

**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 2013–14 **\$763.6m**

Establishment ceiling 2013–14 (notional annual mid-point salary value) representing an estimated 119 non-directorate posts as at 31 March 2013 and as at 31 March 2014 **\$60.3m**

In addition, there will be an estimated 12 directorate posts as at 31 March 2013 and as at 31 March 2014.

Commitment balance **\$1,557.2m**

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 This Programme contributes to Policy Area 22: Buildings, Lands, Planning, Heritage Conservation, Greening and Landscape (Secretary for Development).

Detail

Programme (1): Director of Bureau's Office

	2011–12 (Actual)	2012–13 (Original)	2012–13 (Revised)	2013–14 (Estimate)
Financial provision (\$m)	8.3	11.5	8.0 (–30.4%)	12.3 (+53.8%)
				(or +7.0% on 2012–13 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 his 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

	2011–12 (Actual)	2012–13 (Original)	2012–13 (Revised)	2013–14 (Estimate)
Financial provision (\$m)#	681.3	789.2	622.5 (–21.1%)	751.3 (+20.7%)
				(or –4.8% on 2012–13 Original)

The figures have included the provisions for the previous Programme (3) Development Opportunities Office as part of the on-going work of the Office, which ceased operation on 1 July 2012, has been subsumed under Programme (2) Buildings, Lands and Planning.

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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.

Brief Description

5 In 2012, 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 to comply with the requirements of quality and sustainable built environment and to increase the supply of small and medium-sized flats;
- continued the review on the New Territories Small House Policy;
- reviewed the existing ex-gratia compensation and re-housing arrangements in clearance exercises;
- monitored the implementation of measures to encourage revitalisation of industrial buildings through redevelopment and wholesale conversion;
- 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;
- worked 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 various planning and engineering studies to increase land supply, including the "North East New Territories New Development Areas Planning and Engineering Study", "Hung Shui Kiu New Development Area Planning and Engineering Study", "Tung Chung New Town Development Extension Study" and other planning and land use reviews;
- continued the preparation work on the implementation of the new title registration system;
- continued to oversee the implementation of the package of measures to foster a quality and sustainable built environment;
- continued to oversee the implementation of 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 Legislation (Amendment) Ordinance 2012 for a number of measures to further enhance building safety and the Buildings (Minor Works) (Amendment) Regulation 2012 to include works associated with sub-divided flats under the minor works control regime;
- 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;
- continued to oversee the implementation of various schemes undertaken by the HKHS, URA and BD to assist owners of old buildings in building maintenance;
- worked with the HKHS and URA to launch the Mandatory Building Inspection Subsidy Scheme to subsidise eligible owners the cost of first building inspection under the Mandatory Building Inspection Scheme;
- oversaw the implementation of the new Urban Renewal Strategy (URS), including the work of the Kowloon City District Urban Renewal Forum, the Urban Renewal Fund Limited as well as the alternative approaches to redevelopment undertaken by the URA;
- continued to support the URA in its implementation of various redevelopment, rehabilitation, revitalisation and preservation initiatives under its business plan;

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- supported the URA in taking forward the redevelopment of industrial buildings in the form of a pilot scheme;
- extended 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;
- continued to work with the URA on the revitalisation of the Central Market;
- continued to undertake preparatory work for the proposed conversion of Murray Building to hotel use;
- co-ordinated 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;
- finalised the proposals for overhauling the Building (Standards of Sanitary Fitments, Plumbing, Drainage Works and Latrines) Regulations (Cap. 123I), in order to upgrade the standards of concerned facilities, and transform the existing prescriptive standards to performance-based standards; and
- commenced public consultation on whether statutory seismic-resistance standards should be prescribed for the design of new buildings and major alteration and addition works in existing buildings.

Matters Requiring Special Attention in 2013–14

6 During 2013–14, 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 the review on the New Territories Small House Policy;
- continue to review the existing ex-gratia compensation and re-housing arrangements in clearance exercises;
- continue to implement measures to encourage revitalisation of industrial buildings through redevelopment and wholesale conversion;
- examine revising the Land (Miscellaneous Provisions) Ordinance (Cap. 28), with a view to increasing the penalties against unlawful occupation of government land;
- continue to provide secretariat support to the Steering Committee on Land Supply;
- continue to work 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 other cross-boundary planning and development issues;
- continue to provide policy steer on and oversee various planning and engineering studies to increase land supply, including the “North East New Territories New Development Areas Planning and Engineering Study”, “Hung Shui Kiu New Development Area Planning and Engineering Study”, “Tung Chung New Town Development Extension Study” and other planning and land use reviews;
- 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;
- consult the public on the proposed establishment of a dedicated statutory Harbourfront Authority and decide on the way forward;
- continue to take forward the proposed conversion of Murray Building to hotel use;
- 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 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 and the various schemes undertaken by the HKHS, URA and BD to assist owners of old buildings in building maintenance;

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- continue to oversee the implementation of the new URS and to support the URA in taking forward the redevelopment of industrial buildings in the form of a pilot scheme; 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;
- continue to support the URA in taking forward the revitalisation proposal in respect of the Central Market;
- continue to 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;
- amend the Building (Standards of Sanitary Fitments, Plumbing, Drainage Works and Latrines) Regulations (Cap. 123I), so as to upgrade the standards of concerned facilities and transform the existing prescriptive standards to performance-based standards; and
- subject to the outcome of public consultation, formulate plans for the incorporation of appropriate seismic-resistance requirements in building design standards.

