Index Page

Replies to initial written questions raised by Finance Committee Members in examining the Estimates of Expenditure 2014-15

Director of Bureau : Secretary for Development Session No. : 9 File Name : DEVB(PL)-e1.doc

Reply Serial	Question				
No.	Serial No.	Name of Member	Head	Programme	
S-DEVB(PL)01	S0091	CHAN Yuen-han	138	(2) Buildings, Lands and Planning	
S-DEVB(PL)02	S0093	CHAN Yuen-han	138	(2) Buildings, Lands and Planning	
S-DEVB(PL)03	S0062	MAK Mei-kuen, Alice	138	(2) Buildings, Lands and Planning	
S-DEVB(PL)04	S0112	TSE Wai-chuen, Tony	138	(2) Buildings, Lands and Planning	
S-DEVB(PL)05	S0064	WONG Kwok-hing	138	(2) Buildings, Lands and Planning	
S-DEVB(PL)06	S0092	CHAN Yuen-han	82	(-) Buildings and Building Works	
S-DEVB(PL)07	S0063	MAK Mei-kuen, Alice	82	(-) Buildings and Building Works	
S-DEVB(PL)08	S0113	TSE Wai-chuen, Tony	82	(-) Buildings and Building Works	
S-DEVB(PL)09	S0114	TSE Wai-chuen, Tony	82	(-) Buildings and Building Works	
S-DEVB(PL)10	S0065	WONG Kwok-hing	82	(-) Buildings and Building Works	
S-DEVB(PL)11	S0067	WONG Kwok-hing	82	(-) Buildings and Building Works	
S-DEVB(PL)12	S0115	TSE Wai-chuen, Tony	91	(1) Land Administration	
S-DEVB(PL)13	S0116	TSE Wai-chuen, Tony	91	(3) Legal Advice	
S-DEVB(PL)14	S0117	TSE Wai-chuen, Tony	91	(3) Legal Advice	
S-DEVB(PL)15	S0118	TSE Wai-chuen, Tony	91	(3) Legal Advice	
S-DEVB(PL)16	S0080	MAK Mei-kuen, Alice	118	(1) Territorial Planning	

Reply Serial No.

S-DEVB(PL)01

CONTROLLING OFFICER'S REPLY

(Question Serial No. S0091)

Head: (138) Government Secretariat: Development Bureau

(Planning and Lands Branch)

Subhead (No. & title): (000) Operational expenses

<u>Programme</u>: (2) Buildings, Lands and Planning

<u>Controlling Officer</u>: Permanent Secretary for Development (Planning and Lands)

(Thomas CHOW)

Director of Bureau: Secretary for Development

Question:

Pursuant to the reply no. DEVB(PL)015, it was stated that Stage 2 of the Public Engagement (PE) programme of the Kowloon City District Urban Renewal Forum (KC DURF) had been completed. When will the outcome of the programme be announced? As the Kai Tak new development area project is taken forward in full swing, many Kowloon City residents are worried that the new development will lead to a surge in property prices and the cost of living, affecting the livelihood of the area. Some are worried about acquisition of their houses and force eviction on their parts, displaying deep concerns about their livelihood in future. As such, will the Administration further explain on their ideas of the future development of the Kowloon City district with a view to addressing the residents' concerns?

Asked by: Hon. CHAN Yuen-han

Reply:

In 2013-14, the Kowloon City District Urban Renewal Forum (KC DURF) completed Stage 2 of its Public Engagement (PE) programme to help focus public discussion on the draft Urban Renewal Plan for Kowloon City before it was finalized.

KC DURF had, on the basis of the findings of its planning study and social impact assessment study conducted in Kowloon City as well as the public views collected during the PE programme, finalized the Urban Renewal Plan for Kowloon City and submitted it to the Government on 29 January 2014.

The Urban Renewal Plan carries the vision of "Conserve History and Culture; Synergise with Surrounding Developments; Optimise Land Resources; Create Quality Living Environment" comprising the following themes, namely shaping area identity, revitalizing heritage and designation of a themed walking trail, enhancing waterfront and district connectivity, and optimizing land resources. In other words, the Urban Renewal Plan advocates a multi-pronged approach to revitalise Kowloon City.

