

## Head 91 — LANDS DEPARTMENT

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

<b>Estimate 2004–05</b> .....	<b>\$1,488.4m</b>
<b>Establishment ceiling 2004–05</b> (notional annual mid-point salary value) representing an estimated 3 611 non-directorate posts as at 31 March 2004 reducing by 312 posts to 3 299 posts as at 31 March 2005.....	<b>\$1,013.3m</b>
In addition there will be an estimated 47 directorate posts as at 31 March 2004 reducing by one post to 46 posts as at 31 March 2005.	
<b>Commitment balance</b> .....	<b>\$12.5m</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

	2002–03 (Actual)	2003–04 (Original)	2003–04 (Revised)	2004–05 (Estimate)
Financial provision (\$m)	1,148.1	1,159.0	1,127.4 (-2.7%)	<b>1,068.6</b> (-5.2%)
				(or -7.8% on 2003–04 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 Notwithstanding the suspension of the Application List and land auction throughout 2003, land for petrol filling station purpose was successfully disposed of by tender (four sites) and five more such grants (tenders received and being assessed) are expected before the end of the financial year. Other disposal such as those by private treaty, exchange, modification, extension and short term tenancy proceeded as usual.

5 In 2003, the total area resumed was in response to demand for land for the public works and other projects. Better-than-anticipated results were achieved in cleaning up existing environmental black spots. In order to eliminate the breeding grounds of mosquitoes to prevent the spread of dengue fever, the department also cleaned up 650 sites under its charge.

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

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### *Targets*

	Target	2002 (Actual)	2003 (Actual)	2004 (Plan)
<i>Land Disposal</i>				
land disposal (ha).....	133	95.7	15.8	<b>28</b>
small houses (cases processed)# .....	2 500	2 161	2 132	<b>2 500</b>
<i>Lease Modifications (non small house cases)</i>				
issue letter of reply to application within three weeks.....	100%	100%	97%	<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%	97%	<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%	98%	<b>100%</b>
<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%	<b>100%</b>
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%	<b>100%</b>
offer of compensation or invitation to claims made within three weeks from land reversion.....	100%	100%	100%	<b>100%</b>

# As from 2004, the target for small houses is revised from the number of cases executed to the number of cases processed. The statistics for 2002 to 2004 refer to the number of cases processed.

### *Indicators*

	2002 (Actual)	2003 (Actual)	2004 (Estimate)
<i>Land Disposal</i>			
land sale programme			
land sold (auction and tender) (ha).....	6.4	2	<b>8</b>
no. of flats.....	2 515	—	<b>3 200</b>
private treaty grants			
land granted (ha).....	84.14	12.8	<b>1.5</b>
no. of flats (including both private and subsidised home ownership housing projects).....	8 715	1 800	<b>2 650</b>
land let by short term tenancy (ha) .....	56.67	67.07	<b>65</b>
<i>Lease Variations</i>			
lease modifications, exchanges and extensions			
no. of cases .....	172	152	<b>150</b>
no. of flats.....	10 072	5 793	<b>10 000</b>
processing of applications from indigenous villagers for rent concession (no. of lots/tenements) .....	29 200	7 212	<b>12 000</b>
<i>Land Acquisition</i>			
Public Works Programme projects (ha) .....	56.1	48.92	<b>10.92</b>
railway development projects (ha) .....	16.2	—	—
urban renewal projects (no. of property interests) .....	—	136	<b>580</b>
Rural Planning and Improvement Strategy/Village Improvement (ha) .....			
Improvement (ha) .....	2.7	2.39	<b>4.97</b>
total acquisition/clearance costs (\$m).....	922	1 434	<b>2 192</b>
<i>Land Management</i>			
lease enforcement cases.....	680	709	<b>720</b>
rebuilding of temporary domestic structures .....	72	72	<b>72</b>
government sites cleared and guarded $\phi$ .....	2 430	3 420	<b>3 500</b>

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	2002 (Actual)	2003 (Actual)	2004 (Estimate)
clearance of environmental black spots on private and government land in N.T. (no. of cases).....	296	347	44†
maintenance of slopes on unallocated and unleased government land			
man-made slopes to be inspected .....	7 500	7 500	9 000
man-made slopes to be improved .....	3 143	3 400	5 300
demolition of structures under non-development clearance in the N.T. (no. of structures).....	175	106	120
<i>Property Management</i>			
properties/units managed.....	347	332	336
repair orders issued for government properties .....	110	131	106
disposal of government properties.....	14	13	15

