

## Head 91 — LANDS DEPARTMENT

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

<b>Estimate 2003–04</b> .....	<b>\$1,601.8m</b>
<b>Establishment ceiling 2003–04</b> (notional annual mid-point salary value) representing an estimated 3 642 non-directorate posts as at 31 March 2003 reducing by six posts to 3 636 posts as at 31 March 2004.....	<b>\$1,119.2m</b>
In addition there will be an estimated 47 directorate posts as at 31 March 2003 and as at 31 March 2004.	
<b>Capital Account commitment balance</b> .....	<b>\$11.9m</b>

### 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

	2001–02 (Actual)	2002–03 (Approved)	2002–03 (Revised)	<b>2003–04 (Estimate)</b>
Financial provision (\$m)	1,109.8	1,242.8 (+12.0%)	1,170.4 (–5.8%)	<b>1,159.0 (–1.0%)</b>

#### 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 A Land Sale Programme for 2002–03 and a Land Development Programme for 2003–04 to 2006–07 providing information on the supply of land for housing and non-housing developments were announced in March 2002. The Land Sale Programme for 2002–03 comprised a timetable of specific sites for auction and tender, and an Application List in respect of sites which could be put up for auction or tender upon application. During 2002, ten lots were disposed of by auction, eight of which were sold in accordance with the published timetable for auction of specific sites, and the remaining two sites were taken from the Application List as a result of applications from developers.

5 In view of the widespread public concern over the state of the property market, the Government on 13 November 2002 announced measures to stabilise the market. These include the decision to stop all scheduled land auctions and call off the remaining land auctions for 2002–03. In addition, the Application List is suspended until the end of 2003. Thereafter, the supply of new land will only be triggered from the Application List.

6 In 2002, the total area resumed was in response to demand for land for the Public Works Programme projects and other projects. The department resumed the private land necessary for the implementation of the Kowloon-Canton Railway (KCR) Sheung Shui to Lok Ma Chau Spur Line in October 2002. Better than anticipated results were achieved in cleaning up existing environmental black spots. Moreover, in order to eliminate the breeding grounds of mosquitoes to prevent the spread of dengue fever, the department had also cleaned up 607 sites managed by the department.

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

## Head 91 — LANDS DEPARTMENT

### *Targets*

	Target	2001 (Actual)	2002 (Actual)	2003 (Plan)
<i>Land Disposal</i>				
land disposal (ha).....	133	113	95.7	<b>80</b>
small houses (cases).....	1 200	1 000	842	<b>1 000</b>
<i>Lease Modifications (non small house cases)</i>				
issue letter of reply to application within three weeks.....	100%	100%	100%	<b>100%</b>
issue letter of offer of provisional basic terms (without premium)/rejection/indicating in-principle agreement within 24 weeks from receipt of application.....	100%	100%	100%	<b>100%</b>
issue legal document for execution within 12 weeks from receipt of a binding acceptance of the final basic terms and premium offer.....	100%	100%	100%	<b>100%</b>
<i>Land Acquisition</i>				
offers of compensation based on ex-gratia rates made within 4 weeks from the date of gazette notice of resumption of agricultural land in N.T. ....	100%	100%	100%	<b>100%</b>
cheques for compensation made available for collection within 4 weeks from receipt of acceptance by the department proof of legal title (for agricultural land cases in N.T.) .....	100%	100%	100%	<b>100%</b>
offer of compensation or invitation to claims made within 3 weeks from land reversion.....	100%	100%	100%	<b>100%</b>