The Government will carefully study the recommendations of KC DURF and follow up on the recommendations, as appropriate, in future urban renewal endeavours in the Kowloon City district.

In line with the 2011 Urban Renewal Strategy (URS), the Urban Renewal Plan submitted by KC DURF is a document to which the Government, relevant individuals and organisations should make reference in working together to foster a revitalized Kowloon City. Pursuant to the 2011 URS, in case of redevelopment by the Urban Renewal Authority (URA), URA must update the social impact assessments conducted by DURF. Mitigation measures must also be identified to address the residents' concerns.

Reply Serial No.

S-DEVB(PL)02

CONTROLLING OFFICER'S REPLY

(Question Serial No. S0093)

Head: (138) Government Secretariat: Development Bureau

(Planning and Lands Branch)

Subhead (No. & title): (000) Operational expenses

<u>Programme</u>: (2) Buildings, Lands and Planning

<u>Controlling Officer</u>: Permanent Secretary for Development (Planning and Lands)

(Thomas CHOW)

<u>Director of Bureau</u>: Secretary for Development

Question:

Follow-up on Reply Serial No. DEVB(PL)017. The Administration's reply has not answered whether it has assessed the effectiveness of the pilot scheme of the "Hong Kong Property for Hong Kong People" (HKPHKP) measure. Also, the Government's response is that "there is no pressing need to apply the HKPHKP measure to other land sale sites or make it a long-term measure at this juncture." Does the Administration admit not making thorough policy considerations previously? Has the Administration assessed whether the prevailing property prices are affordable to the general public? If yes, what are the reasons? If not, are there any relevant policies in place to promote home ownership in Hong Kong? Has the Government already given up the 60:40 ratio of public to private housing supply mentioned by the Secretary for Transport and Housing earlier? If not, will the Administration please explain the policy in place to enable the Government to achieve the abovementioned private and public housing supply target?

Asked by: Hon. CHAN Yuen-han

Reply:

Before the "Hong Kong Property for Hong Kong People" (HKPHKP) measure was decided upon and promulgated, the relevant considerations were thoroughly examined by the Government. As the Secretary for Development (SDEV) explained at the special meeting of the Finance Committee to examine the Estimates of Expenditure 2014-15 on 2 April 2014, the measure has been applied to two government residential sale sites at Kai Tak as a pilot scheme. The policy objective is to give priority to Hong Kong Permanent Residents (HKPRs) in making use of our scarce residential land resources. Sale of the flats at the sites at first-hand and subsequent sale is restricted to HKPRs for 30 years from land grant. The restriction will be included in the leases. Thus, the policy objective of the measure has been achieved.

SDEV also explained at the special meeting of the Finance Committee that the objective of the HKPHKP measure is not to suppress property prices but to accord priority to HKPRs in the use of our scarce residential land resources. The Government considers that the fundamentals of the problem of housing have to be addressed by increasing land supply in response to market demand.

As the Chief Executive has announced in his 2014 Policy Address, the Government has accepted the recommendation of the Long Term Housing Strategy Steering Committee to provide a total of 470 000 units in the coming ten years as the new housing supply target, with public housing accounting for 60%. These have not changed. To meet the new housing supply target, the Government will continue its multi-pronged strategy to increase housing land supply. Specifically, as mentioned in the 2014-15 Budget, we have identified about 150 sites (exact number: 152) for residential use which, if their statutory plans could all be successfully amended, are expected to be made available over the next five years to provide about 210 000 public and private flats. We will also press ahead with our other initiatives mentioned in the Policy Address to increase land supply to meet the housing and other needs of the community.

Reply Serial No.

