

**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 2010–11 **\$1,179.1m**

Establishment ceiling 2010–11 (notional annual mid-point salary value) representing an estimated 105 non-directorate posts as at 31 March 2010 rising by three posts to 108 posts as at 31 March 2011 **\$50.7m**

In addition, there will be an estimated 12 directorate posts as at 31 March 2010 and as at 31 March 2011.

Commitment balance **\$1,946.0m**

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

	2008–09 (Actual)	2009–10 (Original)	2009–10 (Revised)	2010–11 (Estimate)
Financial provision (\$m)	7.8	11.4	8.1 (–28.9%)	11.1 (+37.0%)
				(or –2.6% on 2009–10 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

	2008–09 (Actual)	2009–10 (Original)	2009–10 (Revised)	2010–11 (Estimate)
Financial provision (\$m)	288.7	297.6	654.7 (+120.0%)	1,163.5 (+77.7%)
				(or +291.0% on 2009–10 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 2009, the Planning and Lands Branch:

- arranged with the Lands Department the sale of government land through the Application List system;
- with a view to lowering their development intensity, finalised the revised scheme of the property development project at Nam Cheong Station along the West Rail and continued to follow up the revised scheme of the property development project at Yuen Long Station along the West Rail, in consultation with the MTR Corporation Limited;
- extended the pilot scheme for “hotel use only” sites for another year to encourage the development of hotels to support the tourism industry;
- engaged in the preparation 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;
- set up a dedicated unit to coordinate harbourfront-related planning and land issues, and inter-departmental efforts in the planning and implementation of harbourfront enhancement projects;
- continued to work with the Harbour-front Enhancement Committee to ensure that our planning, land use and urban design are in line with our stated mission to protect the Victoria Harbour and enhance it 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;
- continued to provide policy steer on the planning study on “Land Use Planning for the Closed Area”;
- provided policy steer on the “North East New Territories New Development Areas Planning and Engineering Study”;
- continued the preparation work on the implementation of the new title registration system;
- worked with the Legislative Council (LegCo) to have the Building (Minor Works) Regulation, Building (Minor Works) (Fees) Regulation and other related subsidiary legislation passed. The Regulations set out the modus operandi of a minor works control regime to streamline the control of small-scale building works;
- in collaboration with the Hong Kong Housing Society (HKHS), Urban Renewal Authority (URA) and Buildings Department (BD), launched a \$2 billion Operation Building Bright to enhance safety of old and dilapidated buildings and create jobs for the building maintenance and construction sector;
- in collaboration with the Council for Sustainable Development (SDC), consulted the public on building design to foster a quality and sustainable built environment through a public engagement process;
- oversaw the implementation of the BD’s special operation to demolish 5 000 abandoned signboards;
- monitored the programme of enforcement action by the BD against unauthorised and dangerous building works;
- monitored the operation of the Co-ordinated Maintenance of Buildings Scheme;
- oversaw the implementation of the Comprehensive Building Safety Improvement Loan Scheme;
- continued the drafting of the legislation on the mandatory building inspection scheme and the mandatory window inspection scheme;
- continued to monitor the scheme undertaken by the HKHS to assist owners of old buildings in building management and maintenance;
- oversaw the HKHS’s implementation of the Building Maintenance Grant Scheme for Elderly Owners to provide financial assistance to elderly owner-occupiers for maintenance of their properties;
- continued to support the URA in its implementation of various redevelopment, rehabilitation, revitalisation and preservation initiatives under its business plan;
- continued with the “public engagement” stage of the Urban Renewal Strategy (URS) Review;
- 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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- consulted LegCo and other stakeholders on the proposal to lower the compulsory sale application threshold for certain classes of lot under the Land (Compulsory Sale for Redevelopment) Ordinance (Cap.545) with a view to further facilitating private redevelopment; and
- continued the review on the policy for the provision of public facilities in private developments.

