

Head 91 — LANDS DEPARTMENT

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

Estimate 2008–09	\$1,698.7m
Establishment ceiling 2008–09 (notional annual mid-point salary value) representing an estimated 3 726 non-directorate posts as at 31 March 2008 rising by 45 posts to 3 771 posts as at 31 March 2009	\$1,152.2m
In addition, there will be an estimated 46 directorate posts as at 31 March 2008 and as at 31 March 2009.	
Commitment balance	\$1.8m

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 and Heritage Conservation (Secretary for Development) and Policy Area 31: Housing (Secretary for Transport and Housing).

Detail

Programme (1): Land Administration

	2006–07 (Actual)	2007–08 (Original)	2007–08 (Revised)	2008–09 (Estimate)
Financial provision (\$m)	1,072.4	1,197.5	1,157.5 (–3.3%)	1,240.5 (+7.2%)
				(or +3.6% on 2007–08 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 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 16 March 2007, the Government announced the new list of sites for the sale of government land under the Application List System. Forty seven sites (33 residential and 14 commercial/business) were offered. During the year, nine lots from the new list were triggered for sale by auction. Other land disposals such as those by private treaty, land exchange, lease modification, land extension and short-term tenancy proceeded along the established practice.

5 In terms of land resumption, the total area resumed in 2007 was in response to requirements for land for public works and other projects. In terms of land management, in order to eliminate the breeding grounds of mosquitoes to prevent the spread of dengue fever and Japanese encephalitis, the Department also regularly cleaned up 704 sites under its management.

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

Targets

	Target	2006 (Actual)	2007 (Actual)	2008 (Plan)
<i>Land disposal</i>				
small houses (cases processed).....	2 300	2 614	2 475	2 300

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	Target	2006 (Actual)	2007 (Actual)	2008 (Plan)
<i>Lease modifications (non small house cases)</i>				
issue of letter of reply to application within three weeks (%)	100	96	95	100
issue of letter of offer of provisional basic terms (without premium)/rejection/indicating in-principle agreement within 22 weeks from receipt of application (%)Ω	100	89	92	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	96	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	100	100	100

Ω The target is revised upward from “within 24 weeks from receipt of application” to “within 22 weeks from receipt of application” as from 1 April 2006.

Indicators

	2006 (Actual)	2007 (Actual)	2008 (Estimate)
<i>Land disposal</i>			
land disposed (ha).....	64.79	184.66	—Δ
land sale programme			
land sold (auction and tender) (ha)	3.42	15.66	—Δ
no. of flats.....	1 794	5 908	—Δ
private treaty grants			
land granted (ha).....	55.20	159.72	418.23
no. of flats.....	8 948	2 702	8 530
land let by short-term tenancy (ha)	90.9	68.0	80.0
<i>Lease variations</i>			
lease modifications, exchanges and extensions			
no. of cases	101	132	135
no. of flats.....	1 116	4 561	6 600
processing of applications from indigenous villagers for rent concession (no. of lots/tenements).....	6 128	3 144	3 000
<i>Land acquisition</i>			
Public Works Programme projects (ha).....	6.69	23.56	25.60
railway development projects (ha).....	0.05	0.00	0.00
urban renewal projects (no. of property interests)	297	0	258
Rural Planning and Improvement Strategy/Village Improvement (ha).....	1.56	0.00	0.66
total acquisition/clearance costs (\$m).....	151.4	409.6	1,056.8
<i>Land management</i>			
lease enforcement cases	883	934	950
rebuilding of temporary domestic structures.....	70	69	68
government sites cleared and guarded	7 964	4 518	5 100
maintenance of slopes on unallocated and unleased government land			
man-made slopes to be inspected.....	10 200	10 150	9 900
man-made slopes to be maintained or improved.....	6 650	6 550	6 600
demolition of structures under non-development clearance (no. of structures).....	75	70	70

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	2006 (Actual)	2007 (Actual)	2008 (Estimate)
<i>Property management</i>			
properties/units managed	293	296	254
repair orders issued for government properties.....	103	116	105
disposal of government properties	15	10	10
<i>Squatter Control & Clearance</i> [§]			
unauthorised structures demolished	338#	246	250
surveyed structures inspected.....	200 908#	198 154	200 900
cases under freezing action for demolition of surveyed structures occupied by squatters who have applied for public rental housing	726#	718	720
structures cleared in programmed squatter clearances or emergency clearances.....	635#	1 254	1 200

Δ Not possible to estimate because sale of government land is mainly effected through the market-driven Application List System.