S-DEVB(PL)03

CONTROLLING OFFICER'S REPLY

(Question Serial No. S0062)

Head: (138) Government Secretariat: Development Bureau

(Planning and Lands Branch)

Subhead (No. & title): (000) Operational expenses

<u>Programme</u>: (2) Buildings, Lands and Planning

<u>Controlling Officer</u>: Permanent Secretary for Development (Planning and Lands)

(Thomas CHOW)

<u>Director of Bureau</u>: Secretary for Development

Question:

Follow-up on Reply Serial No. DEVB(PL)060. How will the Administration ensure that the property development projects will be rolled out in a timely manner by the MTR Corporation Limited (MTRCL) to meet the demand of the property market? If the property development projects of the MTRCL have experienced unsuccessful tendering repeatedly, how can the Administration ensure the smooth implementation of such projects, with a view to supplying flats to maintain a steady development of the property market?

Asked by: Hon. MAK Mei-kuen, Alice

Reply:

Railway property development projects are an important source of private housing land supply. As a listed company, the MTR Corporation Limited (MTRCL) takes forward its own property development projects. The Government closely liaises with the MTRCL on the timely delivery of its own property development projects.

The MTRCL tendered its own property development projects at Tai Wai Station (tendered once) and Tin Shui Wai Light Rail Terminus (tendered twice) in the past three financial years, but all were unsuccessful. We understand that the MTRCL plans to re-tender the project at Tai Wai Station and invite tenders for development site(s) in Tseung Kwan O Area 86 within 2014-15, and is considering the way forward for its property development project at Tin Shui Wai Light Rail Terminus. The development right of the projects rests with the MTRCL. The Government will consider any proposal involving the Government based on its merits.

Reply Serial No.

S-DEVB(PL)04

CONTROLLING OFFICER'S REPLY

(Question Serial No. S0112)

Head: (138) Government Secretariat: Development Bureau

(Planning and Lands Branch)

Subhead (No. & title): (000) Operational expenses

<u>Programme</u>: (2) Buildings, Lands and Planning

<u>Controlling Officer</u>: Permanent Secretary for Development (Planning and Lands)

(Thomas CHOW)

Director of Bureau: Secretary for Development

Question:

Follow up on Reply Serial No. DEVB(PL)073: please provide information on the composition, objectives, terms of reference and specific operation of the Land Supply Tracking Subcommittee to be set up under the Committee on Planning and Land Development.

Asked by: Hon. TSE Wai-chuen, Tony

Reply:

The Development Bureau plans to set up the Land Supply Tracking Sub-committee (LSTS) under the Committee on Planning and Land Development with the objective to further enhance inter-departmental co-ordination in respect of development site tracking and land production. The LSTS will be chaired by the Development Bureau, and will comprise representatives of government departments involved in land supply, including Planning Department, Lands Department, Civil Engineering and Development Department, Housing Department, Transport Department, Highways Department, Environmental Protection Department and Drainage Services Department. Other government departments may be involved as necessary. Its terms of reference will be to support monitoring of land supply by tracking the status and progress of potential sites for development, and to expedite land supply by co-ordinating the actions of relevant departments in site production.

Reply Serial No.

S-DEVB(PL)05

CONTROLLING OFFICER'S REPLY

(Question Serial No. S0064)

Head: (138) Government Secretariat: Development Bureau

(Planning and Lands Branch)

Subhead (No. & title): (000) Operational expenses

<u>Programme</u>: (2) Buildings, Lands and Planning

<u>Controlling Officer</u>: Permanent Secretary for Development (Planning and Lands)

(Thomas CHOW)

<u>Director of Bureau</u>: Secretary for Development

Question:

Follow-up on Reply Serial No. DEVB(PL)017. The Administration's reply has not answered whether it has assessed the effectiveness of the pilot scheme of the "Hong Kong Property for Hong Kong People" (HKPHKP) measure. Also, the Government's response is that "there is no pressing need to apply the HKPHKP measure to other land sale sites or make it a long-term measure at this juncture." Does the Administration admit not making thorough policy considerations previously?

