



THE HONG KONG INSTITUTE OF
SURVEYORS

香港測量師學會

19 December 2016

By Fax (2147 5770),
Email (policyaddressbudget@fstb.gov.hk) & Post

Policy Address and Budget Consultation Support Team,
24/F, Central Government Offices,
2 Tim Mei Avenue,
Tamar, Hong Kong

Dear Sirs,

Re: HKIS Views to 2017 Policy Address and 2017-18 Budget

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. Housing

The inadequate supply of housing both in terms of quantity and quality remains the most pressing concern of Hong Kong people. It is also regarded as one of the key causes of social discontent. More resources must be deployed to adequately provide the following.

1.1 Public Rental Housing (PRH)

1.1.1 The waiting time for first allocations has increased to an alarming 4.5 years. The Housing Authority says that it will step up enforcement to evict households whose income and asset thresholds exceed its stated limits. The HKIS, in its "Views to the 2016 Policy Address," already suggested that more affluent households should be encouraged to upgrade to Home Ownership Scheme (HOS) flats through monetary incentives. This, coupled with appropriate enforcement, would be more effective than eviction alone and less provocative to the affected households.

1.1.2 If the waiting time cannot be shortened considerably and soon, the number of sub-divided units (劏房) rented by households on the waiting list is bound to increase and the safety of occupants of sub-divided units will be put at risk.

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1.2 Subsidised Housing

- 1.2.1 The HKIS reiterates that given the wide price gap between HOS and private housing, it is essential to find ways to fill this gap to complete the housing ladder.

1.3 Youth Hostel

- 1.3.1 More NGOs should be encouraged to develop youth hostels within their existing compounds so that they would not have to compete for scarce land resources.

1.4 Elderly-Friendly Housing

- 1.4.1 Hong Kong's rapidly ageing population reiterates the necessity of a corresponding policy to handle its housing needs.

- 1.4.2 The HKIS is conducting a study on the issue and will promulgate its recommendations soon. Principally, it considers that:

(i) Elderly Housing Schemes should be developed by referencing to elderly housing schemes of the Hong Kong Housing Society, but with modifications so that other organisations such as the Urban Renewal Authority, and even NGOs would also be capable of developing them.

(ii) Elderly-friendly designs should be incorporated into private projects through government land sales, incentives for redevelopment projects, and (in the long run) legislation.

(iii) The town planning standards have to echo the above. The HKIS is glad to hear that the Hong Kong 2030+ has taken into consideration of the ageing population issue.

(iv) Most of all, a centralised policy bureau has to be set up to oversee the hardware and software of the above suggestions. But foreseeing that this may take a while to realise, a committee led by the Chief Secretary, similar to the Commission for Poverty, should be set up as soon as possible to push ahead with appropriate measures or pilot schemes.

1.5 Provision of Leasing Accommodation in the Private Market

- 1.5.1 The current focus of the Government is upon the sale of units to the market. There is a genuine lack of stock for leasing purpose



in the private market. Land could be made available for leasing purpose only so as to meet the leasing demand in the urban area.

2. Building

2.1 Building Safety

2.1.1 The HKIS has proposed the government to establish a Building Repair and Maintenance Authority (BRMA) to regulate the market and practitioners of building repair and maintenance works for private buildings in multi-ownership since 2014. A supplementary proposal was prepared in 2015 with the aims to formulate an implementation plan for setting up the BRMA. The HKIS proposed a transitional body named “Building Repair and Maintenance Advisory Committee (樓宇維修工程諮詢委員會) (BRMAC)” to be established during the transitional period before setting up of the BRMA.

2.1.2 Building maintenance and repairs require extensive professional knowledge in surveying practice. The Home Affairs Department, should consider strengthening the co-operation with other relevant bureau and/ or departments, to promote knowledge and culture of maintenance and repairs works to the general public. The HKIS is pleased to offer opinions and discuss with the concerned parties if required.

2.2 Sub-divided Flat Units

2.2.1 The Institute acknowledges the function of sub-divided units (the “SDUs”) in satisfying the present housing need of the Hong Kong Society at large, in particular, the low-income families and eradication of all SDUs is not practical and realistic. We note the safety and hygiene conditions of many SDUs are far below acceptable level. Plans have to be drawn up to make improvement to such undesirable situation.

2.2.2 Noting the great hardship to meet the prevailing requirements of the Building Regulations, we strongly suggest the Government to formulate a separate set of interim design and construction requirements to set the standards of such improvement works. We see a pragmatic approach should be adopted to allow more SDUs could be preserved after necessary improvement. In view of the compromised building standards of most SDUs, we consider licensing or registration is not an appropriate means to regulate the SDUs. Instead, a validation scheme may be more



practical to encourage improvement of sub-standard SDUs alongside with strengthened enforcement actions by the Government with a view to phase-out the sub-standard SDUs in the long run.

- 2.2.3 In parallel, sufficient transitional housing is required to accommodate SDU occupiers affected by the improvement works or government enforcement actions by way of temporary buildings at unallocated government land or conversion of other vacant government buildings or extension of existing public housing buildings. We suggest the Government allocates an extra funding for temporary housing for SDUs upon the enforcement action to be exercised by Buildings Department and increases the manpower resources of Buildings Department.
- 2.2.4 In the long run, we urge the Government to set out a clear policy to promote design and provision of small residential unit for singleton and elderly persons.

