



21 September 2020

By Fax (2537 9083),
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Head, Policy Innovation and Co-ordination Office
Policy Innovation and Co-ordination Office
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Tamar, Hong Kong

Dear Mrs Fung,

Re: HKIS Views to 2020 Policy Address

On behalf of the Hong Kong Institute of Surveyors (HKIS), I have much pleasure in submitting our views and expectations as below for your consideration.

1 Land Supply

1.1 New Policies of the Government

- 1.1.1 The HKIS appreciates that the Government in 2020 has:
- (a) Commenced the "Land Sharing Pilot Scheme".
 - (b) Refined the "Pilot Scheme for Arbitration on Land Premium" with upper and lower limits for premium amount.
 - (c) Continued to promote streamlining of development controls amongst different departments.
- 1.1.2 The HKIS supports the Government to allow "Concession to Building Covenant Extensions" in relation to the outbreak of COVID-19. The concession policy should be reviewed further as Hong Kong has been hit by the "3rd wave" of the outbreak.

1.2 Review of the Premium Assessment Mechanism

- 1.2.1 In March 2020, the HKIS suggested to the Government to review the Premium Assessment Mechanism to "activate" private developments and redevelopments via lease modifications / land exchanges.
- 1.2.2 The suggestions include:
- (a) Make reference to transacted prices in the market.
 - (b) Review the membership composition of Valuation Conference and allow representations made by applicants.

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- (c) Strengthen manpower for premium assessment within Lands Department, including adding resources for assessing construction cost and providing advice on geotechnical issues.
- (d) Adopt “Standard Land Price” System.

1.3 Promoting Re-industrialisation

- 1.3.1 Strong demand is noted for modern industrial spaces, data centres and logistics spaces.
- 1.3.2 The HKIS supports the “Industrial Revitalisation 2.0” policy (including redevelopment for new industrial buildings). The timely provision of necessary spaces for modern industrial use, data centres and logistics use are important to Hong Kong.

1.4 Land Supply Strategy

- 1.4.1 The HKIS supports the recommendations made by the Task Force on Land Supply and urges the Government to speed up the actions as they were fully accepted by the Government in February 2019.
- 1.4.2 Developing Brownfield Sites: The HKIS agrees with the strategy to develop brownfield sites. The HKIS also supports the Government to explore options to accommodate some of the operations of brownfield sites which are important to Hong Kong. The options include providing new multi-storey buildings for such operations. Incentives could be provided to current operators for relocation.
- 1.4.3 Reclamation: The HKIS agrees with the strategy of “Lantau Tomorrow Vision” and near-shore reclamation outside Victoria Harbour. The Government should undergo detailed feasibility studies for the proposed reclamation works as soon as possible. The studies should cover various aspects, including estimated construction costs, details of planning and environmental impact concerns.

2 Building

2.1 Critical Review of Non-naturally Ventilated Bathroom/toilet Design to Avoid Health Risk in Buildings

- 2.1.1 The COVID-19 pandemic has alerted the public the prominent risk of spread of infectious disease via improperly installed or poorly maintained drainage system in buildings. The Government shall take prompt and



proactive action to review these non-naturally ventilated domestic bathroom/toilet design and remove the potential hazards to the public.

- 2.1.2 The risk of accumulation of germs or viruses in a bathroom or toilet of a domestic flat without adequate natural ventilation is generally believed to be substantially greater than that provided with proper ventilated window, in particular, when the building becomes aged and under-maintained.
- 2.1.3 The building policy adopted by the Government in late-1990s to allow modification of building regulations for permission of domestic bathroom and toilet design without natural ventilation via window is said to facilitate design flexibility. Unfortunately, this has brought unprecedented health risks to users and long-term maintenance and management problems to buildings.
- 2.1.4 This health risk is even more imminent in the very restricted space in the so-called “nano flats” where the germs or viruses can spread easily to the living area or bedroom from the bathroom/toilet. Although there are mandatory requirement for provision of mechanical ventilation to such bathroom/toilet without window installed, there is no effective means to ensure its functioning and proper cleaning after issue of occupation permit by the Buildings Department in the long term. It puts the users at even greater risk over time.

2.2 Remove Restriction on Above Ground Car Park Design

- 2.2.1 The Government has changed its long established policy on gross floor area (“GFA”) concession to car parks and loading/unloading areas in a building in 2010, only permitting a 50% GFA concession to the parking spaces provided in a building on ground floor or above where 100% concession was originally allowed under the law. This administrative measure was told to restrict the building bulk which should be determined under the jurisdiction of town planning regime on a site-specific basis.
- 2.2.2 The said change in policy has effectively mandated and forced all car parking spaces to be placed underground which has not only jetted up the construction cost but also substantially lengthened the construction time of the very deep basement construction. Basement car parks require extensive mechanical ventilation and result in significant energy consumption. Maintenance and cleansing of the ventilation system to keep it hygienic is always difficult and costly. There are numerous actual examples of basement car parks that are suffering from damp and water seepage problems which have severely affected its hygienic conditions.