Matters Requiring Special Attention in 2010–11

6 During 2010–11, the Branch will:

- continue to arrange for the sale of government land through the Application List system, and follow up the commitment in the Policy Address that we will closely monitor the market changes in the coming months, and where necessary we will fine-tune the land supply arrangements;
- aim to finalise the revised scheme of the property development project at Yuen Long Station along the West Rail;
- complete the review on the policy for the provision of public facilities in private developments;
- 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;
- 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 the research and planning work on other cross-boundary development issues;
- continue to provide policy steer on and oversee various planning studies, including “Land Use Planning for the Closed Area” and the “North East New Territories New Development Areas 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;
- oversee the proposed formation of a new non-statutory Harbourfront Commission, which is expected to replace the Harbour-front Enhancement Committee, continue to work with relevant stakeholders to ensure that our planning, land use and urban design are in line with our stated mission to protect the Victoria Harbour, and enhance the harbourfront for the enjoyment of our residents and visitors alike, with the participation of the community;
- 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;
- take forward proposals to amend the Land Titles Ordinance to provide for effective implementation of the new title registration system;
- map out appropriate measures to be taken to reduce the bulk of buildings and to foster development of a better and more sustainable built environment, taking into account the recommendations of the SDC to be drawn up after the public engagement exercise;
- implement the minor works control regime;
- review the enforcement policy against unauthorised building works;
- introduce into LegCo legislative amendments to the Buildings Ordinance for the implementation of the mandatory building inspection scheme and the mandatory window inspection scheme;
- oversee the implementation of the Operation Building Bright and review its operation;
- review the operation of the Building Maintenance Grant Scheme for Elderly Owners;
- continue to support the URA in its various redevelopment, rehabilitation, revitalisation and preservation initiatives;
- complete Stage 3 of the URS Review and work towards community consensus on the future direction of urban renewal;
- continue to work with the URA and WRISC to implement district-based initiatives to renew and revitalise old Wan Chai;
- continue to work closely with the HKHS and the URA on their provision of technical and financial assistance to owners in proper building management and maintenance, including the Building Maintenance Grant Scheme for Elderly Owners;
- commence the Land (Compulsory Sale for Redevelopment) (Specification of Lower Percentage) Notice to apply a lower compulsory sale threshold of 80 per cent of the undivided shares of three specified classes of lot; and
- support the URA to take forward the revitalisation proposals in respect of the Central Market.

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Programme (3): Development Opportunities Office

	2008–09 (Actual)	2009–10 (Original)	2009–10 (Revised)	2010–11 (Estimate)
Financial provision (\$m)	—	—	3.0	4.5 (+50.0%)

Aim

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

Brief Description

8 The Development Opportunities Office was formally established in July 2009. Its main responsibilities under this programme are:

- fact-finding and analysis of land development proposals from private sector and non-governmental organisation project proponents in the light of existing government policies and statutory requirements;
- spearheading the co-ordination of inter-bureau and inter-departmental evaluation of land development proposals, and the provision of preliminary assessments on the merits or otherwise of individual proposals in consultation with the relevant bureaux and departments;
- liaising with project proponents to ascertain merits of the proposals, especially in terms of job creation and enhancement of Hong Kong's competitiveness; and
- servicing the Land and Development Advisory Committee, including seeking the Committee's advice on projects handled by the Development Opportunities Office.

Matters Requiring Special Attention in 2010–11

9 During 2010–11, the Development Opportunities Office will continue to:

- provide one-stop advisory service to project proponents and facilitate implementation of land development projects which will bring broader social and economic value to Hong Kong; and
- co-ordinate implementation of a package of new policy measures to facilitate redevelopment and wholesale conversion of industrial buildings to meet Hong Kong's changing economic and social needs.

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ANALYSIS OF FINANCIAL PROVISION

Programme	2008-09 (Actual) (\$m)	2009-10 (Original) (\$m)	2009-10 (Revised) (\$m)	2010-11 (Estimate) (\$m)
(1) Director of Bureau's Office.....	7.8	11.4	8.1	11.1
(2) Buildings, Lands and Planning	288.7	297.6	654.7	1,163.5
(3) Development Opportunities Office...	—	—	3.0	4.5
	296.5	309.0	665.8 (+115.5%)	1,179.1 (+77.1%)
				(or +281.6% on 2009-10 Original)

Analysis of Financial and Staffing Provision

Programme (1)

Provision for 2010-11 is \$3.0 million (37.0%) higher than the revised estimate for 2009-10. This is mainly due to the provision required for filling the position of Under Secretary and increased provision for other related expenses for administrative support.