Asked by: Hon. WONG Kwok-hing

Reply:

Before the "Hong Kong Property for Hong Kong People" measure was decided upon and promulgated, the relevant considerations were thoroughly examined by the Government. As the Secretary for Development (SDEV) explained at the special meeting of the Finance Committee to examine the Estimates of Expenditure 2014-15 on 2 April 2014, the measure has been applied to two government residential sale sites at Kai Tak as a pilot scheme. The policy objective is to give priority to Hong Kong Permanent Residents (HKPRs) in making use of our scarce residential land resources. Sale of the flats at the sites at first-hand and subsequent sale is restricted to HKPRs for 30 years from land grant. The restriction will be included in the leases. Thus, the policy objective of the measure has been achieved.

As SDEV also explained, as the demand by non-HKPRs for residential property has subsided due to the introduction of the demand management measures by the Government, there is no pressing need to expand the pilot scheme at this juncture. The Government will continue to monitor the property market closely and take any action that is necessary for its healthy development.

Reply Serial No.

CONTROLLING OFFICER'S REPLY TO SUPPLEMENTARY QUESTION

S-DEVB(PL)06

(Question Serial No. S0092)

<u>Head</u>: (82) Buildings Department

Subhead (No. & title): (-) Not Specified

<u>Programme</u>: (1) Buildings and Building Works

<u>Controlling Officer</u>: Director of Buildings (HUI Siu-wai)

<u>Director of Bureau</u>: Secretary for Development

Question:

With reference to Reply Serial No. DEVB101, the question was about the manpower and expenditure involved in inspecting sub-divided flats in target buildings and rectifying irregularities of sub-divided flats by the Buildings Department. However, the Administration did not answer the part of the question on the manpower and expenditure involved. Therefore, I would like to find out whether any staff shortage problem exists in the Buildings Department at the moment. If yes, what will be done by the Administration to solve the staff shortage problem of the Department?

Asked by: Hon. CHAN Yuen-han

Reply:

The Buildings Department (BD) has been conducting large scale operations (LSOs) with the objective of rectifying irregularities of building works associated with sub-divided flats (SDFs) since 2011 by deploying the existing resources of professional and technical staff of the two Existing Buildings Divisions and the Mandatory Building Inspection Division of BD as part of their overall duties to implement BD's building safety and maintenance enforcement programme (enforcement programme). We are unable to provide a breakdown of the manpower and expenditure involved solely for handling LSO on SDFs.

Among the 215 new civil service posts to be created in BD in 2014-15, 193 posts comprising 58 professional staff, 110 technical staff and 25 supporting staff will be engaged in enhancing the enforcement programme including enforcement against irregularities associated with SDFs. We will closely monitor the progress and staffing requirement of the enforcement programme, and bid for the required additional resources as necessary in future resource allocation exercises.

Reply Serial No.

CONTROLLING OFFICER'S REPLY TO SUPPLEMENTARY QUESTION

S-DEVB(PL)07

(Question Serial No. S0063)

<u>Head</u>: (82) Buildings Department

Subhead (No. & title): (-) Not Specified

<u>Programme</u>: (1) Buildings and Building Works

<u>Controlling Officer</u>: Director of Buildings (HUI Siu-wai)

<u>Director of Bureau</u>: Secretary for Development

Question:

With reference to Reply Serial No. DEVB(PL)128, among the new building proposals approved in the past two years, how many of them have the construction works commenced or completed as found out by the Administration in the course of monitoring the situation? For those which have not commenced construction, what are the reasons for that? As property prices remain high, will the Administration carry out investigation on sites for which new building proposals have been approved but construction works have not yet commenced, as well as requiring early commencement of construction works in order to stabilise housing supply and the property market? If not, what are the reasons? Will the Administration consider levying tax on vacant sites and flats?

Asked by: Hon. MAK Mei-kuen, Alice

Reply:

The progress of the 326 building proposals approved in 2012-13 and 2013-14 *are tabulated below:

	2012-13	2013-14*
No. of new building proposals approved	187	139
No. of residential building blocks with notification of	29	64
commencement of superstructure works submitted but		
occupation permit not yet issued#		
No. of residential building blocks completed with	0	0
occupation permit issued		

^{*} Statistics up to 31 December 2013

[#] The residential building blocks with notification submitted may not correspond to the building proposals submitted in the same year

The Buildings Department (BD) is responsible for the enforcement of the safety and health standards of the new buildings and associated works on private land as set out in the Buildings Ordinance (BO). The timing for submitting an application for the consent to the commencement of works is outside the control of BD and the purview of BO.