§ New indicators as from 2006 to reflect the squatter control and clearance duties for the whole territory taken over from the Housing Department (HD) with effect from 1 April 2006.

For comparison purpose, the figure includes relevant performance statistic attributable to Head 62—HD during January 2006 to March 2006, prior to the transfer of the squatter control and clearance duties for the whole territory from the HD with effect from 1 April 2006.

Matters Requiring Special Attention in 2008–09

7 During 2008–09, the Department will:

- continue to strengthen land control and lease enforcement work;
- continue to explore measures to further streamline and expedite the processing of lease modifications, land exchanges and premium assessment, and set up a pilot Dedicated Team in District Lands Office/Hong Kong West & South in April 2008 to explore how to expedite the processing of lease modification and land exchange cases;
- continue land sales under the Application List System and co-ordinate the timetables for tendering property development projects with the Urban Renewal Authority and the railway corporation;
- continue to undertake preparatory work on resumption and clearance of land required for the North Lantau Highway Connection connecting Hong Kong - Zhuhai - Macao Bridge to the local transport network, the Central - Wanchai Bypass and Island Eastern Corridor Link, and the Wan Chai Development Phase II projects; and
- continue with the handling of residual compensation claims in respect of the completed railway projects and projects under construction whilst initiating work to provide land administration inputs for the proposed new railway projects, such as the Hong Kong section of the Guangzhou - Shenzhen - Hong Kong Express Rail Link, the West Island Line, the South Island Line and the Shatin to Central Link.

Programme (2): Survey and Mapping

	2006–07 (Actual)	2007–08 (Original)	2007–08 (Revised)	2008–09 (Estimate)
Financial provision (\$m)	367.3	386.7	398.8 (+3.1%)	403.7 (+1.2%)

(or +4.4% on
2007–08 Original)

Aim

8 The aim is to formulate and implement survey and mapping policies, standards, regulations and specifications; provide and maintain the basic mapping, geodetic and land boundary databases; carry out geodetic, mapping and land boundary surveys; and administer the Land Survey Ordinance under the Land Survey Authority 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 Computerised 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

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the establishment and maintenance of the territory-wide geodetic network. Under the Land Survey Authority, it administers the Land Survey Ordinance which governs the conduct, practices and standard of Authorised Land Surveyors in land boundary survey. It is also responsible for street naming under the Public Health and Municipal Services Ordinance.

10 The SMO acquired ISO 14001 Environmental Management System certification accredited by the Hong Kong Quality Assurance Agency in November 2007.

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

Targets

	Target	2006 (Actual)	2007 (Actual)	2008 (Plan)
setting out land boundaries within 12 weeks from receipt of request (%).....	100	99	98	100
providing mapping and geodetic information within one working day from receipt of request (%)β.....	100	100@	100@	100
updating large-scale plans within 12 weeks on completion of major infrastructural projects (%).....	100	100	100	100

β The target is revised upward from “within three working days from receipt of request” to “within one working day from receipt of request” as from 1 January 2008.

@ The 100 per cent in 2006 (Actual) and 2007 (Actual) were based on three working days target.

Indicators

	2006 (Actual)	2007 (Actual)	2008 (Estimate)
<i>Geodetic survey</i>			
precise horizontal and vertical control points fixed	856	912	900
survey monuments and marks built and maintained.....	4 116	4 011	4 100
<i>Topographical survey and map production</i>			
continuous revision, area surveyed and inspected (ha)	82 450	82 276	81 000
maps and charts produced.....	9 475	8 371	8 100
reprographic services provided (no. of copies).....	460 526	458 049	440 000
<i>Cadastral survey</i>			
lots defined or set out.....	1 772	2 579	2 600
cadastral plans prepared.....	30 752	34 562	34 000
<i>Aerial survey</i>			
photographs taken for measurement and record	9 123	10 653	9 500
total area of photogrammetric survey conducted (ha).....	30 975	31 325	31 000
<i>Land Survey Ordinance</i>			
total number of lot sub-division plans examined	1 283	1 362	1 300

