

## 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 2017–18** ..... **\$392.7m**

**Establishment ceiling 2017–18** (notional annual mid-point salary value) representing an estimated 134 non-directorate posts as at 31 March 2017 rising by five posts to 139 posts as at 31 March 2018 ..... **\$87.2m**

In addition, there will be an estimated 13 directorate posts as at 31 March 2017 rising by one post to 14 posts as at 31 March 2018.

**Commitment balance** ..... **\$570.0m**

### 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** 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

	2015–16 (Actual)	2016–17 (Original)	2016–17 (Revised)	2017–18 (Estimate)
Financial provision (\$m)	13.6	13.6	13.8 (+1.5%)	14.1 (+2.2%)  (or +3.7% on 2016–17 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

	2015–16 (Actual)	2016–17 (Original)	2016–17 (Revised)	2017–18 (Estimate)
Financial provision (\$m)	291.9	304.7	300.4 (–1.4%)	378.6 (+26.0%)  (or +24.3% on 2016–17 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 2016, the Planning and Lands Branch:

- continued to arrange with the Lands Department (LandsD) the sale of government land;
- oversaw the implementation of the Pilot Scheme for Arbitration on Land Premium;
- worked with the MTR Corporation Limited (MTRCL) to implement West Rail property development projects;
- explored with the MTRCL and the Kowloon-Canton Railway Corporation (KCRC) the development potential of stations and related sites along existing and future rail lines;
- continued the review on the New Territories Small House Policy;
- oversaw LandsD's implementation of the ex-gratia compensation and re-housing arrangements in clearance exercises;
- continued to monitor the operation of the Town Planning Ordinance (Cap. 131);
- continued to provide secretariat support to the Steering Committee on Land Supply;
- 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 engage the public in harbourfront-related planning, land use and urban design and carry out the stated mission to protect Victoria Harbour and beautify the harbourfront for the enjoyment of all;
- continued to maintain close liaison with the Guangdong authorities on planning matters under the auspices of the Hong Kong-Guangdong Co-operation Joint Conference;
- continued to work with the Shenzhen Municipal Government to jointly explore the feasibility of co-development of the Lok Ma Chau Loop;
- continued to co-ordinate and oversee the work relating to the Kwu Tung North and Fanling North New Development Areas;
- continued to adopt a multi-pronged strategy to increase land supply in the short, medium and long-term, and provide policy steer on and oversee the various planning and engineering studies and land use reviews;
- continued to explore using land-efficient means including developing multi-storey buildings for accommodating brownfield operations needed locally;
- initiated the public engagement for the "Hong Kong 2030+: Towards a Planning Vision and Strategy Transcending 2030" ("Hong Kong 2030+");
- continued to oversee the implementation of the multi-pronged package of measures to enhance building safety, covering legislation, enforcement, support and assistance for owners as well as publicity and public education;
- continued to oversee the implementation of the \$3.5 billion Operation Building Bright (OBB) 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 sectors;
- continued to oversee the implementation of various schemes undertaken by HKHS, URA and BD to enhance building maintenance, including the Mandatory Building Inspection Scheme, Mandatory Window Inspection Scheme, as well as other schemes for providing assistance to owners of old buildings;
- continued to monitor the enforcement action by BD against unauthorised and dangerous building works, including irregularities in building works associated with New Territories exempted houses and sub-divided flats;
- oversaw BD's follow-up actions in relation to major building safety incidents;
- continued to oversee the implementation of the Urban Renewal Strategy (URS) promulgated in 2011, including the Urban Renewal Plan for Kowloon City drawn up by the former Kowloon City District Urban Renewal Forum, URA's Demand-led Redevelopment Project (Pilot Scheme) and Facilitating Services (Pilot Scheme), and the work of the Urban Renewal Fund;
- continued to support URA in its implementation of various redevelopment, rehabilitation, revitalisation and preservation initiatives under its business plan;
- continued to support URA on the revitalisation of the Central Market;
- continued to oversee URA's implementation of the pilot scheme for redevelopment of industrial buildings;
- continued to oversee the implementation of the out-reach support service pilot scheme for minority owners of old buildings who may be involved in compulsory sale for redevelopment;

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- refined, in consultation with stakeholders, the proposals to amend the Land Titles Ordinance (Cap. 585); and
- continued to oversee the preparation work undertaken by BD for the formulation of a set of seismic-resistant building design standards.