The lot owner of a development project is normally required to complete the construction of the minimum gross floor area specified in the land grant or lease conditions and obtain an occupation permit from the Building Authority within the Building Covenant (BC) period specified in the land grant or lease conditions. In general, BC period for residential developments ranges from 48 to 72 months from the date of the land lease document, the actual period of which depends on the scale and complexity of the development. Extension of BC period may be given only upon full justifications for delay and payment of premium.

According to figures from the Rating and Valuation Department, the overall vacancy rate of residential properties as at end 2013 was 4.1%, which was the lowest since 1997 and was below the average of 5.0% over the period from 1993 to 2012. The question concerning tax falls outside the jurisdiction of BD.

Reply Serial No.

CONTROLLING OFFICER'S REPLY TO SUPPLEMENTARY QUESTION

S-DEVB(PL)08

(Question Serial No. S0113)

Head: (82) Buildings Department

Subhead (No. & title): (-) Not Specified

<u>Programme</u>: (1) Buildings and Building Works

<u>Controlling Officer</u>: Director of Buildings (HUI Siu-wai)

<u>Director of Bureau</u>: Secretary for Development

Question:

With reference to Reply Serial No. DEVB(PL)135:

Among the 215 new posts to be created in 2014-15, 202 posts are converted from non-civil service contract (NCSC) positions. Thus, the actual number of additional civil service posts is only 13. In this connection, with the surge in workload and a severe shortage of manpower in recent years, has the Buildings Department assessed whether the additional 13 posts will be sufficient for coping with the heavy workload? If yes, what are the results of the assessment; if not, what are the reasons for that, and what will be done to boost the morale of the Department's workforce?

Asked by: Hon. TSE Wai-chuen, Tony

Reply:

The Buildings Department (BD) will continue to monitor and examine the staffing position and workload of the Department and ensure that there is sufficient manpower to implement various building safety initiatives and enhance its service to the public. It will bid for the required additional resources as necessary in future resource allocation exercises. Moreover, if there is operational need, BD will engage non-civil service contract staff to meet service need that is short-term or where the mode of delivery of the service is under review or likely to be changed. Apart from strengthening the manpower, BD has also taken other measures such as streamlining procedures to enhance efficiency, and reviewing the job priorities to ensure that more resources will be deployed for handling work such as clearing outstanding backlog removal orders to enhance the effectiveness of the enforcement action.

Reply Serial No.

CONTROLLING OFFICER'S REPLY TO SUPPLEMENTARY QUESTION

S-DEVB(PL)09

(Question Serial No. S0114)

<u>Head</u>: (82) Buildings Department

Subhead (No. & title): (-) Not Specified

<u>Programme</u>: (1) Buildings and Building Works

<u>Controlling Officer</u>: Director of Buildings (HUI Siu-wai)

<u>Director of Bureau</u>: Secretary for Development

Question:

With reference to Reply Serial No. DEVB(PL)135:

Among the 215 new posts to be created in 2014-15, 202 posts are converted from non-civil service contract (NCSC) positions. Thus, the actual number of additional civil service posts is only 13. In this connection, will the 202 NCSC positions be deleted, or will there be new recruitment or other arrangements? If the positions are to be deleted, what specific arrangements will be made, will all the positions be deleted in one go, or will there be partial deletion or deletion by phases?

Asked by: Hon. TSE Wai-chuen, Tony

Reply:

Among the 215 civil service posts approved for the Buildings Department (BD) in 2014-15, the creation of 202 posts would be offset by deletion of the corresponding number of non-civil service contract (NCSC) positions. The conversion will be implemented by phases taking into account factors including BD's actual operational needs, the contract expiry date of NCSC staff, and the progress of recruitment of civil service staff.