Water leakage or stinky smell originated from poorly installed or maintained building drainage has also rendered the car parks an unpleasant and unhealthy environment.

- 2.2.3 Breakdown or malfunction of mechanical ventilation system in basement car parks would cause accumulation of hazardous exhaust gases from vehicles and colonising of germs and viruses which is highly undesirable, particularly in this pandemic situation.
- 2.2.4 The Government should thoroughly review the GFA concession policy on car parks and loading/unloading areas in a pragmatic and practical way to allow a healthier, more economical and sustainable design of car parks at above ground levels. The Government should be aware of the negative environmental impact of deep basement construction which is in contrary to the Government policy of promoting a sustainable city and building development.

2.3 Sub-divided Flat Units

- 2.3.1 The HKIS acknowledges that sub-divided units (the “SDUs”) have a role to play amidst the under-supply of public housing. However, a policy should be drawn up to facilitate improvements on those intolerable safety and hygiene conditions of some of the SDUs.
- 2.3.2 Noting that it is difficult for the SDUs to meet the prevailing requirements of the building regulations, we strongly suggest the Government formulate a separate set of interim design and construction requirements for the standards of such improvement works. A pragmatic approach should be adopted to allow most SDUs to be preserved after the necessary interim improvements. The HKIS strongly advises the Government to adopt a validation scheme to encourage upgrading of sub-standard SDUs alongside enforcement actions to phase out the sub-standard SDUs in the long run. This validation scheme could be implemented alongside the prospective tenancy control measures of SDUs which is being studied by the Government.
- 2.3.3 Pending the long-term supply of public housing, continued financial and policy support on erection of transitional housing is required for example by way of MiC construction on unallocated government land or other private land borrowed from the society. Priority support may be given to the occupants of SDUs affected by enforcement actions taken by the Buildings Department; and at the same time, manpower resources of the



- Department should be increased to tighten up the enforcement.
- 2.3.4 In the long run, we urge the Government to set out a clear policy to regulate the design and provision of small residential units for singleton and elderly persons.

3 Housing

3.1 Public Rental Housing

- 3.1.1 According to the latest figures released by the Housing Department in August 2020, there will be a total supply of some 101,300 public housing units (public rental and subsidised sale flats) in the coming five financial years from 2020/21 to 2024/25.
- 3.1.2 The above figure will only be about two-thirds of the targeted public housing supply set out in the 2018 *Long-term Housing Strategy Report*. That is not encouraging and the HKIS urges that more measures need to be taken to overcome this shortfall in public housing supply. Certainly, nobody in the community welcomes the ever-lengthening wait times for first allocations, which now average 5.4 years.
- 3.1.3 To cope with the public rental housing shortage, the Government should ensure sufficient land supply for building new public housing projects in the years to come.
- 3.1.4 So far, the HKIS has not seen major progress in the redevelopment of those remaining public housing estates completed during the 1950s and 1960s. We suggest the Housing Department speed up the redevelopment of these aged estates with a view to increasing the supply of new public housing units.
- 3.1.5 The HKIS also supports exploring the feasibility of building higher tower blocks (>40 floors) for new public housing estates.

3.2 Home Ownership Scheme/Subsidised Housing for Sale

- 3.2.1 Hong Kong's construction industry contributed to the successful Private Sector Participation Scheme (PSPS) Scheme for producing subsidised housing for sale in the past. Normally, a PSPS project could be completed in 3-4 years. Therefore, the HKIS suggests the Government to revamp the PSPS Scheme with a view to increasing the supply of subsidised housing for sale.



3.2.2 “Starter Homes” Pilot Projects for Hong Kong Residents developed by the Urban Renewal Authority (URA) in To Kwa Wan was well-received by qualified applicants. The HKIS, therefore, urges the Government to approve more “Starter Homes” to help first-time homebuyers who cannot afford private housing. These flats should be resold to local first-time homebuyers only.

3.3 Elderly Housing

3.3.1 Elderly-friendly building designs are considered essential for sustaining the well-being of Hong Kong’s senior citizens. Therefore, we propose to adopt a basic statutory domestic building design standard, which is similar to the disabled design codes. This will effectively enable the elderly to live safely in their own homes and reduce their demand for aged home facilities. The HKIS has proposed the relevant design codes and will be happy to discuss it further with the Buildings Department.

4 Land Management and Planning

4.1 Determination of Land Boundaries

4.1.1 Certainty of the location of land parcels is essential for the protection of the rights and interests of landowners and the Government. The Government has proposed to amend the Land Survey Ordinance (Cap. 473) (LSO) to provide the channel to determine lot boundaries. The HKIS supports the Government’s policy to provide a legal framework to allow landowners to ascertain the extent of their property through determination of land boundaries.