### ***Matters Requiring Special Attention in 2017–18***

**6** During 2017–18, the Branch will:

- continue to arrange for the sale of government land through the Land Sale Programme to increase land supply for private housing and other development needs;
- continue to oversee the implementation of the Pilot Scheme for Arbitration on Land Premium;
- continue to work with the MTRCL to pursue West Rail property development projects not yet tendered;
- continue to explore with the MTRCL and the KCRC the development potential of stations and related sites along existing and future rail lines;
- continue the review on the New Territories Small House Policy;
- continue to provide secretariat support to the Steering Committee on Land Supply;
- continue to co-ordinate harbourfront-related planning and land issues, and inter-departmental efforts in the planning and implementation of harbourfront enhancement projects;
- continue to work with HC to engage the public in harbourfront-related planning, land use and urban design and carry out the stated mission to protect Victoria Harbour and beautify the harbourfront for the enjoyment of all;
- 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 Shenzhen authorities in steering cross-boundary planning and development issues, and to take forward the development of the Lok Ma Chau Loop;
- continue to oversee and co-ordinate the work relating to the Kwu Tung North and Fanling North New Development Areas;
- oversee the conduct of the Planning Department's territory-wide survey on brownfield sites;
- continue to explore using land-efficient means including developing multi-storey buildings for accommodating brownfield operations needed locally;
- formulate a comprehensive policy framework on brownfield sites with a view to optimising land utilisation, rationalising rural land uses, supporting industrial development and improving the rural environment;
- continue to adopt a multi-pronged strategy to increase land supply in the short, medium and long-term, and provide policy steer on and oversee the various planning and engineering studies and land use reviews;
- continue to take forward the "Hong Kong 2030+", including analyses of views received during public engagement and relevant assessments, with a view to formulating a territorial development strategy beyond 2030;
- continue to oversee the implementation of the multi-pronged package of measures to enhance building safety, covering legislation, enforcement, support and assistance for owners as well as publicity and public education;
- oversee the review of regulations under the Buildings Ordinance (Cap. 123) with a view to bringing the relevant provisions and standards up-to-date, including taking forward the exercises to update the Building (Minor Works) Regulation (Cap. 123N) and formulate seismic-resistant building design standards;
- continue to oversee the implementation of OBB and the various schemes undertaken by HKHS, URA and BD to enhance building safety and building maintenance as well as assist owners of old buildings;
- introduce a new subsidy for property owners to participate in URA's Smart Tender scheme, which provides technical assistance to property owners for carrying out building repair and maintenance works;
- continue to monitor the enforcement action by BD against unauthorised and dangerous building works;
- explore the introduction of new legislative provisions to strengthen BD's enforcement against domestic use in industrial buildings;
- continue to oversee the implementation of major initiatives under URS;
- continue to support URA in its implementation of various redevelopment, rehabilitation, revitalisation and preservation initiatives under its business plan, including the revitalisation of the Central Market;
- continue to oversee the implementation of the out-reach support service pilot scheme for minority owners of old buildings who may be involved in compulsory sale for redevelopment; and
- continue to prepare for the implementation of the new title registration system.