ϕ Including black spots cleared as identified by Team Clean

† The task force (black spots) team will be disbanded on 1 April 2004

### *Matters Requiring Special Attention in 2004–05*

7 During 2004–05, the department will:

- 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 land inputs for new railway projects, in particular the implementation of the Shatin to Central Link and the Kowloon Southern Link;
- continue to process land resumption to make land available for the urban renewal projects;
- continue to oversee all land transactions on a proactive basis with the computerised Case Monitoring System;
- implement the recommendations of the consultancy study relating to the work of the Land Administration Office to achieve greater efficiency in the delivery of services and more optimal use of resources; and
- under the Working Group on Small House, explore measures to speed up the processing of small house applications.

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

	2002–03 (Actual)	2003–04 (Original)	2003–04 (Revised)	2004–05 (Estimate)
Financial provision (\$m)	409.9	386.6	385.6 (–0.3%)	368.8 (–4.4%)

(or –4.6% on  
2003–04 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 operate under the Land Survey Authority in administering the Land Survey Ordinance to cope with land, building and other physical developments in Hong Kong.

### *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 map products for various purposes. In particular, it provides survey and mapping services to the Land Administration Office for land administration functions such as land acquisition and disposal, lease modification and enforcement, and small house re-development. A Computerised Land Information System is operated by SMO for maintaining updated digital map and cadastral databases. In addition to government departments, private organisations can use the data for their own purposes under a permit or licence. SMO provides photogrammetric and aerial survey services for specific purposes in addition to general mapping, as well as establishes and maintains the territory-wide geodetic network. It operates under the Land Survey Authority to administer the Land Survey Ordinance, which governs the conduct, practices and standard of Authorised Land Surveyors in land subdivision survey. It is also vested with the authority to name roads and streets under the Public Health and Municipal Services Ordinance.

10 In 2003, SMO continued the next phase of establishing the Territorial Continuous Global Positioning System Array for more efficient 3-D positioning. Design work was completed and station sites were allocated. A new series of orthophoto maps were developed allowing map users to see the picture of the ground from a vertical position above.

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11 SMO acquired ISO9001:2000 certification accredited by the Hong Kong Quality Assurance Agency in December 2003.

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

### *Targets*

	Target	2002 (Actual)	2003 (Actual)	2004 (Plan)
Setting out land boundaries within 12 weeks from receipt of request.....	100%	93%	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%	98%	99%	100%

### *Indicators*

	2002 (Actual)	2003 (Actual)	2004 (Estimate)
<i>Geodetic Survey</i>			
precise horizontal and vertical control points fixed.....	690	1 120	700
survey monuments and marks built and maintained .....	2 356	3 907	3 400
<i>Topographical Survey and Map Production</i>			
continuous revision, area surveyed and inspected (ha).....	48 531	69 217	69 000
maps and charts produced .....	5 256	3 442	4 100
reprographic services provided (no. of copies) .....	483 173	475 283	480 000
<i>Cadastral Survey</i>			
lots defined or set out .....	2 395	2 991	3 000
cadastral plans prepared .....	13 723	17 987	18 000
<i>Aerial Survey</i>			
photographs taken for measurement and record .....	8 977	8 672	9 000
total area of photogrammetric survey conducted (ha) .....	24 670	35 220	30 000
<i>Land Survey Ordinance</i>			
total number of lot sub-division plans examined.....	676	558	600

### *Matters Requiring Special Attention in 2004–05*

13 During 2004–05, the department will:

- continue to develop and implement the Office Automation System to improve information dissemination and internal communication;
- complete the territory-wide network of Global Positioning System reference stations to improve the efficiency of survey operations;
- promote map products and services and set up more kiosks at map sales outlets for the Map Archives Retrieval System; and
- maintain the Quality Management System to enhance the overall quality of survey and mapping services.

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

	2002–03 (Actual)	2003–04 (Original)	2003–04 (Revised)	2004–05 (Estimate)
Financial provision (\$m)	57.2	56.2	53.9 (–4.1%)	51.0 (–5.4%)
				(or –9.3% on 2003–04 Original)

### *Aim*

14 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.

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### *Brief Description*

**15** 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.

**16** 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.

**17** In 2003, the performance of LACO for approval of sale and purchase and approval of DMCs was slightly lower than 2002 due mainly to the complexity of the cases processed (involving larger developments) requiring longer consideration by the affected parties. In the latter half of 2003, LACO conducted a review of the Consent Scheme with a view to further strengthening the Scheme and to improving protection for flat purchasers.