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ANALYSIS OF FINANCIAL PROVISION

Programme	2011–12 (Actual) (\$m)	2012–13 (Original) (\$m)	2012–13 (Revised) (\$m)	2013–14 (Estimate) (\$m)
(1) Director of Bureau’s Office.....	8.3	11.5	8.0	12.3
(2) Buildings, Lands and Planning§.....	681.3	789.2	622.5	751.3
	689.6	800.7	630.5 (–21.3%)	763.6 (+21.1%)
				(or –4.6% on 2012–13 Original)

§ The figures have included the provisions for the previous Programme (3) Development Opportunities Office as part of the on-going work of the Office, which ceased operation on 1 July 2012, has been subsumed under Programme (2) Buildings, Lands and Planning.

Analysis of Financial and Staffing Provision

Programme (1)

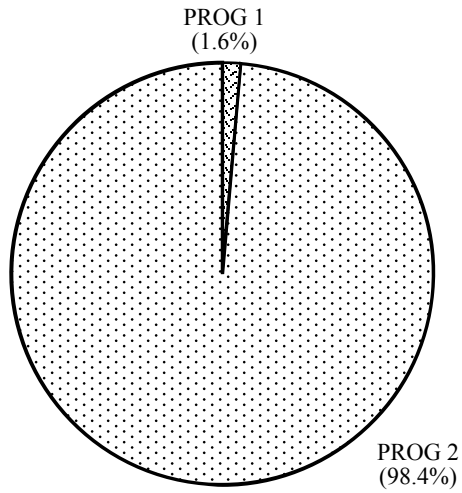
Provision for 2013–14 is \$4.3 million (53.8%) higher than the revised estimate for 2012–13. This is mainly due to the provision required for filling the position of the Under Secretary and increased provision for other related expenses for administrative support.

Programme (2)

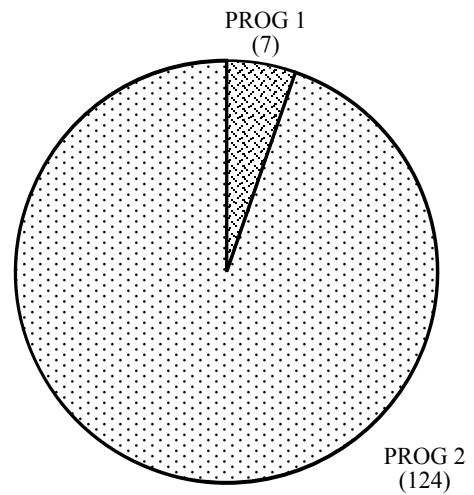
Provision for 2013–14 is \$128.8 million (20.7%) higher than the revised estimate for 2012–13. This is mainly due to the net increase in cash flow requirement for non-recurrent items and the increased operating expenses to meet the demands of on-going and new commitments.

