

Head 91 — LANDS DEPARTMENT

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

Estimate 2018–19 **\$2,750.4m**

Establishment ceiling 2018–19 (notional annual mid-point salary value) representing an estimated 4 134 non-directorate posts as at 31 March 2018 rising by 378 posts to 4 512 posts as at 31 March 2019..... **\$2,058.8m**

In addition, there will be an estimated 46 directorate posts as at 31 March 2018 and as at 31 March 2019.

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

Detail

Programme (1): Land Administration

	2016–17 (Actual)	2017–18 (Original)	2017–18 (Revised)	2018–19 (Estimate)
Financial provision (\$m)	1,773.0	1,802.0	1,826.5 (+1.4%)	2,041.2 (+11.8%)
				(or +13.3% on 2017–18 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 Government; renewing and modifying leases; and maintaining man-made slopes on unallocated and unleased government land.

Brief Description

3 The 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 Government; renewing government leases; modifying conditions in existing leases; and maintaining man-made slopes on unallocated and unleased government land.

4 On 23 February 2017, the Government announced the 2017–18 Land Sale Programme comprising 28 residential sites, two commercial/hotel sites, one business site and one hotel site. During 2017, nine sites were sold by tender and one industrial site was added to the Programme. The Department completed 85 lease modification applications. Other land disposals such as those by private treaty, land exchange, land extension and short-term tenancy proceeded in accordance with the established practice.

5 In 2017, the Department helped to resume 3.78 hectares of land required for public works projects. In land management, the Department took land control actions leading to clearance of 11 615 government sites involving unlawful occupation of government land and handled 1 980 cases involving breaches of lease conditions.

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

Targets

	Target	2016 (Actual)	2017 (Actual)	2018 (Plan)
<i>Land disposal</i>				
small houses (cases processed)	2 300	2 534	2 231	2 300
<i>Lease modifications (non small house cases)</i>				
issue of letter of reply to application within three weeks (%)	100	99	100	100
issue of letter of offer of provisional basic terms (without premium)/rejection/indicating in-principle agreement within 22 weeks from receipt of application (%)	100	95	100	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	100	100	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

Indicators

	2016 (Actual)	2017 (Actual)	2018 (Estimate)
<i>Land disposal</i>			
land disposed (ha)	118.05	39.55	—Δ
land sale programme			
land sold (auction and tender) (ha)	36.61	13.25	—Δ
no. of flats	15 098	6 083	—Δ
private treaty grants			
land granted (ha)	79.53	10.32	—Ψ
no. of flats	4 669	7 617	—Ψ
<i>Lease variations</i>			
lease modifications, exchanges and extensions			
no. of cases	97	105	—Ψ
no. of flats	838	17 293	—Ψ
processing of applications from indigenous villagers for rent concession (no. of lots/tenements)	1 099	851	800
<i>Land acquisition</i>			
Public Works Programme projects (ha)	5.53	3.78	2.64
railway development projects (ha)	0.18	0.41	0
urban renewal projects (no. of property interests)	364	78	128
Rural Planning and Improvement Strategy/Village Improvement (ha)	0	0	0
total acquisition/clearance costs (\$m)	480.7	744.3	1,616.2

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	2016 (Actual)	2017 (Actual)	2018 (Estimate)
<i>Land management</i>			
lease enforcement cases	2 140	1 980	2 165
rebuilding of temporary domestic structures.....	14	3	13
government sites cleared from unlawful occupation	11 606	11 615	12 110
vegetation maintenance cases handled#.....	24 109	17 982	18 000
maintenance of slopes on unallocated and unleased government land			
man-made slopes to be inspected.....	12 200	12 000	12 000
man-made slopes to be maintained or improved	7 282	7 071	7 000
demolition of surveyed structures on grounds of slope safety (no. of structures).....	14	21	30
temporary use of government land			
temporary allocations issued to government departments (ha).....	40.75	22.41	101.78
short-term tenancies issued			
short-term tenancies let by tender (ha).....	25.15	20.19	17.00
short-term tenancies let by direct grant (ha)	1 719.2@	33.1	11.1
<i>Property management</i>			
properties/units managed	153	152	152
repair orders issued for government properties.....	105	105	105
disposal of government properties	7	9	12
<i>Squatter control and clearance</i>			
unauthorised structures demolished	271	235	245
surveyed structures inspected.....	197 844	199 697	199 600
structures cleared in programmed development clearances and emergency clearances (excluding surveyed structures cleared on grounds of slope safety)	684	288	1 599

Δ Not possible to estimate because sale of government land is subject to market response.