**18** The key performance measures in respect of legal advice are:

#### *Targets*

	Target	2002 (Actual)	2003 (Actual)	2004 (Plan)
<i>Consents</i>				
Sale and Purchase Agreement—approved within 13 weeks (excluding time for approval of DMC).....	100%	96%	92%	95%
DMC—approved within 13 weeks.....	100%	85%	81%	85%

#### *Indicators*

	2002 (Actual)	2003 (Actual)	2004 (Estimate)
<i>Consents</i>			
Sale and Purchase Agreements approved			
—non-residential developments.....	12	6	6
—residential developments.....	56	32	35
Sale of uncompleted residential units (no. of flats).....	40 883	17 813	20 000
DMC approved			
—non-residential developments.....	2	4	4
—residential developments.....	64	44	50

### *Matters Requiring Special Attention in 2004–05*

**19** During 2004–05, the department will:

- finalise the guidelines for DMCs to specify responsibilities of owners on building safety and preventive maintenance of new buildings;
- continue to consider further measures relating to the processing of applications for consent to sell and to issue 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; and
- implement the improvement measures for the sale of uncompleted units under the Consent Scheme.

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### ANALYSIS OF FINANCIAL PROVISION

Programme	2002-03 (Actual) (\$m)	2003-04 (Original) (\$m)	2003-04 (Revised) (\$m)	2004-05 (Estimate) (\$m)
(1) Land Administration .....	1,148.1	1,159.0	1,127.4	<b>1,068.6</b>
(2) Survey and Mapping .....	409.9	386.6	385.6	<b>368.8</b>
(3) Legal Advice.....	57.2	56.2	53.9	<b>51.0</b>
	1,615.2	1,601.8	1,566.9 (-2.2%)	<b>1,488.4</b> <b>(-5.0%)</b>
				<b>(or -7.1% on 2003-04 Original)</b>

#### Analysis of Financial and Staffing Provision

##### Programme (1)

Provision for 2004-05 is \$58.8 million (5.2%) lower than the revised estimate for 2003-04. This is mainly due to the net deletion of 235 posts and the effect of the 2004 and 2005 civil service pay cut, partly offset by the increased operating expenses and cashflow requirement for non-recurrent contracting out works and studies.

##### Programme (2)

Provision for 2004-05 is \$16.8 million (4.4%) lower than the revised estimate for 2003-04. This is mainly due to the deletion of 62 posts, the effect of the 2004 and 2005 civil service pay cut, and reduced operating expenses.

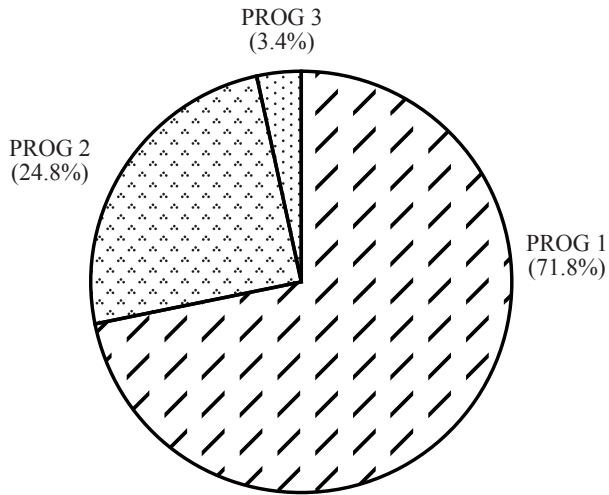
##### Programme (3)

Provision for 2004-05 is \$2.9 million (5.4%) lower than the revised estimate for 2003-04. This is mainly due to the deletion of 16 posts and the effect of the 2004 and 2005 civil service pay cut.