Matters Requiring Special Attention in 2008–09

12 During 2008–09, the Department will:

- continue to implement the Second Generation of Computerised Land Information System for maintaining the territory-wide digital map database;
- continue to implement the Data Alignment Measures project for improvement of the efficiency and effectiveness in data exchange among government departments;
- continue to develop the Digital Map and Land Record Data Dissemination System for efficient dissemination of digital maps and land record data;
- continue to 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; and
- develop, enhance and expand the Hong Kong Special Administrative Region Geospatial Information Hub service to facilitate easy access to geospatial information by more government officers.

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Programme (3): Legal Advice

	2006–07 (Actual)	2007–08 (Original)	2007–08 (Revised)	2008–09 (Estimate)
Financial provision (\$m)	43.0	51.6	49.9 (–3.3%)	54.5 (+9.2%)
				(or +5.6% on 2007–08 Original)

Aim

13 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

14 The Legal Advisory and Conveyancing Office (LACO) provides professional legal services within the Department in relation to Programme (1) for the issue, renewal and variation of government leases as well as the drafting and execution of conditions of sale (by auction or tender), grant and exchange. In compulsory acquisition cases, 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.

15 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.

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

Targets

	Target	2006 (Actual)	2007 (Actual)	2008 (Plan)
<i>Consents</i>				
Sale and Purchase Agreements—				
approved within 13 weeks (excluding				
time for approval of DMC) (%).....	100	100	92	100
DMCs—approved within 13 weeks (%)	100	100	100	100

Indicators

	2006 (Actual)	2007 (Actual)	2008 (Estimate)
<i>Consents</i>			
Sale and Purchase Agreements approved			
—non-residential developments	7	3	4
—residential developments.....	15	9	14
sale of uncompleted residential units (no. of flats)	10 024	6 230	9 000
DMCs approved			
—non-residential developments	12	5	5
—residential developments.....	35	34	45

Matters Requiring Special Attention in 2008–09

17 During 2008–09, 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	2006-07 (Actual) (\$m)	2007-08 (Original) (\$m)	2007-08 (Revised) (\$m)	2008-09 (Estimate) (\$m)
(1) Land Administration.....	1,072.4	1,197.5	1,157.5	1,240.5
(2) Survey and Mapping	367.3	386.7	398.8	403.7
(3) Legal Advice	43.0	51.6	49.9	54.5
	1,482.7	1,635.8	1,606.2 (-1.8%)	1,698.7 (+5.8%)
				(or +3.8% on 2007-08 Original)

Analysis of Financial and Staffing Provision

Programme (1)

Provision for 2008-09 is \$83.0 million (7.2%) higher than the revised estimate for 2007-08. This is mainly due to a net increase of 42 posts for strengthening support for maintenance of man-made slopes on unallocated and unleased government land as well as development of railway projects, setting up a pilot Dedicated Team in District Lands Office/Hong Kong West & South to explore how to expedite the processing of lease modification and land exchange cases and meeting other operational needs, salary increments for staff, filling of vacancies and increase in operating expenses.

Programme (2)

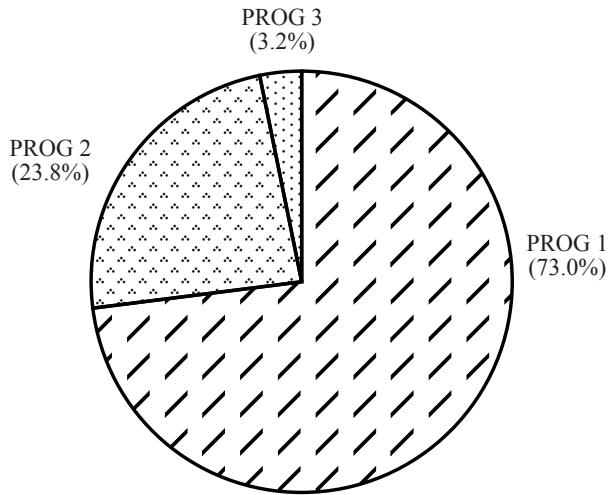
Provision for 2008-09 is \$4.9 million (1.2%) higher than the revised estimate for 2007-08. This is mainly due to a net increase of two posts to meet operational needs, salary increments for staff and filling of vacancies, partly offset by the reduced requirement for replacement of minor plant and equipment.