Ψ Not possible to estimate as the transactions are subject to applicants' acceptance of the proposed terms which is influenced by the market.

This new indicator replaces the previous indicator "cleaning up of sites under management" as from 2018 to include ad hoc vegetation maintenance work on government land handled.

@ Including about 1 640 ha let to the Airport Authority Hong Kong for land formation and works related to the Three-Runway System and about 50 ha let to the Scout Association of Hong Kong for a special camping event.

Matters Requiring Special Attention in 2018–19

7 During 2018–19, the Department will:

- support the Development Bureau in exploring the reactivation of the revitalisation scheme for industrial buildings;
- continue to strengthen land control and lease enforcement work, including enforcement against unlawful occupation of government land, unauthorised structures on private agricultural land and lease breaches in industrial buildings;
- continue land sales under the Land Sale Programme and facilitate the tenders of property development projects of the Urban Renewal Authority and the MTR Corporation Limited;
- continue with the work on resumption and clearance of land for approved public projects and undertake preparatory work on resumption and clearance of land required for proposed new projects;
- continue with the handling of compensation claims in respect of railway projects; undertake land administration work required for the Hong Kong section of the Guangzhou-Shenzhen-Hong Kong Express Rail Link, the South Island Line (East), the Kwun Tong Line Extension and the Shatin to Central Link; and provide land administration inputs to the proposed Tuen Mun South Extension and the Northern Link (and Kwu Tung Station); and
- continue to implement and review the Pilot Scheme for Arbitration on Land Premium to facilitate agreement on land premium, and continue to streamline the processing of applications under the leases.

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Programme (2): Survey and Mapping

	2016–17 (Actual)	2017–18 (Original)	2017–18 (Revised)	2018–19 (Estimate)
Financial provision (\$m)	556.9	574.9	600.3 (+4.4%)	623.7 (+3.9%)
				(or +8.5% on 2017–18 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 (Cap. 473) (LSO) 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, land control, lease modification and enforcement, and small house development. It operates a Land Information System for maintaining updated digital maps and cadastral databases and hence providing a foundation geospatial data framework in Hong Kong. Apart from government departments, private organisations and the public can purchase the data for their own use under a permit or licence, and can also make use of the office's Public Sector Information for non-commercial and commercial uses. SMO also provides web map services on the Internet to timely disseminate integrated government facilities information to the public as well as photogrammetric and aerial survey services for specific purposes in addition to general mapping. It is also responsible for the establishment and maintenance of the territory-wide geodetic network and the satellite positioning reference station network system which form the essential positioning infrastructure of Hong Kong. Under the Land Survey Authority, it administers the LSO which governs the registration and discipline of authorised land surveyors and the control of the standards of land boundary surveys. It is also responsible for street naming under the Public Health and Municipal Services Ordinance (Cap. 132).

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

Targets

	Target	2016 (Actual)	2017 (Actual)	2018 (Plan)
setting out land boundaries within 12 weeks from receipt of request (%).....	100	99	100	100
providing mapping and geodetic information within one working day from receipt of request (%).....	100	100	100	100
updating large-scale plans within 12 weeks on completion of major infrastructural projects (%).....	100	100	100	100

Indicators

	2016 (Actual)	2017 (Actual)	2018 (Estimate)
<i>Geodetic survey</i>			
precise horizontal and vertical control points fixed	900	820	700
survey monuments and marks built and maintained	4 749	4 491	4 500
<i>Topographical survey and map production</i>			
continuous revision, area surveyed and inspected (ha).....	48 167	48 679	48 100
maps and charts produced	8 343	8 042	8 180
reprographic services provided (no. of copies).....	409 174	425 529	410 000
<i>Cadastral survey</i>			
lots defined or set out	1 886	1 618	1 900
cadastral plans prepared	59 619	62 212	65 500