### *Indicators*

	2001 (Actual)	2002 (Actual)	2003 (Estimate)
<i>Land Disposal</i>			
land sale programme			
land sold (auction and tender) (ha).....	10	6.4	<b>15</b>
no. of flats.....	2 130	2 515	—
private treaty grants			
land granted (ha).....	92 <sup>†</sup>	84.14	<b>60</b>
no. of flats (including both private and subsidised home ownership housing projects)¥.....	15 686	8 715	<b>3 500</b>
land let by short term tenancy (ha) .....	56	56.67	<b>50</b>
<i>Lease Variations</i>			
lease modifications and exchanges (no. of cases).....	163	172	<b>100</b>
(no. of flats).....	7 769	10 072	<b>5 000</b>
processing of applications from indigenous villagers for rent concession (no. of lots/tenements) .....	29 801	29 200	<b>21 700</b>
<i>Land Acquisition</i>			
Public Works Programme projects (ha) .....	41.7	56.1	<b>57.0</b>
railway development projects (ha) .....	2.9	16.2	—
urban renewal projects (no. of property interests) .....	—	—	<b>195</b>
Rural Planning and Improvement Strategy/Village Improvement (ha) .....			
total acquisition/clearance costs (\$m).....	0.4	2.7	<b>5.8</b>
	2,703	922	<b>1,289</b>
<i>Land Management</i>			
lease enforcement cases.....	600	680	<b>680</b>
rebuilding of temporary domestic structures .....	75	72	<b>72</b>
government sites cleared and guardedφ.....	2 517	2 430	<b>2 430</b>
clearance of environmental black spots on private and government land in N.T. (no. of cases).....	290	296	<b>283</b>
maintenance of slopes on unallocated and unleased government land			
man-made slopes to be inspected .....	5 495	7 500	<b>7 000</b>
man-made slopes to be improved .....	1 193	3 143	<b>3 500</b>

## Head 91 — LANDS DEPARTMENT

	2001 (Actual)	2002 (Actual)	2003 (Estimate)
demolition of structures under non-development clearance in N.T. (no. of structures) .....	174	175	200
<i>Property Management</i>			
properties/units managed.....	372	347	345
repair orders issued for government properties .....	100	110	110
disposal of government properties.....	10	14	19

† Include the grant for a site of 22 ha for construction of a power station at Po Lo Tsui, Lamma Island

¥ Exclude no. of flats of the Tenant Purchase Scheme and Buy or Rent Option

φ Include no. of black spots cleared as identified by the Clean Hong Kong Campaign Committee

### *Matters Requiring Special Attention in 2003–04*

8 During 2003–04, the department will:

- resume approximately 29.6 ha of land for Deep Bay Link (section between Lam Tei and Ngau Hom Shek) and 21 ha of land for Rural Drainage Rehabilitation Scheme works in New Territories;
- continue with the residual resumption, clearance, claim settlement and land management work for Kowloon-Canton Railway Corporation West Rail (Phase 1), KCR Ma On Shan to Tai Wai Rail Link, KCR Extension from Hung Hom to Tsim Sha Tsui, Sheung Shui to Lok Ma Chau Spur Line and Mass Transit Railway Tseung Kwan O Extension; and to provide land inputs for new railway projects, in particular the implementation of the Shatin to Central Link and the Kowloon Southern Link;
- process land resumption to make land available for redevelopment by the Urban Renewal Authority (URA); and
- oversee all land transactions individually on a pro-active basis with the newly installed computerised Case Monitoring System.

### **Programme (2): Survey and Mapping**

	2001–02 (Actual)	2002–03 (Approved)	2002–03 (Revised)	2003–04 (Estimate)
Financial provision (\$m)	420.0	425.0 (+1.2%)	415.0 (–2.4%)	386.6 (–6.8%)

### *Aim*

9 The aim is to formulate and uphold survey and mapping policies, standards, regulations and specifications; to provide and maintain the basic mapping, geodetic and land boundary information databases; to carry out geodetic, mapping and land boundary surveys; and to assist the Land Survey Authority in administering the Land Survey Ordinance to cope with the rapid and dynamic land development of Hong Kong.