Reply Serial No.

CONTROLLING OFFICER'S REPLY TO SUPPLEMENTARY QUESTION

S-DEVB(PL)10

(Question Serial No. S0065)

<u>Head</u>: (82) Buildings Department

Subhead (No. & title): (-) Not Specified

<u>Programme</u>: (1) Buildings and Building Works

<u>Controlling Officer</u>: Director of Buildings (HUI Siu-wai)

<u>Director of Bureau</u>: Secretary for Development

Question:

With reference to Reply Serial No. DEVB101, the question was about the manpower and expenditure involved in inspecting sub-divided flats in target buildings and rectifying irregularities of sub-divided flats by the Buildings Department. However, the Administration did not answer the part of the question on the manpower and expenditure involved. Therefore, I would like to find out whether any staff shortage problem exists in the Buildings Department at the moment. If yes, what will be done by the Administration to solve the staff shortage problem of the Department?

Asked by: Hon. WONG Kwok-hing

Reply:

The Buildings Department (BD) has been conducting large scale operations (LSOs) with the objective of rectifying irregularities of building works associated with sub-divided flats (SDFs) since 2011 by deploying the existing resources of professional and technical staff of the two Existing Buildings Divisions and the Mandatory Building Inspection Division of BD as part of their overall duties to implement BD's building safety and maintenance enforcement programme (enforcement programme). We are unable to provide a breakdown of the manpower and expenditure involved solely for handling LSO on SDFs.

Among the 215 new civil service posts to be created in BD in 2014-15, 193 posts comprising 58 professional staff, 110 technical staff and 25 supporting staff will be engaged in enhancing the enforcement programme including enforcement against irregularities associated with SDFs. We will closely monitor the progress and staffing requirement of the enforcement programme, and bid for the required additional resources as necessary in future resource allocation exercises.

Reply Serial No.

CONTROLLING OFFICER'S REPLY TO SUPPLEMENTARY QUESTION

S-DEVB(PL)11

(Question Serial No. S0067)

Head: (82) Buildings Department

Subhead (No. & title): (-) Not Specified

<u>Programme</u>: (1) Buildings and Building Works

<u>Controlling Officer</u>: Director of Buildings (HUI Siu-wai)

<u>Director of Bureau</u>: Secretary for Development

Question:

With reference to Reply Serial No. DEVB(PL)140, the Administration said that 3 884 subdivided flat (SDFs) had been identified in earlier investigations and, as follow-up, 1 421 removal orders had been issued with 394 orders complied with. In view of the low compliance rate, will the Administration consider stepping up enforcement in the current year, such as escalating the call for dealing with unauthorised building works in SDFs issued with removal orders, if yes, what will be the policy for that? Regarding SDFs in industrial buildings, what is the inspection target for the current year?

Asked by: Hon. WONG Kwok-hing

Reply:

The Buildings Department (BD) has been conducting large scale operations (LSOs) with the objective of rectifying irregularities of building works associated with sub-divided flats (SDFs) since April 2011. Up to February 2014, 1 421 removal orders had been issued and registered in the Land Registry as an encumbrance to property title. The outstanding removal orders are at various stages of follow-up. Where a removal order has not been complied with after the specified period, BD will issue reminders and, if necessary, warning letters to the owners to urge them to comply with the order. In case the owners encounter genuine difficulties in arranging the rectification works, an extension of time may be granted on a case-by-case basis where justified to allow them more time to comply with the order. Prosecution will be initiated if the owners fail to comply with the orders without reasonable excuse. BD will also consider engaging its consultants and contractors to carry out the required rectification works in the owners' default and recover the cost of such works plus supervision charge and surcharge from the owners afterwards where circumstances warrant.

Among the 215 new civil service posts to be created in BD in 2014-15, 193 posts comprising 58 professional staff, 110 technical staff and 25 supporting staff will be deployed to the two Existing Buildings Divisions and the Mandatory Building Inspection Division of BD. They will mainly be engaged in enhancing BD's various building safety and maintenance enforcement programmes, including enforcement against irregularities associated with SDFs. Additional resources will also be provided in 2014 for forming dedicated backlog clearance teams in order to clear the outstanding orders in a systematic manner.