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	2016 (Actual)	2017 (Actual)	2018 (Estimate)
<i>Aerial survey</i>			
photographs taken for measurement and record	13 518	21 500	17 000
total area of photogrammetric survey conducted (ha).....	31 615	31 535	31 000
<i>LSO</i>			
total no. of lot sub-division plans examined	1 540	1 642	1 650

Matters Requiring Special Attention in 2018–19

11 During 2018–19, the Department will:

- continue to enhance the Land Information System for maintaining the territory-wide digital map and land boundary databases,
- continue to improve the Hong Kong Special Administrative Region Geospatial Information Hub service to facilitate easy access to geospatial information within the Government,
- continue to enhance the quality of the territory-wide 3D spatial data and explore the integration between Building Information Modelling data and 3D spatial data,
- continue to assist in the formulation of spatial data policy for the Common Spatial Data Infrastructure initiative through the development of data standards to facilitate data sharing,
- provide the Web-Map Application Programming Interfaces to support government departments' web map display applications,
- enhance the Hong Kong Map Service to a One-Stop Sale and Supply System to support the sale and supply of survey and map products of the Department in a one-stop service portal, and
- enhance the GeoInfo Map service to enable the public to access geospatial information more effectively through the Internet.

Programme (3): Legal Advice

	2016–17 (Actual)	2017–18 (Original)	2017–18 (Revised)	2018–19 (Estimate)
Financial provision (\$m)	72.7	76.1	75.6 (–0.7%)	85.5 (+13.1%)
				(or +12.4% on 2017–18 Original)

Aim

12 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

13 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 land documents including conditions of sale, 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.

14 Under the Lands Department Consent Scheme, the LACO processes applications for consent to sell units in uncompleted developments 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. When required under the leases for commercial and residential developments, Deeds of Mutual Covenant (DMCs) setting out the respective rights and obligations of all the owners of the developments need to be approved by the LACO before consent is issued or sales of the units can begin.

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

Targets

	Target	2016 (Actual)	2017 (Actual)	2018 (Plan)
<i>Consents</i>				
Sale and Purchase Agreements—approved within 13 weeks (excluding time for approval of DMC) (%)	100	98	94	100
DMCs—approved within 13 weeks (%)	100	84	92	100

Indicators

	2016 (Actual)	2017 (Actual)	2018 (Estimate)
<i>Consents</i>			
Sale and Purchase Agreements approved			
—non-residential developments	7	12	10
—residential developments	36	37	35
sale of uncompleted residential units (no. of flats)	17 008	16 408	16 500
DMCs approved			
—non-residential developments	5	7	7
—residential developments	38	43	42

Matters Requiring Special Attention in 2018–19

16 During 2018–19, the Department will continue to:

- 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 the Lands Department Consent Scheme and Programme (1).

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ANALYSIS OF FINANCIAL PROVISION

	2016–17 (Actual) (\$m)	2017–18 (Original) (\$m)	2017–18 (Revised) (\$m)	2018–19 (Estimate) (\$m)
Programme				
(1) Land Administration	1,773.0	1,802.0	1,826.5	2,041.2
(2) Survey and Mapping	556.9	574.9	600.3	623.7
(3) Legal Advice	72.7	76.1	75.6	85.5
	2,402.6	2,453.0	2,502.4 (+2.0%)	2,750.4 (+9.9%)
				(or +12.1% on 2017–18 Original)

Analysis of Financial and Staffing Provision

Programme (1)

Provision for 2018–19 is \$214.7 million (11.8%) higher than the revised estimate for 2017–18. This is mainly due to a net increase of 271 posts, salary increments for staff, filling of vacancies and other operating expenses.