### *Brief Description*

10 The Survey and Mapping Office (SMO) is responsible for the provision of various up-to-date maps for the whole government to support the rapid and intensive land and infrastructure development of Hong Kong. In particular it provides survey and mapping services to the Land Administration Office for land administration activities, such as land disposal, lease modifications and land resumptions. The SMO is also responsible for the establishment and maintenance of the geodetic network and the provision of photogrammetric and aerial survey services. The SMO operates a Computerised Land Information System for maintaining different types of up-to-date digital map databases covering the whole territory. Many government departments, utility companies, engineering consultants, information technology consultants and education institutes are using the digital maps provided by the SMO as a common geographical reference for various purposes, such as automated mapping, facilities management, customer support and geographical information systems. The SMO produces a large variety of map products which include large scale basic maps, medium to small scale topographic maps, countryside maps, Hong Kong Guide Book, thematic maps and aerial photographs. These products, apart from supplying to government departments, are available for sale to the public. The Legislation Section of the SMO is responsible for assisting the Land Survey Authority in administering the Land Survey Ordinance that provides for the registration and discipline of authorised land surveyors engaged in land boundary surveys, for the control of the standards of land boundary surveys and for the establishment and maintenance of land boundary records.

11 In 2002, the targets for this programme were generally met.

12 To improve survey work efficiency, the SMO has taken the initiative to establish a Territorial Continuous Global Positioning System Array (TCGPSA) for Hong Kong. The TCGPSA provides satellite signal data that enables positions to be determined to a high degree of accuracy. During the first phase of the TCGPSA, six Global Position System (GPS) reference stations have been set up in the north-west New Territories of Hong Kong. The SMO is implementing the second phase, in which the remaining six GPS reference stations covering the rest of the territory are being established.

## Head 91 — LANDS DEPARTMENT

When the TCGPSA is fully implemented, it will enhance many of the land and engineering survey operations in terms of time, flexibility and quality.

**13** The SMO sets up a computerised Map Archives Retrieval System (MARS) to facilitate other government departments and the general public to search and inspect the maps and aerial photos archives. Two kiosks have been set up at the SMO headquarters for access by the public.

**14** The SMO is developing a new series of orthophoto maps covering the whole territory. The orthophoto map is produced from rectified aerial photographs of Hong Kong taken at the flying height of 2 500m and is free from height and tilt distortions. Orthophoto map contains comprehensive ground information and is most useful for planning, mapping, feasibility studies, design of new works, communications and presentation purposes.

**15** The key performance measures in respect of survey and mapping are:

### *Targets*

	Target	2001 (Actual)	2002 (Actual)	2003 (Plan)
Setting out of land boundaries within 12 weeks from receipt of request.....	100%	89%	93%	100%
Providing mapping and geodetic information within three working days upon request .....	100%	100%	100%	100%
Maintaining large scale plans up-to-date within 12 weeks after completion of major infrastructural projects .....	100%	96%	98%	100%

### *Indicators*

	2001 (Actual)	2002 (Actual)	2003 (Estimate)
<i>Geodetic Survey</i>			
precise horizontal and vertical control points fixed.....	414	690	700
survey monuments and marks built and maintained .....	3 159	2 356	2 300
<i>Topographical Survey and Map Production</i>			
continuous revision, area surveyed and inspected (ha).....	46 807	48 531	50 000
maps and charts produced .....	1 162	5 256	2 200
reprographic services provided (no. of copies) .....	424 234	483 173	480 000
<i>Cadastral Survey</i>			
lots defined or set out .....	2 124	2 395	2 300
cadastral plans prepared .....	11 344	13 723	13 000
<i>Aerial Survey</i>			
photographs taken for measurement and record .....	9 293	8 977	9 000
total area of photogrammetric survey conducted (ha) .....	10 825	24 670	25 000
<i>Land Survey Ordinance</i>			
total number of lot subdivision plans inspected.....	1 350	676	700

### *Matters Requiring Special Attention in 2003–04*

**16** During 2003–04, the department will:

- review the results of the customer satisfaction survey on the services and products of the SMO and promote better customer service;
- develop and implement the Office Automation System for improving the efficiency of information dissemination and internal communication;
- continue to develop a network of GPS reference stations within the whole territory of Hong Kong to improve the efficiency of survey and mapping work; and
- continue to develop and implement a quality management system in the SMO to enhance the overall quality of survey and mapping services.