With additional resources allocated to enhance the inspection in industrial buildings to identify SDFs for domestic use, the number of target industrial buildings will be increased to 60. As the additional resources will be available from 1 October 2014, the planned target for 2014 is 38 industrial buildings.

Reply Serial No.

CONTROLLING OFFICER'S REPLY

S-DEVB(PL)12

(Question Serial No. S0115)

Head: (91) Lands Department

Subhead (No. & title): (-) Not Specified

<u>Programme</u>: (1) Land Administration

Controlling Officer: Director of Lands (Ms. Bernadette LINN)

<u>Director of Bureau</u>: Secretary for Development

Question:

As a follow-up question on Reply Serial No. DEVB(PL)175, has any provision or condition on the time frame for development been included in the land grant for the MTR Corporation Limited's property development projects put up for tender? If yes, what specifically are the details; and has it been clearly provided that the time frame will remain unchanged or be extended for projects put up for re-tender due to tender failures? If extension is allowed, how will the extended time be set and how to prevent the land sale price from being affected by the extension? When were these provisions and conditions formulated and will they be reviewed and revised? If no such provision or condition has been included, why is it so?

Asked by: Hon. TSE Wai-chuen, Tony

Reply:

A Building Covenant is usually imposed in the respective land grants for the MTR Corporation Limited (MTRCL)'s property development projects. The purpose of imposing a Building Covenant in the land grant conditions is to ensure that land is developed and completed to a reasonable scale within a reasonable period of time. The Building Covenant to be imposed will take effect upon execution of the land grant document. In the event that the tender of a MTRCL's property development project fails (i.e. the land grant is not executed) and MTRCL re-tenders such a project, the terms and conditions, including the Building Covenant period expiry date, will be reviewed and updated by the Lands Department in making a fresh offer to MTRCL in accordance with the revised tender programme.

Reply Serial No.

S-DEVB(PL)13

CONTROLLING OFFICER'S REPLY

(Question Serial No. S0116)

Head: (91) Lands Department

Subhead (No. & title): (-) Not Specified

<u>Programme</u>: (3) Legal Advice

Controlling Officer: Director of Lands (Ms. Bernadette LINN)

<u>Director of Bureau</u>: Secretary for Development

Question:

As a follow-up question on Reply Serial No. DEVB(PL)177, has any review been conducted to assess whether it is reasonable and acceptable for the contracting-out solicitor firms to take an average of 20.98 months to process an application for approval of Deed of Mutual Covenant? If yes, what are the findings of the review and the follow-up arrangements? If not, what are the reasons and will such reviews be carried out in the future?

Asked by: Hon. TSE Wai-chuen, Tony

Reply:

The Legal Advisory and Conveyancing Office (LACO) of the Lands Department reviews the performance of each contracting-out firm at the end of each case after the Deed of Mutual Covenant (DMC) has been approved by LACO.

It is unusual to take, as in 2013-14, about 20.98 months to approve a DMC through contracting-out. Having reviewed the contracted-out cases approved in 2013-14, LACO is satisfied that there was no delay on the part of the contracting-out firms. The longer time taken in 2013-14 was attributable to the presence of difficult cases in that year. One case involved complex issues arising from the presence of unusual features in that development, including public open space, Government, Institution and Community facilities, historical buildings, Mass Transit Railway subway and associated structures, and pedestrian subway connection with the adjacent development, for which protracted negotiations between all concerned parties had taken place before their mutual rights and obligations in the development could be settled for finalisation of the DMC. In another case, the developer caused substantial revision to the development by amending the building plans causing a delay of seven months. In another case the developer's solicitor had not been enthusiastic to take the case forward and had spent over six months to take instructions from the developer to respond on various requisitions.

Reply Serial No.