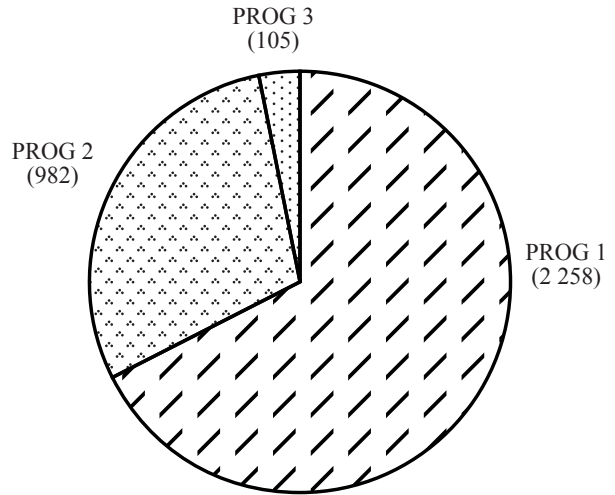
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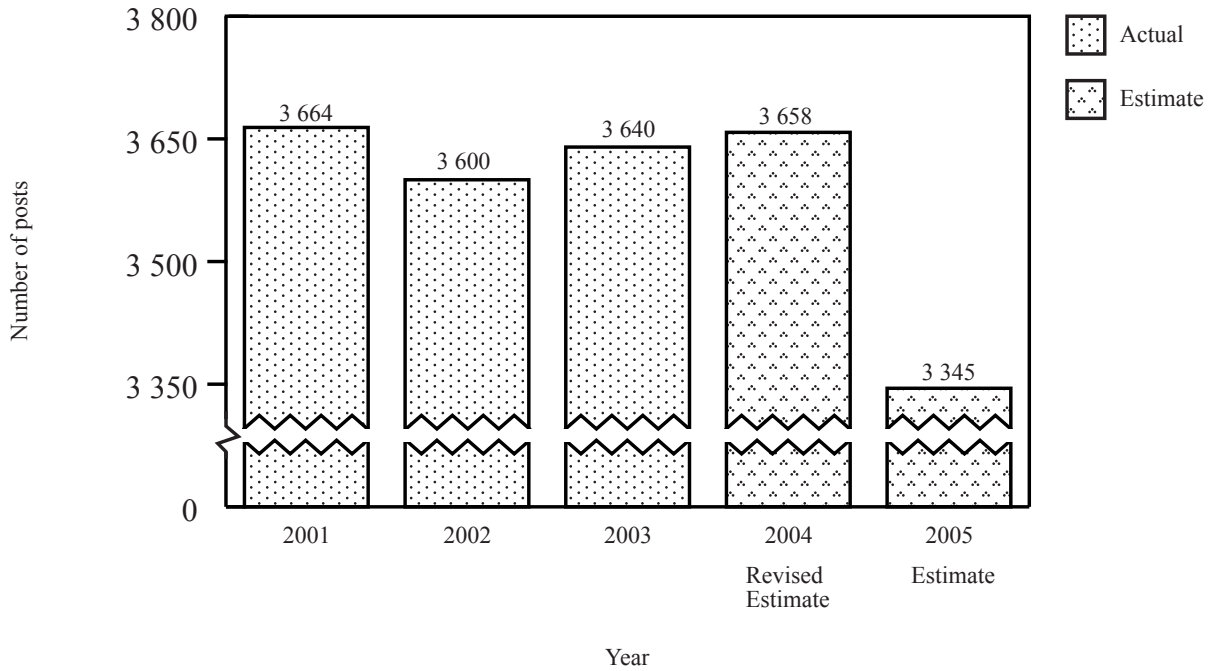
*Allocation of provision  
to programmes  
(2004-05)*



*Staff by programme  
(as at 31 March 2005)*



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



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Sub-head (Code)		Actual expenditure 2002-03	Approved estimate 2003-04	Revised estimate 2003-04	Estimate 2004-05
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Operating Account</b>					
Recurrent					
000	Operational expenses.....	—	1,567,306	1,530,630	<b>1,460,627</b>
003	Recoverable salaries and allowances (General).....	29,883			
	<i>Deduct reimbursements..... Cr.29,883</i>	—	—	—	—
221	Clearance of government land - ex-gratia allowances.....	3,218	13,000	8,000	<b>12,220*</b>
	Salaries .....	1,327,176	—	—	—
	Allowances .....	14,103	—	—	—
	Job-related allowances .....	3,234	—	—	—
	Hire of services and professional fees .....	26,581	—	—	—
	Contract maintenance .....	125,344	—	—	—
	General departmental expenses .....	93,391	—	—	—
	<b>Total, Recurrent .....</b>	<b>1,593,047</b>	<b>1,580,306</b>	<b>1,538,630</b>	<b>1,472,847</b>
Non-Recurrent					
700	General non-recurrent.....	2,494	1,405	2,652	<b>10,400</b>
842	Cleaning up of black spots in N.T. (block vote)	11,516	11,500	11,500	<b>2,500</b>
	<b>Total, Non-Recurrent .....</b>	<b>14,010</b>	<b>12,905</b>	<b>14,152</b>	<b>12,900</b>
	<b>Total, Operating Account.....</b>	<b>1,607,057</b>	<b>1,593,211</b>	<b>1,552,782</b>	<b>1,485,747</b>
<b>Capital Account</b>					
Plant, Equipment and Works					
600	Works .....	5,051	7,941	13,510	<b>2,040</b>
661	Minor plant, vehicles and equipment (block vote).....	3,078	630	630	<b>609</b>
	<b>Total, Plant, Equipment and Works .....</b>	<b>8,129</b>	<b>8,571</b>	<b>14,140</b>	<b>2,649</b>
	<b>Total, Capital Account .....</b>	<b>8,129</b>	<b>8,571</b>	<b>14,140</b>	<b>2,649</b>
	<b>Total Expenditure.....</b>	<b>1,615,186</b>	<b>1,601,782</b>	<b>1,566,922</b>	<b>1,488,396</b>