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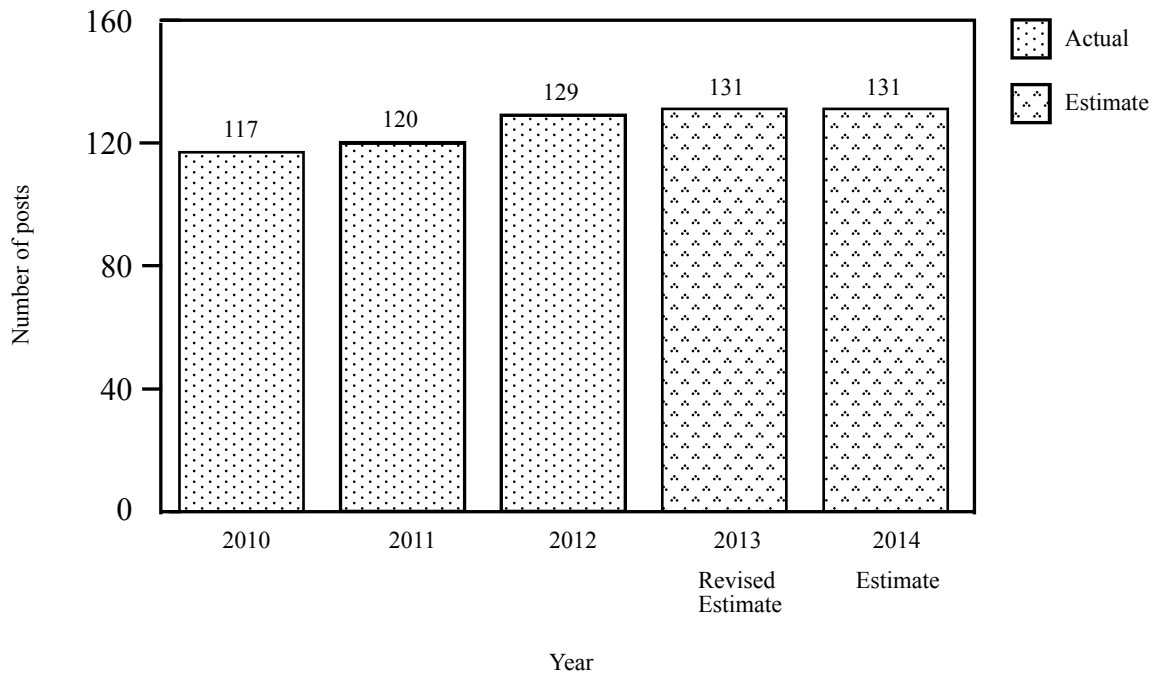
*Allocation of provision
to programmes
(2013-14)*



*Staff by programme
(as at 31 March 2014)*



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



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Sub-head (Code)	Actual expenditure 2011-12	Approved estimate 2012-13	Revised estimate 2012-13	Estimate 2013-14	
	\$'000	\$'000	\$'000	\$'000	
Operating Account					
Recurrent					
000	Operational expenses	135,112	144,664	144,255	164,405
	Total, Recurrent	<u>135,112</u>	<u>144,664</u>	<u>144,255</u>	<u>164,405</u>
Non-Recurrent					
700	General non-recurrent	554,489	656,000	486,210	599,240
	Total, Non-Recurrent	<u>554,489</u>	<u>656,000</u>	<u>486,210</u>	<u>599,240</u>
	Total, Operating Account.....	689,601	800,664	630,465	763,645
<hr/>					
	Total Expenditure	<u><u>689,601</u></u>	<u><u>800,664</u></u>	<u><u>630,465</u></u>	<u><u>763,645</u></u>

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Details of Expenditure by Subhead

The estimate of the amount required in 2013–14 for the salaries and expenses of the Planning and Lands Branch is \$763,645,000. This represents an increase of \$133,180,000 over the revised estimate for 2012–13 and of \$74,044,000 over actual expenditure in 2011–12.

Operating Account

Recurrent

2 Provision of \$164,405,000 under *Subhead 000 Operational expenses* is for the salaries, allowances and other operating expenses of the Planning and Lands Branch. The increase of \$20,150,000 (14.0%) over the revised estimate for 2012–13 is mainly due to the provisions for increased operating expenses to meet the demands of on-going and new commitments.

3 The establishment as at 31 March 2013 will be 131 posts. No net change in establishment is expected in 2013–14. Subject to certain conditions, the controlling officer may under delegated power create or delete non-directorate posts during 2013–14, but the notional annual mid-point salary value of all such posts must not exceed \$60,278,000.

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

	2011–12 (Actual) (\$'000)	2012–13 (Original) (\$'000)	2012–13 (Revised) (\$'000)	2013–14 (Estimate) (\$'000)
Personal Emoluments				
- Salaries	70,955	74,382	75,289	79,280
- Allowances	3,235	3,407	3,844	3,907
- Job-related allowances.....	—	5	2	5
Personnel Related Expenses				
- Mandatory Provident Fund contribution	142	145	168	150
- Civil Service Provident Fund contribution	1,036	1,305	1,715	1,957
Departmental Expenses				
- Temporary staff	22,100	25,245	25,406	27,626
- Honoraria for members of committees	3,116	5,200	4,023	4,436
- General departmental expenses	34,528	34,975	33,808	47,044
	<hr/> 135,112	<hr/> 144,664	<hr/> 144,255	<hr/> 164,405 <hr/>

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Commitments

Sub-head (Code)	Item (Code)	Ambit	Approved commitment	Accumulated expenditure to 31.3.2012	Revised estimated expenditure for 2012–13	Balance
			\$'000	\$'000	\$'000	\$'000
<i>Operating Account</i>						
700	<i>General non-recurrent</i>					
865	Operation Building Bright		3,200,000	1,756,550	456,210	987,240
878	Building Maintenance Grant Scheme for Elderly Owners		1,000,000	400,000	30,000	570,000
	Total		<u>4,200,000</u>	<u>2,156,550</u>	<u>486,210</u>	<u>1,557,240</u>