### **Programme (3): Legal Advice**

	2001–02 (Actual)	2002–03 (Approved)	2002–03 (Revised)	2003–04 (Estimate)
Financial provision (\$m)	59.0	59.8 (+1.4%)	59.3 (–0.8%)	56.2 (–5.2%)

## Head 91 — LANDS DEPARTMENT

### *Aim*

17 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*

18 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.

19 Under the Lands Department Consent Scheme, LACO processes all applications for consent to sell units in uncompleted buildings prior to compliance with lease conditions with a view to affording protection to the purchasers and avoiding speculation in undeveloped land. 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.

20 Following the completion of the consultancy study by the Management Services Agency (MSA) on Re-engineering of Work Procedures of LACO, LACO has taken steps to implement the appropriate recommendations. Most of the accepted recommendations have already been implemented.

21 In 2002, LACO attained a higher standard of performance in approving consents to sell and DMCs notwithstanding the increase in the number of consents and DMC approval issued and the extra time spent on processing several complicated cases as compared with 2001.

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

#### *Targets*

	Target	2001 (Actual)	2002 (Actual)	2003 (Plan)
<i>Consents</i>				
Sale and Purchase Agreement-approved within 13 weeks (excluding time for approval of DMC).....	100%	86%	96%	96%
DMC—approved within 13 weeks.....	100%	72%	85%	90%

#### *Indicators*

	2001 (Actual)	2002 (Actual)	2003 (Estimate)
<i>Consents</i>			
Sale and Purchase Agreements approved			
—non-residential developments.....	13	12	12
—residential developments.....	35	56	35
Sale of uncompleted residential units (no. of flats).....	21 000	40 883	20 000
DMC approved			
—non-residential developments.....	4	2	3
—residential developments.....	61	64	55

### *Matters Requiring Special Attention in 2003–04*

23 During 2003–04, the department will:

- consider appropriate guidelines for DMCs to specify responsibilities of owners on building safety and preventive maintenance of new buildings;
- consider further measures to expedite the processing of consent to sell applications and to promulgate revised DMC guidelines;
- continue to contract out to private firms the processing of applications for approval of DMCs and increase the amount of contracting out of title checking and related legal work for surrenders in land exchange cases and for payment of compensation for land resumption;
- implement a Case Progress Monitoring System in the Office Automation System of LACO in 2003 through which instructions, land related legal precedents and progress of all cases can be stored and retrieved easily by LACO officers in all offices for reference; and

## **Head 91 — LANDS DEPARTMENT**

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- continue to implement the recommendations of the MSA consultancy study with a view to enhancing the cost-effectiveness of LACO in the provision of its services.

## Head 91 — LANDS DEPARTMENT

### ANALYSIS OF FINANCIAL PROVISION

<b>Programme</b>	2001-02 (Actual) (\$m)	2002-03 (Approved) (\$m)	2002-03 (Revised) (\$m)	2003-04 (Estimate) (\$m)
(1) Land Administration .....	1,109.8	1,242.8	1,170.4	<b>1,159.0</b>
(2) Survey and Mapping .....	420.0	425.0	415.0	<b>386.6</b>
(3) Legal Advice.....	59.0	59.8	59.3	<b>56.2</b>
	<u>1,588.8</u>	<u>1,727.6</u> (+8.7%)	<u>1,644.7</u> (-4.8%)	<u><b>1,601.8</b></u> (-2.6%)

#### Analysis of Financial and Staffing Provision

##### Programme (1)

Provision for 2003-04 is \$11.4 million (1.0%) lower than the revised estimate for 2002-03. This is mainly due to the full-year effect of civil service pay cut in 2002-03, the deletion of two time-limited posts in 2003-04 and the reduction in works expenditure upon the completion of demolition of six Temporary Housing Areas, partly offset by the provision for salary increments for staff and increased requirements for ex-gratia allowances for clearance projects on government land.