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**ANALYSIS OF FINANCIAL PROVISION**

	2015–16 (Actual) (\$m)	2016–17 (Original) (\$m)	2016–17 (Revised) (\$m)	2017–18 (Estimate) (\$m)
<b>Programme</b>				
(1) Director of Bureau's Office .....	13.6	13.6	13.8	<b>14.1</b>
(2) Buildings, Lands and Planning .....	291.9	304.7	300.4	<b>378.6</b>
	<hr/>	<hr/>	<hr/>	<hr/>
	305.5	318.3	314.2 (–1.3%)	<b>392.7</b> <b>(+25.0%)</b>
				<b>(or +23.4% on 2016–17 Original)</b>

**Analysis of Financial and Staffing Provision**

**Programme (1)**

Provision for 2017–18 is \$0.3 million (2.2%) higher than the revised estimate for 2016–17. This is mainly due to the increased provision for personal emoluments arising from salary increments.

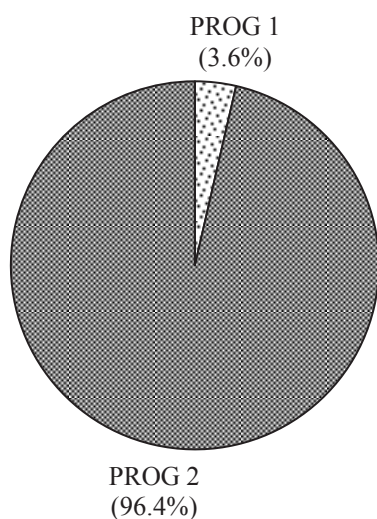
**Programme (2)**

Provision for 2017–18 is \$78.2 million (26.0%) higher than the revised estimate for 2016–17. This is mainly due to the increased operating expenses, increased salary provision arising from the creation of six posts and the increase in cash flow requirement for non-recurrent items.

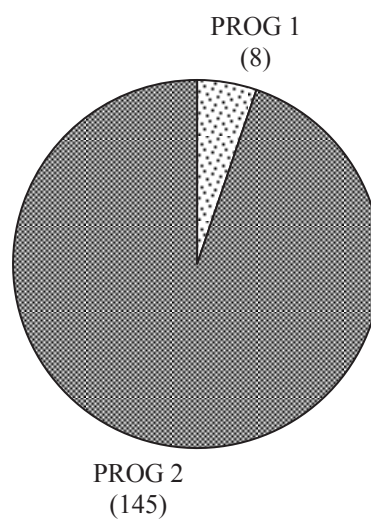
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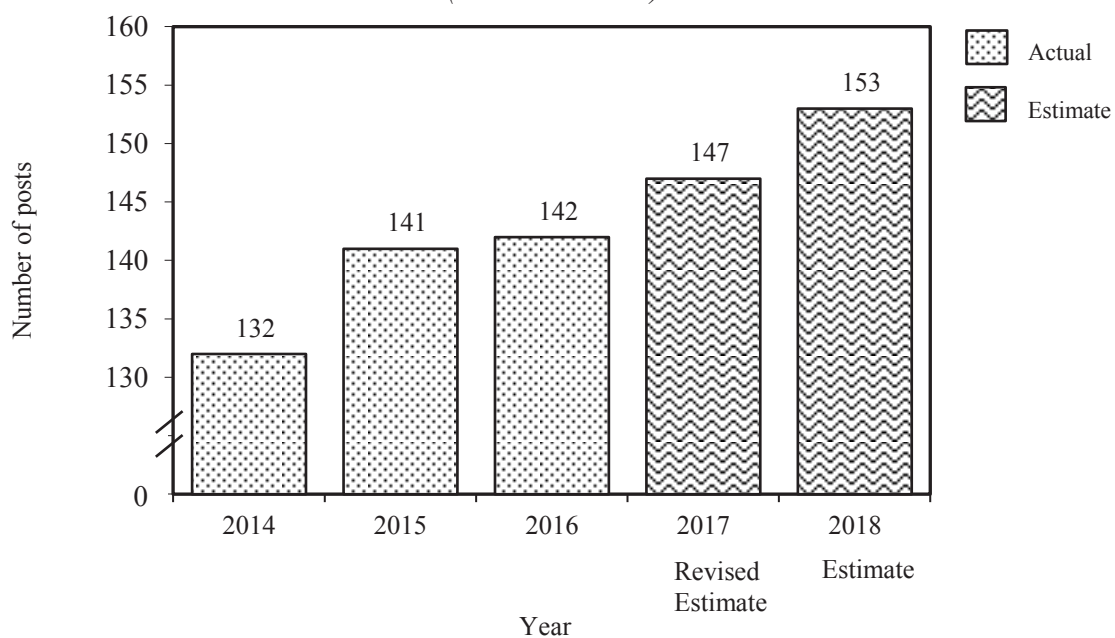
*Allocation of provision  
to programmes  
(2017-18)*