Programme (3)

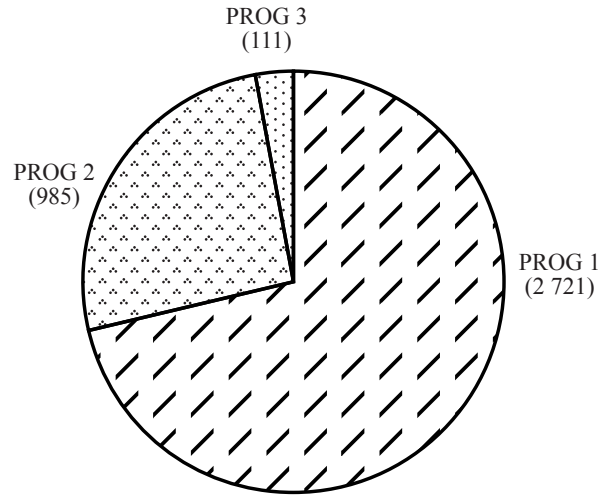
Provision for 2008-09 is \$4.6 million (9.2%) higher than the revised estimate for 2007-08. This is mainly due to a net increase of one post to meet operational needs, salary increments for staff and filling of vacancies.

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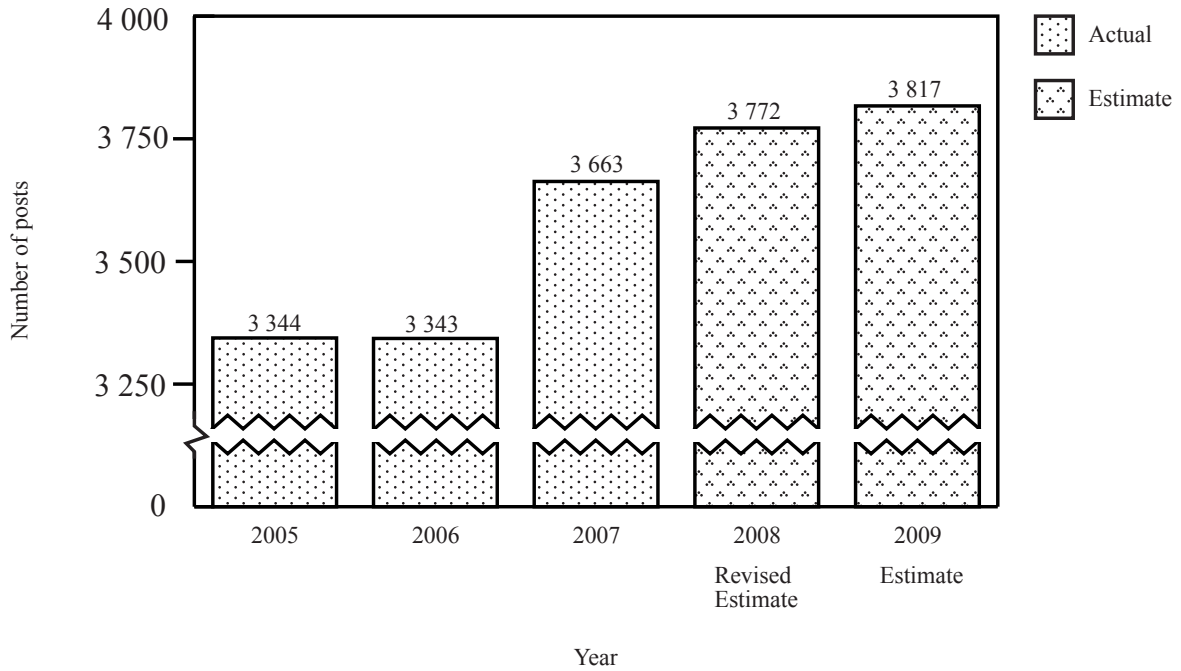
*Allocation of provision
to programmes
(2008-09)*