S-DEVB(PL)14

CONTROLLING OFFICER'S REPLY

(Question Serial No. S0117)

<u>Head</u>: (91) Lands Department

Subhead(No. & title): (-) Not Specified

<u>Programme</u>: (3) Legal Advice

<u>Controlling Officer</u>: Director of Lands (Ms. Bernadette LINN)

<u>Director of Bureau</u>: Secretary for Development

Question:

As a follow-up question on Reply Serial No. DEVB(PL)177, has the Lands Department included any clause in its existing outsourced contracts to set the time frame or target time for processing a case? If yes, what are the details and criteria for setting such a time frame or target? If no, what are the reasons and will such a clause be included in the future?

Asked by: Hon. TSE Wai-chuen, Tony

Reply:

When the Legal Advisory and Conveyancing Office of the Lands Department assigns a draft Deed of Mutual Covenant (DMC) to a contracting-out firm to process, it will set a target time of 6-month for the contracting-out firm to complete the checking of the DMC.

The target time frame of six months for job completion was set in 2001 by making reference to the average time taken by the contracting-out firms to complete checking a DMC at the time. This target time has been adopted since then.

Reply Serial No.

S-DEVB(PL)15

CONTROLLING OFFICER'S REPLY

(Question Serial No. S0118)

<u>Head</u>: (91) Lands Department

<u>Subhead(No. & title)</u>: (-) Not Specified

<u>Programme</u>: (3) Legal Advice

Controlling Officer: Director of Lands (Ms. Bernadette LINN)

<u>Director of Bureau</u>: Secretary for Development

Question:

As a follow-up question on Reply Serial No. DEVB(PL)177, are there any specific measures to improve and raise the efficiency of the existing contracting-out jobs?

Asked by: Hon. TSE Wai-chuen, Tony

Reply:

The Legal Advisory and Conveyancing Office (LACO) of the Lands Department will implement the following specific measures to improve the efficiency in contracting out the processing of Deeds of Mutual Covenant:

- (a) taking a more stringent approach in monitoring the response time of both the developer's solicitor and the contracting-out solicitor firm and, if necessary, issuing suitable warnings to the defaulting party;
- (b) requiring more meetings to be held between the developer's solicitor and the contracting-out solicitor firm to expedite the discussion process for early resolution of outstanding issues; and
- (c) raising at suitable forums to draw the attention of the industry to the slack response of developers' solicitors to requisitions raised by LACO or their contracting-out solicitor firms in the approval process.

Reply Serial No.

S-DEVB(PL)16

CONTROLLING OFFICER'S REPLY

(Question Serial No. S0080)

<u>Head</u>: (118) Planning Department

Subhead (No. & title): (-) Not Specified

<u>Programme</u>: (1) Territorial Planning

Controlling Officer: Director of Planning (K K LING)

<u>Director of Bureau</u>: Secretary for Development

Ouestion:

(1) Why has the Government not conducted a territory-wide survey on the sizable "brownfield sites"?

(2) As the Government has not conducted a territory-wide survey on "brownfield sites", how can the Government plan for the "brownfield sites" in the New Territories and make the full use of them?

Asked by: Hon. MAK Mei-kuen, Alice

Reply:

- (1) "Brownfield sites" is a generic term but not an official term or term used in statutory land uses. "Brownfield sites" are generally used as port back-up operations, workshops, recycling yards, open storage, etc. In the absence of a clear and standard definition for "brownfield sites" and in view of their fluidity in operation, the Government has not conducted any survey on the detailed uses of such land across the whole territory. Survey of sites involved in such uses is conducted as part of the planning and engineering studies for those New Development Areas (NDAs) or potential development areas where such uses are concentrated.
- (2) Although there is no territory-wide survey on the detailed land uses of "brownfield sites", the broad distribution of such land uses on a regional basis is known. Areas with a high concentration of "brownfield sites" and with potential for more optimum uses, such as Hung Shui Kiu and Yuen Long South, have been identified and included in comprehensive planning and engineering consultancy studies for examination of their potential for housing and other uses. The details of the "brownfield sites" in these areas have been and will continue be collated in the course of the studies.