800,664

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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 Planning and Lands Branch is \$800,664,000. This represents an increase of \$109,722,000 over the revised estimate for 2011–12 and a decrease of \$161,421,000 against the actual expenditure in 2010–11.

Operating Account

Recurrent

2 Provision of \$144,664,000 under *Subhead 000 Operational expenses* is for the salaries, allowances and other operating expenses of the Planning and Lands Branch.

3 The establishment as at 31 March 2012 will be 129 posts including one supernumerary post. It is expected that there will be a net increase of one post 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 \$57,135,000.

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	62,695	69,477	73,303	74,382
- Allowances	2,791	2,861	3,435	3,407
- Job-related allowances.....	—	5	2	5
Personnel Related Expenses				
- Mandatory Provident Fund contribution	135	180	152	145
- Civil Service Provident Fund contribution	429	613	1,051	1,305
Departmental Expenses				
- Temporary staff	19,367	22,089	20,097	25,245
- Honoraria for members of committees	2,577	3,800	3,771	5,200
- General departmental expenses	24,160	37,339	34,641	34,975
	<hr/> 112,154	<hr/> 136,364	<hr/> 136,452	<hr/> 144,664 <hr/>

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Commitments

Sub-head (Code)	Item (Code)	Ambit	Approved commitment	Accumulated expenditure to 31.3.2011	Revised estimated expenditure for 2011–12	Balance
			\$'000	\$'000	\$'000	\$'000
<i>Operating Account</i>						
700	<i>General non-recurrent</i>					
865	Operation Building Bright		3,200,000	1,202,061	554,490	1,443,449
878	Building Maintenance Grant Scheme for Elderly Owners		1,000,000	400,000	—	600,000
	Total		<u>4,200,000</u>	<u>1,602,061</u>	<u>554,490</u>	<u>2,043,449</u>