Programme (2)

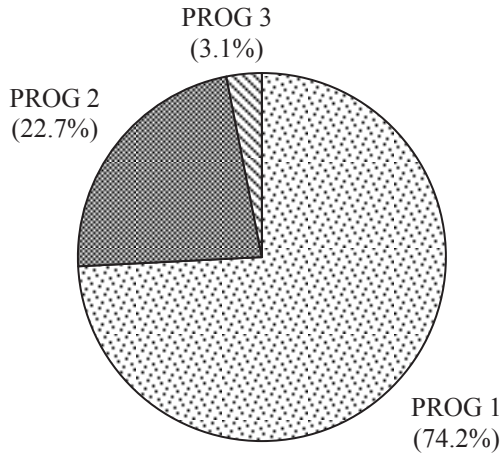
Provision for 2018–19 is \$23.4 million (3.9%) higher than the revised estimate for 2017–18. This is mainly due to a net increase of 91 posts, salary increments for staff, filling of vacancies and other operating expenses.

Programme (3)

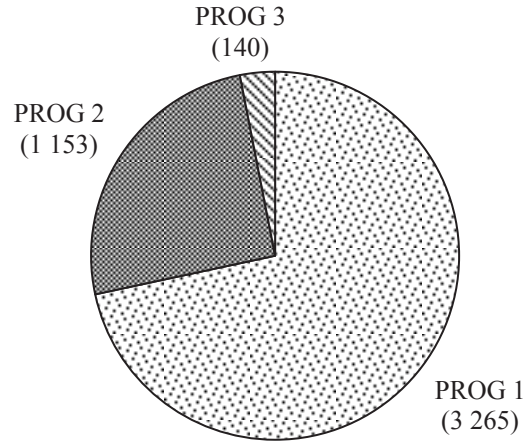
Provision for 2018–19 is \$9.9 million (13.1%) higher than the revised estimate for 2017–18. This is mainly due to a net increase of 16 posts, salary increments for staff and filling of vacancies and other operating expenses.

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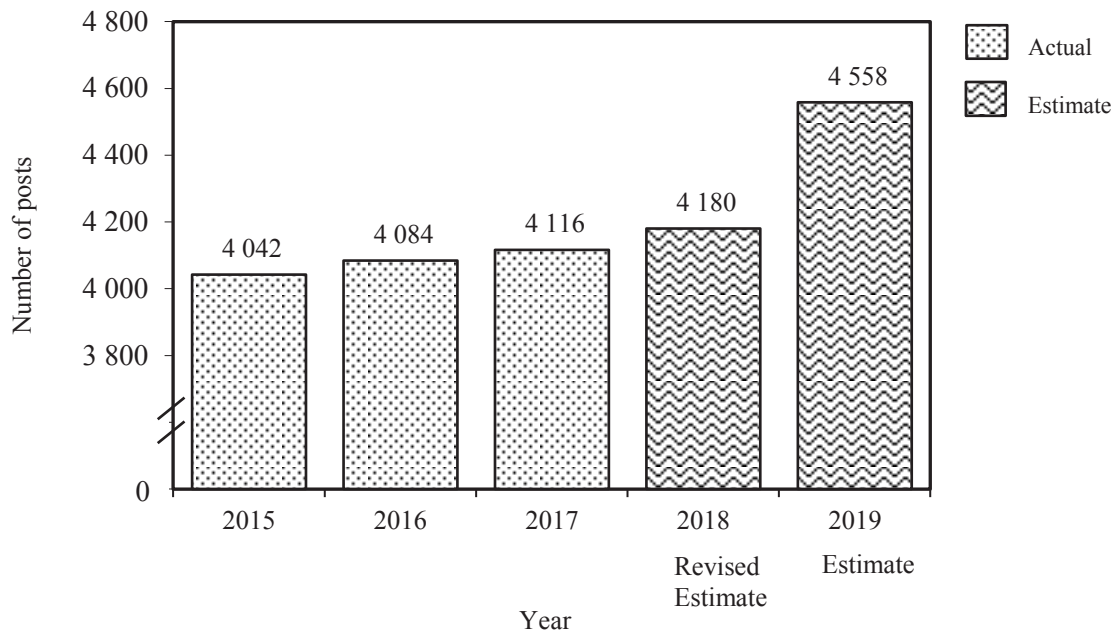
*Allocation of provision
to programmes
(2018-19)*