Programme (2)

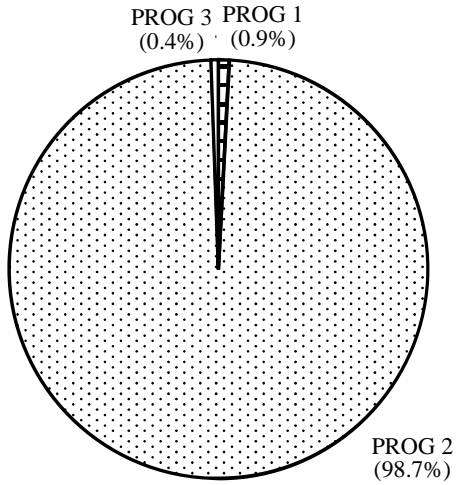
Provision for 2010-11 is \$508.8 million (77.7%) higher than the revised estimate for 2009-10. This is mainly due to increased operating expenses to meet the demands of ongoing and new commitments as well as increased cash flow requirement for a non-recurrent item. In addition, there will be a net increase of three posts in 2010-11.

Programme (3)

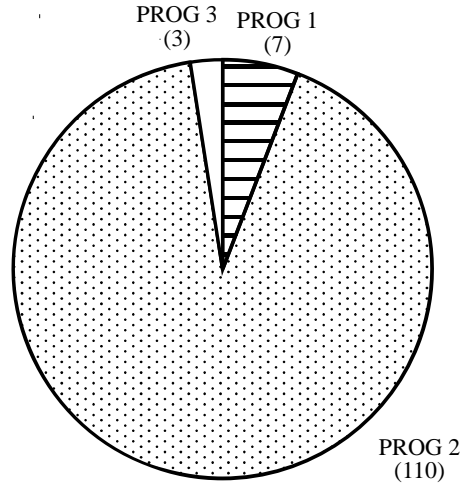
Provision for 2010-11 is \$ 1.5 million (50.0%) higher than the revised estimate for 2009-10. This is mainly due to the full-year provision for operating the Development Opportunities Office since its set up on 1 July 2009.

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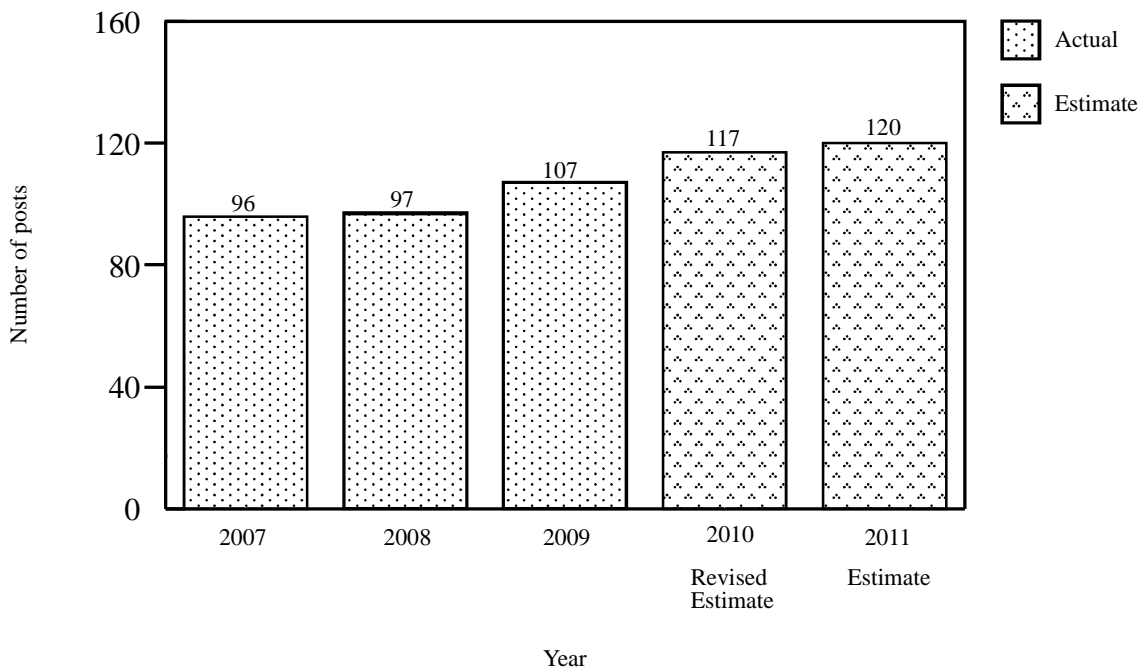
*Allocation of provision
to programmes
(2010-11)*