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### Details of Expenditure by Subhead

The estimate of the amount required in 2004–05 for the salaries and expenses of the Lands Department is \$1,488,396,000. This represents a decrease of \$78,526,000 against the revised estimate for 2003–04 and of \$126,790,000 against actual expenditure in 2002–03.

#### Operating Account

##### Recurrent

**2** Provision of \$1,460,627,000 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 2004 will be 3 657 permanent posts and one supernumerary post. It is expected that a net 312 permanent posts and one supernumerary post will be deleted in 2004–05. Subject to certain conditions, the controlling officer may under delegated power create or delete non-directorate posts during 2004–05, but the notional annual mid-point salary value of all such posts must not exceed \$1,013,266,000.

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

	2002–03 (Actual) (\$'000)	2003–04 (Original) (\$'000)	2003–04 (Revised) (\$'000)	2004–05 (Estimate) (\$'000)
Personal Emoluments				
- Salaries.....	1,327,176	1,315,975	1,289,665	<b>1,208,923</b>
- Allowances.....	14,103	15,500	11,539	<b>11,101</b>
- Job-related allowances .....	3,234	3,300	1,773	<b>1,706</b>
Personnel Related Expenses				
- Mandatory Provident Fund contribution.....	—	1,910	1,910	<b>1,910</b>
Departmental Expenses				
- Hire of services and professional fees.....	26,581	23,892	23,892	<b>34,198</b>
- Contract maintenance.....	125,344	121,163	119,953	<b>123,813</b>
- General departmental expenses.....	93,391	85,551	81,883	<b>78,961</b>
Other Charges				
- Financial Secretary Incorporated - suspense account adjustment .....	—	15	15	<b>15</b>
	1,589,829	1,567,306	1,530,630	<b>1,460,627</b>

**5** Gross provision of \$29,883,000 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 \$12,220,000 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 \$4,220,000 (52.8%) over the revised estimate for 2003–04 is mainly due to the increase in the number of clearance projects on government land.

##### Non-Recurrent

**7** Provision of \$2,500,000 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 \$9,000,000 (78.3%) against the revised estimate for 2003–04 is mainly due to completion of most of the existing projects. Subsequent work will be handled by the district lands offices upon the disbandment of the task force (black spots) team on 1 April 2004.

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### Commitments

Sub-head (Code)	Item (Code)	Ambit	Approved commitment	Accumulated expenditure to 31.3.2003	Revised estimated expenditure for 2003-04	Balance
			\$'000	\$'000	\$'000	\$'000
<b><i>Operating Account</i></b>						
700		<i>General non-recurrent</i>				
	518	Hiring of contractors for conducting grass cutting on vacant government land .....	7,500	—	2,000	5,500
	519	Contracting-out of SIMAR studies to identify the responsible parties for maintenance of registered man-made slopes .....	5,000	—	—	5,000
			<u>12,500</u>	<u>—</u>	<u>2,000</u>	<u>10,500</u>
<b><i>Capital Account</i></b>						
600		<i>Works</i>				
	256	Demolition of So Kon Po Cottage Area	8,530	—	7,210	1,320
	257	Demolition of Mt. Davis Cottage Area...	6,750	258	5,772	720
			<u>15,280</u>	<u>258</u>	<u>12,982</u>	<u>2,040</u>
		Total.....	<u><u>27,780</u></u>	<u><u>258</u></u>	<u><u>14,982</u></u>	<u><u>12,540</u></u>