*Staff by programme
(as at 31 March 2019)*



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



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Sub-head (Code)		Actual expenditure 2016-17	Approved estimate 2017-18	Revised estimate 2017-18	Estimate 2018-19
	\$'000	\$'000	\$'000	\$'000	\$'000
Operating Account					
Recurrent					
000	Operational expenses	2,392,100	2,443,076	2,491,528	2,745,002
003	Recoverable salaries and allowances (General).....	40,310			
	<i>Deduct</i> reimbursements <i>Cr. 40,310</i>	—	—	—	—
221	Clearance of government land - ex-gratia allowances	2,375	2,235	3,233	785
	Total, Recurrent.....	2,394,475	2,445,311	2,494,761	2,745,787
	Total, Operating Account	2,394,475	2,445,311	2,494,761	2,745,787
Capital Account					
Plant, Equipment and Works					
661	Minor plant, vehicles and equipment (block vote).....	8,125	7,652	7,652	4,593
	Total, Plant, Equipment and Works.....	8,125	7,652	7,652	4,593
	Total, Capital Account.....	8,125	7,652	7,652	4,593
	Total Expenditure	2,402,600	2,452,963	2,502,413	2,750,380

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Details of Expenditure by Subhead

The estimate of the amount required in 2018–19 for the salaries and expenses of the Lands Department is \$2,750,380,000. This represents an increase of \$247,967,000 over the revised estimate for 2017–18 and \$347,780,000 over the actual expenditure in 2016–17.

Operating Account

Recurrent

2 Provision of \$2,745,002,000 under *Subhead 000 Operational expenses* is for the salaries, allowances and other operating expenses of the Lands Department. The increase of \$253,474,000 (10.2%) over the revised estimate for 2017–18 is mainly due to a net increase of 378 posts and other operating expenses.

3 The establishment as at 31 March 2018 will be 4 180 posts. It is expected that there will be a net increase of 378 posts in 2018–19. Subject to certain conditions, the controlling officer may under delegated power create or delete non-directorate posts during 2018–19, but the notional annual mid-point salary value of all such posts must not exceed \$2,058,816,000.

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

	2016–17 (Actual) (\$'000)	2017–18 (Original) (\$'000)	2017–18 (Revised) (\$'000)	2018–19 (Estimate) (\$'000)
Personal Emoluments				
- Salaries.....	1,869,443	1,880,030	1,933,983	2,060,115
- Allowances.....	21,982	18,762	18,759	19,087
- Job-related allowances.....	2,797	3,108	3,107	3,197
Personnel Related Expenses				
- Mandatory Provident Fund contribution.....	5,364	5,768	5,958	8,820
- Civil Service Provident Fund contribution.....	50,549	64,226	63,809	84,798
Departmental Expenses				
- Hire of services and professional fees	46,629	72,327	65,039	73,590
- Contract maintenance	214,903	191,448	202,150	226,671
- General departmental expenses	180,433	207,392	198,708	268,709
Other Charges				
- Financial Secretary Incorporated - suspense account adjustment.....	—	15	15	15
	2,392,100	2,443,076	2,491,528	2,745,002

5 Gross provision of \$40,310,000 under *Subhead 003 Recoverable salaries and allowances (General)* includes salaries and allowances for the urban renewal team which processes 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 \$785,000 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 decrease of \$2,448,000 (75.7%) against the revised estimate for 2017–18 is mainly due to the completion of ad hoc site clearances in 2017–18.

Capital Account

Plant, Equipment and Works

7 Provision of \$4,593,000 under *Subhead 661 Minor plant, vehicles and equipment (block vote)* represents a decrease of \$3,059,000 (40%) against the revised estimate for 2017–18. This is mainly due to the decreased requirement for replacement of minor plant and equipment.