##### Programme (2)

Provision for 2003-04 is \$28.4 million (6.8%) lower than the revised estimate for 2002-03. This is mainly due to the full-year effect of civil service pay cut in 2002-03, the deletion of three time-limited posts in 2003-04, and reduced requirements for operating expenses and minor plant and equipment.

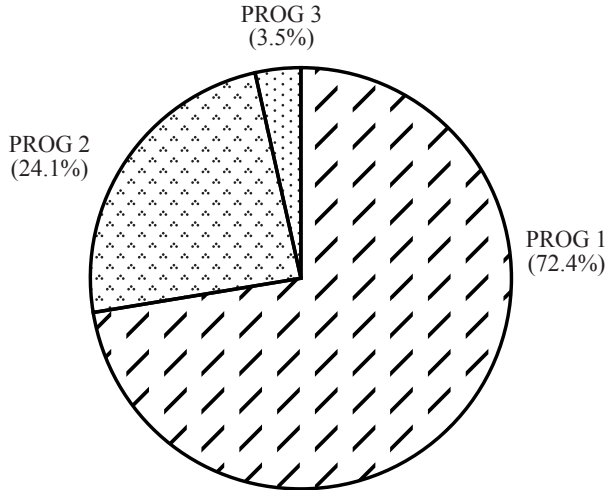
##### Programme (3)

Provision for 2003-04 is \$3.1 million (5.2%) lower than the revised estimate for 2002-03. This is mainly due to the full-year effect of civil service pay cut in 2002-03 and the deletion of one time-limited post in 2003-04.