4.1.2 The HKIS understands that the LSO is to provide control of the standards of land boundary surveys and to maintain land boundary records. The HKIS opines that the current provision under the LSO is unable to provide reasonable measures for the stakeholders e.g. developers, landowners and potential buyers to have confidence in the reliability and standard of such land boundary surveys kept by the Government. The establishment of a modern and effective land boundary record system is not yet in place to support all types of land development projects. The HKIS urges the Government to strengthen its role as a Land Survey Authority by developing the legal framework for implementation of boundary determination to ensure certainty of the land boundaries, and thus avoiding disputes and delay in the development process. In the meantime, we urge the Government to consider adoption of



administrative measures to provide practical and intermediate solutions to rebuild the economy in the post COVID-19 era.

4.2 Building Information Modelling (BIM)

- 4.2.1 The HKIS welcomes the policy of an overall adoption of the Building Information Modelling technology to support all types of development in Hong Kong. We consider the Government should widen the scope of BIM implementation in Hong Kong to improve project's design, construction, cost control, project management, property management, preventive maintenance and facility management. The Government should facilitate setting up the relevant standards, providing training and promoting the applications of BIM in Hong Kong.
- 4.2.2 The Government should continue to promote the use of BIM technology in the construction industry and allocate resources for the capacity development, establishment of standards and data sharing of BIM. A central BIM data repository should be established to facilitate the management and exchange of open BIM data. To speed up the use of BIM and its drive for the Hong Kong Smart City, we recommend setting up a task force to construct the as-built BIM models with basic Level of Information Needed (LOIN) of all the existing high-rise buildings/infrastructures in Hong Kong.

4.3 Spatial Data Infrastructure (SDI) in Hong Kong

- 4.3.1 Accurate, timely and up-to-date information are necessary for making policy decisions and for managing Hong Kong in an effective manner. The Government should put forward policies to speed up Spatial Data Infrastructure (SDI) development and formulate a digital framework and standards for the development of Hong Kong as a smart city.
- 4.3.2 The HKIS is glad to know that \$300 million was earmarked to develop the Common Spatial Data Infrastructure (CSDI) for public use by the end of 2022. The HKIS welcomes the Government's continuous support for establishing the CSDI to consolidate, exchange and share more spatial data for organisations in both public and private sectors to use. As the budget allowed for is to develop those spatial data under the Development Bureau's family of departments, the HKIS urges the Government to provide support to open up Government data in all Government departments in the CSDI to facilitate policy planning and formulation across departments, and for the public to utilise and apply the geospatial data for supporting the smart city development.



4.3.3 The HKIS is also delighted to see the commitment of the Government in establishing the first Geospatial Lab so as to encourage the younger generation and start-ups to harness the use of spatial data to improve daily convenience and promote business opportunities. The HKIS looks forward to seeing the quality spatial data can soon be shared in an open, up-to-date, accurate, standardised and sustainable manner through CSDI so as to transform Hong Kong into a more spatially enabled Smart City.

5 Transport Planning and Management

5.1 The HKIS considers it necessary for the Government to conduct a Comprehensive Transport Study upon which a better transportation vision and hence desirable implementation strategies can be configured. The Government should review the provision of mass transit transportation in the New Territories to cater for the substantial increase in population due to the development of agriculture land in the New Territories.

6 Public Project Developments and Professional Supports

6.1 Budget Over-run on Major Infrastructure / Civil Engineering Projects

6.1.1 The social concerns and debates on various cases of budget over-runs in infrastructure / civil engineering projects have raised the attention in the local community on how the public expenditure is expended. We share the concerns of the public and suggest that the Government consider having a third party to conduct independent feasibility studies on the proposed projects or developments from the cost perspective. There will be benefits of seeking a second opinion on the viability of the project as well as possible cost improvements.

6.2 Sustainable Development of the Young Generation

6.2.1 Surveying professionals have always played an important role in the development of the construction and real estate sector. The young generation is our future.

6.2.2 A sustainable development plan for our young generation developed in an organised manner is highly recommended. We urge the Government to increase allocation of resources (including student intake numbers and teaching staff) to address the educational needs of surveying students in



the universities and tertiary educational institutions in Hong Kong. There are a lot of construction and real estate opportunities which Hong Kong needs to capture and embrace including urban regeneration, new development areas, Greater Bay Area and the Belt and Road Initiative.

We sincerely hope that our ideas and proposals will be further explored by the Government. Please contact the HKIS Secretariat at 2526 3679 if you require further information or would like to set up a meeting to discuss the above proposals.

Thank you for your attention.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'Winnie Shiu', is positioned below the text 'Yours sincerely,'.

Sr Winnie Shiu
President
The Hong Kong Institute of Surveyors

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