*Staff by programme
(as at 31 March 2009)*



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



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Sub-head (Code)		Actual expenditure 2006-07	Approved estimate 2007-08	Revised estimate 2007-08	Estimate 2008-09
	\$'000	\$'000	\$'000	\$'000	\$'000
Operating Account					
Recurrent					
000	Operational expenses	1,478,318	1,626,729	1,598,925	1,693,410
003	Recoverable salaries and allowances (General)			31,890	
	<i>Deduct reimbursements</i>	<i>Cr. 31,890</i>	<i>—</i>	<i>—</i>	<i>—</i>
221	Clearance of government land - ex-gratia allowances	501	1,545	1,650	1,700
	Total, Recurrent.....	<u>1,478,819</u>	<u>1,628,274</u>	<u>1,600,575</u>	<u>1,695,110</u>
Non-Recurrent					
700	General non-recurrent	2,494	3,133	1,126	1,831
	Total, Non-Recurrent.....	<u>2,494</u>	<u>3,133</u>	<u>1,126</u>	<u>1,831</u>
	Total, Operating Account	<u>1,481,313</u>	<u>1,631,407</u>	<u>1,601,701</u>	<u>1,696,941</u>
Capital Account					
Plant, Equipment and Works					
661	Minor plant, vehicles and equipment (block vote)	1,353	3,190	4,470	1,721
	Works	56	1,200	—	—
	Total, Plant, Equipment and Works.....	<u>1,409</u>	<u>4,390</u>	<u>4,470</u>	<u>1,721</u>
	Total, Capital Account.....	<u>1,409</u>	<u>4,390</u>	<u>4,470</u>	<u>1,721</u>
	Total Expenditure	<u><u>1,482,722</u></u>	<u><u>1,635,797</u></u>	<u><u>1,606,171</u></u>	<u><u>1,698,662</u></u>

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Details of Expenditure by Subhead

The estimate of the amount required in 2008–09 for the salaries and expenses of the Lands Department is \$1,698,662,000. This represents an increase of \$92,491,000 over the revised estimate for 2007–08 and of \$215,940,000 over actual expenditure in 2006–07.

Operating Account

Recurrent

2 Provision of \$1,693,410,000 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 2008 will be 3 772 permanent posts. It is expected that there will be a net increase of 45 permanent posts in 2008–09. Subject to certain conditions, the controlling officer may under delegated power create or delete non-directorate posts during 2008–09, but the notional annual mid-point salary value of all such posts must not exceed \$1,152,230,000.

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

	2006–07 (Actual) (\$'000)	2007–08 (Original) (\$'000)	2007–08 (Revised) (\$'000)	2008–09 (Estimate) (\$'000)
Personal Emoluments				
- Salaries	1,203,003	1,257,462	1,262,635	1,325,891
- Allowances	11,920	12,594	13,072	13,205
- Job-related allowances	1,789	1,953	1,948	2,004
Personnel Related Expenses				
- Mandatory Provident Fund contribution	453	540	374	1,775
- Civil Service Provident Fund contribution	5	30	65	235
Departmental Expenses				
- Hire of services and professional fees	20,840	41,402	30,516	49,802
- Contract maintenance	108,785	149,646	133,650	141,531
- General departmental expenses	131,523	163,087	156,650	158,952
Other Charges				
- Financial Secretary Incorporated - suspense account adjustment	—	15	15	15
	1,478,318	1,626,729	1,598,925	1,693,410

5 Gross provision of \$31,890,000 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 \$1,700,000 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.

Capital Account

Plant, Equipment and Works

7 Provision of \$1,721,000 under *Subhead 661 Minor plant, vehicles and equipment (block vote)* represents a decrease of \$2,749,000 (61.5%) against the revised estimate for 2007–08. This is mainly due to the reduced requirement for replacement of minor plant and equipment.

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Commitments

Sub- head (Code)	Item (Code)	Ambit	Approved commitment	Accumulated expenditure to 31.3.2007	Revised estimated expenditure for 2007-08	Balance
			\$'000	\$'000	\$'000	\$'000
<i>Operating Account</i>						
700		<i>General non-recurrent</i>				
	519	Contracting-out of SIMAR studies to identify the responsible parties for maintenance of registered man-made slopes.....	7,500	4,543	1,126	1,831
		Total	7,500	4,543	1,126	1,831