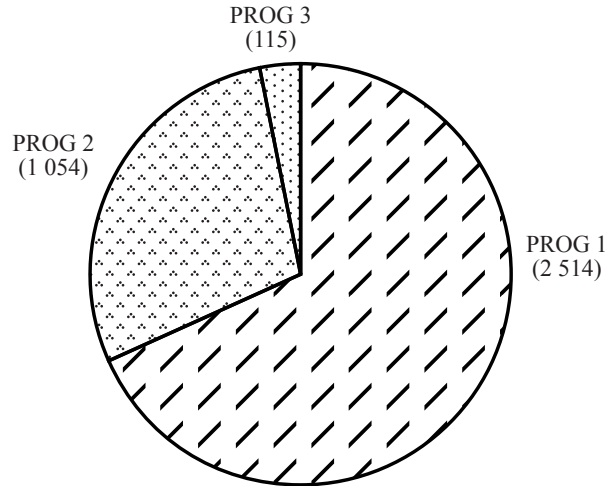
**Head 91 — LANDS DEPARTMENT**

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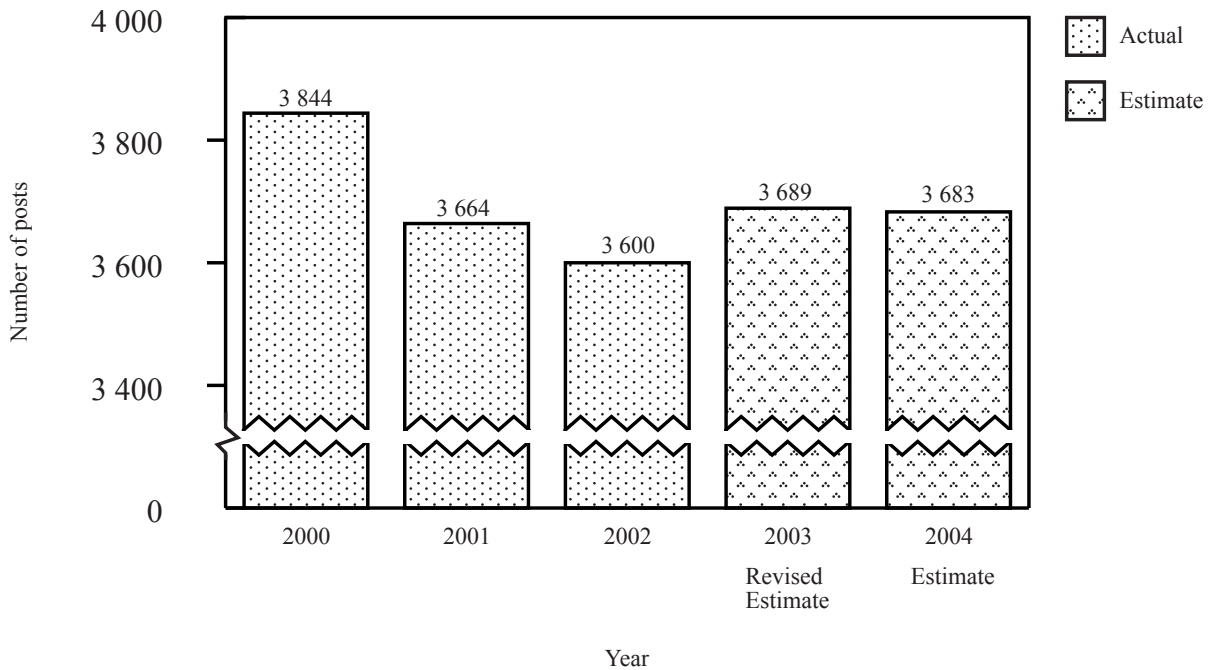
*Allocation of provision to programmes (2003-04)*



*Staff by programme (as at 31 March 2004)*



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





## Head 91 — LANDS DEPARTMENT

Sub-head (Code)		Actual expenditure 2001-02	Approved estimate 2002-03	Revised estimate 2002-03	Estimate 2003-04
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Recurrent Account</b>					
000	Operational expenses.....	—	—	—	<b>1,567,306</b>
003	Recoverable salaries and allowances (General).....	30,764			
	<i>Deduct</i> reimbursements.....	<i>Cr.30,764</i>	—	—	—
221	Clearance of government land - ex-gratia allowances.....	9,426	30,026	6,300	<b>13,000*</b>
	Salaries.....	1,316,380	1,358,835	1,329,176	—
	Allowances.....	17,891	21,076	15,427	—
	Job-related allowances.....	2,427	3,429	3,243	—
	Hire of services and professional fees.....	26,850	58,909	29,875	—
	Contract maintenance.....	117,931	132,290	130,976	—
	General departmental expenses.....	73,365	99,147	97,186	—
	Financial Secretary Incorporated - suspense account adjustment.....	—	15	15	—
	Total, Recurrent Account.....	1,564,270	1,703,727	1,612,198	<b>1,580,306</b>
<b>Capital Account</b>					
I — Plant, Equipment and Works					
600	Works.....	3,371	5,000	14,087	<b>7,941</b>
661	Minor plant, vehicles and equipment (block vote).....	7,567	3,170	3,170	<b>630</b>
	Total, Plant, Equipment and Works.....	10,938	8,170	17,257	<b>8,571</b>
II — Other Non-Recurrent					
700	General other non-recurrent.....	659	1,665	3,244	<b>1,405</b>
842	Cleaning up of black spots in N.T. (block vote).....	12,922	14,000	12,000	<b>11,500</b>
	Total, Other Non-Recurrent.....	13,581	15,665	15,244	<b>12,905</b>
	Total, Capital Account.....	24,519	23,835	32,501	<b>21,476</b>
	Total Expenditure.....	1,588,789	1,727,562	1,644,699	<b>1,601,782</b>

## Head 91 — LANDS DEPARTMENT

### Details of Expenditure by Subhead

The estimate of the amount required in 2003–04 for the salaries and expenses of the Lands Department is \$1,601,782,000. This represents a decrease of \$42,917,000 against the revised estimate for 2002–03 and an increase of \$12,993,000 over actual expenditure in 2001–02.