*Staff by programme
(as at 31 March 2011)*



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



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Sub-head (Code)	Actual expenditure 2008-09	Approved estimate 2009-10	Revised estimate 2009-10	Estimate 2010-11	
	\$'000	\$'000	\$'000	\$'000	
Operating Account					
Recurrent					
000	Operational expenses.....	96,475	108,957	111,764	129,116
	Total, Recurrent	<u>96,475</u>	<u>108,957</u>	<u>111,764</u>	<u>129,116</u>
Non-Recurrent					
700	General non-recurrent	200,000	200,000	554,000	1,050,000
	Total, Non-Recurrent	<u>200,000</u>	<u>200,000</u>	<u>554,000</u>	<u>1,050,000</u>
	Total, Operating Account.....	296,475	308,957	665,764	1,179,116
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	Total Expenditure	<u><u>296,475</u></u>	<u><u>308,957</u></u>	<u><u>665,764</u></u>	<u><u>1,179,116</u></u>

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Details of Expenditure by Subhead

The estimate of the amount required in 2010–11 for the salaries and expenses of the Planning and Lands Branch is \$1,179,116,000. This represents an increase of \$513,352,000 over the revised estimate for 2009–10 and of \$882,641,000 over actual expenditure in 2008–09.

Operating Account

Recurrent

2 Provision of \$129,116,000 under *Subhead 000 Operational expenses* is for the salaries, allowances and other operating expenses of the Planning and Lands Branch. The increase of \$17,352,000 (15.5%) over the revised estimate for 2009–10 is mainly due to the provisions for increased operating expenses to meet the demands of ongoing and new commitments.

3 The establishment as at 31 March 2010 will be 116 permanent posts and one supernumerary post. It is expected that there will be a net increase of three permanent posts in 2010–11. Subject to certain conditions, the controlling officer may under delegated power create or delete non-directorate posts during 2010–11, but the notional annual mid-point salary value of all such posts must not exceed \$50,736,000.

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

	2008–09 (Actual) (\$'000)	2009–10 (Original) (\$'000)	2009–10 (Revised) (\$'000)	2010–11 (Estimate) (\$'000)
Personal Emoluments				
- Salaries	56,043	62,387	62,970	63,213
- Allowances	1,921	2,114	2,331	2,323
- Job-related allowances	4	5	2	5
Personnel Related Expenses				
- Mandatory Provident Fund contribution	62	72	126	147
- Civil Service Provident Fund contribution	203	277	150	161
Departmental Expenses				
- Temporary staff	16,551	20,476	19,688	20,476
- Honoraria for members of committees	2,398	2,900	2,900	2,900
- General departmental expenses.....	19,293	20,726	23,597	39,891
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	96,475	108,957	111,764	129,116

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Commitments

Sub-head (Code)	Item (Code) Ambit	Approved commitment	Accumulated expenditure to 31.3.2009	Revised estimated expenditure for 2009–10	Balance
		\$'000	\$'000	\$'000	\$'000
<i>Operating Account</i>					
700	<i>General non-recurrent</i>				
865	Operation Building Bright	1,700,000	—	354,000	1,346,000
878	Building Maintenance Grant Scheme for Elderly Owners	1,000,000	200,000	200,000	600,000
	Total	2,700,000	200,000	554,000	1,946,000