*Staff by programme  
(as at 31 March 2018)*



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



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Sub-head (Code)		Actual expenditure 2015–16	Approved estimate 2016–17	Revised estimate 2016–17	Estimate 2017–18
		\$'000	\$'000	\$'000	\$'000
<b>Operating Account</b>					
Recurrent					
000	Operational expenses .....	193,491	213,863	209,775	<b>237,650</b>
	Total, Recurrent.....	193,491	213,863	209,775	<b>237,650</b>
Non-Recurrent					
700	General non-recurrent .....	112,000	104,440	104,440	<b>155,000</b>
	Total, Non-Recurrent.....	112,000	104,440	104,440	<b>155,000</b>
	Total, Operating Account .....	305,491	318,303	314,215	<b>392,650</b>
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	Total Expenditure .....	305,491	318,303	314,215	<b>392,650</b>
		<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

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### Details of Expenditure by Subhead

The estimate of the amount required in 2017–18 for the salaries and expenses of the Planning and Lands Branch is \$392,650,000. This represents an increase of \$78,435,000 over the revised estimate for 2016–17 and \$87,159,000 over the actual expenditure in 2015–16.

#### *Operating Account*

#### Recurrent

**2** Provision of \$237,650,000 under *Subhead 000 Operational expenses* is for the salaries, allowances and other operating expenses of the Planning and Lands Branch. The increase of \$27,875,000 (13.3%) over the revised estimate for 2016–17 is mainly due to the provisions for increased operating expenses to meet the demands of on-going and new commitments and increased salary provision arising from the creation of six posts.

**3** The establishment as at 31 March 2017 will be 147 posts. It is expected that there will be an increase of six posts including one supernumerary post in 2017–18. Subject to certain conditions, the controlling officer may under delegated power create or delete non-directorate posts during 2017–18, but the notional annual mid-point salary value of all such posts must not exceed \$87,172,000.

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

	2015–16 (Actual) (\$'000)	2016–17 (Original) (\$'000)	2016–17 (Revised) (\$'000)	2017–18 (Estimate) (\$'000)
Personal Emoluments				
- Salaries.....	99,191	101,229	104,770	110,755
- Allowances.....	3,798	3,824	3,679	3,475
- Job-related allowances.....	1	5	3	5
Personnel Related Expenses				
- Mandatory Provident Fund contribution.....	202	116	171	203
- Civil Service Provident Fund contribution.....	3,684	4,237	4,854	5,087
Departmental Expenses				
- Temporary staff.....	36,072	38,961	37,821	39,014
- Honoraria for members of committees .....	2,308	5,008	4,315	4,527
- General departmental expenses .....	48,235	60,483	54,162	74,584
	193,491	213,863	209,775	237,650

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**Commitments**

Sub-head (Code)	Item (Code)	Ambit	Approved commitment	Accumulated expenditure to 31.3.2016	Revised estimated expenditure for 2016–17	Balance
			\$'000	\$'000	\$'000	\$'000
<b><i>Operating Account</i></b>						
700		<i>General non-recurrent</i>				
	801	Subsidy for property owners to participate in Smart Tender scheme <sup>β</sup> .....	300,000	—	—	300,000
	878	Building Maintenance Grant Scheme for Elderly Owners .....	1,000,000	630,000	100,000	270,000
		Total .....	1,300,000	630,000	100,000	570,000

<sup>β</sup> This is a new item, funding for which is sought in the context of the Appropriation Bill 2017.