#### Recurrent Account

**2** Provision of \$1,567,306,000 under *Subhead 000 Operational expenses* is for the salaries and allowances of staff of the Lands Department and its other operating expenses.

**3** The establishment as at 31 March 2003 will be 3 688 permanent posts and one supernumerary post. It is expected that six permanent posts will be deleted in 2003–04. Subject to certain conditions, the controlling officer may under delegated powers create or delete non-directorate posts during 2003–04, but the notional annual mid-point salary value of all such posts must not exceed \$1,119,174,000.

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

	2001–02 (Actual) (\$'000)	2002–03 (Original Estimate) (\$'000)	2002–03 (Revised Estimate) (\$'000)	<b>2003–04 (Estimate) (\$'000)</b>
Personal Emoluments				
- Salaries.....	1,316,380	1,358,835	1,329,176	<b>1,315,975</b>
- Allowances.....	17,891	21,076	15,427	<b>15,500</b>
- Job-related allowances .....	2,427	3,429	3,243	<b>3,300</b>
Personnel Related Expenses				
- Mandatory Provident Fund contribution.....	—	—	—	<b>1,910</b>
Departmental Expenses				
- Hire of services and professional fees.....	26,850	58,909	29,875	<b>23,892</b>
- Contract maintenance.....	117,931	132,290	130,976	<b>121,163</b>
- General departmental expenses.....	73,365	99,147	97,186	<b>85,551</b>
Other Charges				
- Financial Secretary Incorporated - suspense account adjustment .....	—	15	15	<b>15</b>
	1,554,844	1,673,701	1,605,898	<b>1,567,306</b>

**5** Gross provision of \$30,764,000 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 re-development by the URA. The cost will be fully recovered from the URA.

**6** Provision of \$13,000,000 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 \$6,700,000 (106.3%) over the revised estimate for 2002–03 is mainly due to the increase in the number of clearance projects on government land.

#### Capital Account

##### Plant, Equipment and Works

**7** Provision of \$630,000 under *Subhead 661 Minor plant, vehicles and equipment (block vote)* represents a decrease of \$2,540,000 (80.1%) against the revised estimate for 2002–03. This is mainly due to reduced requirements for minor plant and equipment.

##### Other Non-Recurrent

**8** Provision of \$11,500,000 under *Subhead 842 Cleaning up of black spots in New Territories (block vote)* is for clearance of illegal occupation and dumping on government land, the necessary landscaping to improve the overall appearance and to prevent further illegal occupation and dumping and for formation of sites for the purpose of relocating operations with an economic function. The decrease of \$500,000 (4.2%) against the revised estimate for 2002–03 is mainly due to reduced landscaping requirements.

## Head 91 — LANDS DEPARTMENT

### Capital Account

#### Commitments

Sub-head (Code)	Item (Code)	Ambit	Approved commitment	Accumulated expenditure to 31.3.2002	Revised estimated expenditure for 2002-03	Balance
			\$'000	\$'000	\$'000	\$'000
600		<i>Works</i>				
	255	Demolition of Lai Chi Kok Cottage Area .....	5,300	—	2,300	3,000
	256	Demolition of So Kon Po Cottage Area	8,530	—	3,850	4,680
	257	Demolition of Mt. Davis Cottage Area...	6,750	—	3,950	2,800
			<u>20,580</u>	<u>—</u>	<u>10,100</u>	<u>10,480</u>
700		<i>General other non-recurrent</i>				
	516	Natural terrain hazard study .....	3,655	—	2,250	1,405
		Total.....	<u>24,235</u>	<u>—</u>	<u>12,350</u>	<u>11,885</u>