

CONTROLLING OFFICER'S REPLY

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(Question Serial No. 5414)

Head: (91) Lands Department
Subhead (No. & title): (-) Not Specified
Programme: (1) Land Administration
Controlling Officer: Director of Lands (Ms. Bernadette LINN)
Director of Bureau: Secretary for Development

Question (Member Question No. 49):

Under Matters Requiring Special Attention, it is said that the Lands Department will continue to streamline and expedite the processing of lease modifications, land exchanges and premium assessments. Will the Administration inform this Committee of the achievements made by the Department in streamlining and expediting the processing work in the past three years (i.e. 2011-12, 2012-13 and 2013-14) and the specific plan(s) to continue streamlining and expediting the processing work?

Asked by: Hon. CHAN Hak-kan

Reply:

In recent years, the Lands Department (Lands D) has implemented a number of measures to streamline and expedite the processing of lease modification/land exchange applications and premium assessments. They include the setting up of a dedicated team in two of the District Lands Offices to process lease modification/land exchange applications; simplification of lease conditions; streamlining local consultation in certain situations where local consultations have been conducted within a reasonably short time on essentially the same development proposal to avoid duplication; extending to the processing of the third premium appeals a fast track procedure whereby an applicant may submit a counter offer supported by justifications within 12 working days to which Lands D will respond within 24 working days; centralising at Lands D Headquarters the premium assessments in respect of lease modifications/land exchanges involving a premium of over \$100 million or a gross floor area permissible after the lease modification/land exchange exceeding 10 000 square metres and the revitalisation of industrial building cases; working in collaboration with stakeholders to launch a new set of updated construction cost data as a common reference by the Government and market practitioners to facilitate agreement in premium negotiations.

We have strengthened the manpower deployed for processing lease modification/land exchange applications notably in the above-mentioned dedicated teams. The time required for processing and concluding lease modification/land exchange applications depends on various aspects, such as finalisation of development parameters and other terms in the leases, resolution of any technical constraints, local consultation (if required) and

negotiations on premium. Given that it is an interactive and dynamic process in processing lease modification/land exchange applications during which the applicants' development proposals and decisions may be influenced by the market, the effectiveness of the enhancement measures may not be readily quantifiable in numerical terms.

Lands D will continue to rationalise land administration processes in consultation with stakeholders, including the revision of Practice Notes to promulgate practices, standards and guidelines such as those concerning the approval of building plans under leases. The Government will also introduce a Pilot Scheme for Arbitration on Land Premium to facilitate early agreement on land premium payable for lease modifications/land exchanges.