3. Land Supply

3.1 General View

- 3.1.1 We appreciate that the government endeavours to explore various strategies to increase Hong Kong's land supply. To increase short-to-medium term land supply, the government should consider enhancing and streamlining the planning and land administration process with an aim to: (1) minimise works and approval processes that do not create value for the community and (2) set target times and monitoring processes for the approval of overall plans rather than of the individual steps of individual departments.

3.2 Allocate More Resources to the Recruitment of Professional Surveyors in the Lands Department

- 3.2.1 The resources for professional surveyors in the Lands Department are not sufficient to cope with the workload. Due to the shortage of manpower, resources are primarily allocated to land sale and land control. Private land supply through such means of lease modification and land exchange has been severely restricted. We strongly advise the Government to allocate more resources to the recruitment of professional surveyors in order to speed up the supply of private land.



3.3 Review of Definitions of “Industrial Use” under Land Grants

- 3.3.1 The definition of “industrial use” under land grants has restricted the efficient use of such resources. A review of such definition and the land premium policy for change of such use should be undertaken.

3.4 Comprehensively Review and Rezone Existing CDA, R(D), and R(E) Zones as Normal Commercial and/or Residential Zones and Streamline the Processing of Planning Applications

- 3.4.1 Reviewing the effectiveness of CDA zoning is recommended. CDA usually covers sizable areas of land. The difficulties in developing sizable CDAs have much to do with multiple ownership. Negotiations to develop a consensus on development are often time-consuming and fruitless. The government can minimise the number of CDAs, as well as downsize and break down large CDAs, to facilitate early implementation. Rezoning CDA, R(D), and R(E) zones as normal commercial and/or residential zones, according to planning intentions, would also be useful.
- 3.4.2 Streamlining the processing of planning applications would help expedite the planning process. We also suggest: (1) limiting the number of impact assessments required for planning applications and (2) focusing on land use compatibility, broad brush traffic studies, and other necessary technical studies when considering planning applications. Detailed technical assessments can be dealt with in the planning approval conditions.

3.5 Streamlining the Premium Assessment Process in Lease Modifications

Disputes over premium assessments during lease modifications/land exchanges are considered deadlocks standing in the way of the development of privately-owned land. There are various ways to streamline the application and assessment processes:

- Enhance communications between the Lands Department and practitioners.
- Regular studies on construction cost and marketing cost trends by the government or its consultants.



- Re-establish the Modification Section for centralised processing of lease modification/land exchange cases which will enhance effectiveness and efficiency.
- Review the various assumptions of land premium assessments with a view to promoting greater land supply.
- The Pilot Scheme for Arbitration on Land Premium is useful. The government should review the feedbacks they receive so far from owners/developers with a view to make the scheme a more effective facilitator for private land supply. Increase the transparency of the process would help including like (1) allowance for rebuttal and (2) the publication of the arbitration award if the parties agree.

3.6 Conclusion

The HKIS appreciates that the government is making significant efforts to increase Hong Kong's long-term land supply. In terms of short-to-medium term strategies, the HKIS believes that streamlining the land administration and planning processes would facilitate the private sector's participation in increasing land supply and help unlock the land resources that are currently under-utilised and/or lying idle.

4. Land, Management and Planning

4.1 Determination of Land Boundaries

- 4.1.1 Certainty of the location of land parcels is essential for protection of the rights and interests of land owners and the government. The Government has proposed to amend the Land Survey Ordinance (Cap 473) (LSO) to provide the channel for determination of the boundaries of a lot. The Institute supports the government's policy goal to provide a legal framework to allow land owners to ascertain the extent of their property through determination of land boundaries. The Institute understands that the Government is reviewing the related issues and is asking for the amendment to the Land Survey Ordinance and the establishment of a Land Boundary Authority and mechanism to sanction modern boundary surveys so that they could gain legal status. The Government should speed up the work in developing the legal framework for implementation of determination of boundaries so as 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 solution.



4.2 Building Information Modelling (BIM)

- 4.2.1 Since the Building Information Modelling Technology is still at the beginning stages of its employment, we consider the Government should impose policy for wider implementation of BIM in Hong Kong for improving the design, construction, cost control, project management, property management, preventive maintenance and facility management. The Government should facilitate setting up assistance loan scheme and standards, providing training and promoting application of BIM 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 managing Hong Kong in an effective manner. The Government should put forward policies to speed up Spatial Data Infrastructure (SDI) development, and formulating a digital framework and standards for development of Hong Kong as a smart city. In order to enhance the capability and usability of the data, it is important to set up a platform to openly integrate and deliver computer-readable, real-time and non-real-time data. It is an important tool for land use management, developing land and housing strategy, urban design, town planning, environmental studies, traffic management, greening and tree management. The SDI also facilitates development of innovative services with advanced information technology.

5. Transport Planning and Management

- 5.1 The Institute reiterates that apart from the mass transit transportation system, the road network planning (including pedestrians and cyclists) in Hong Kong should be compatible with the urban and/ or city developments and planning. Apart from the needs of travel between home and working place, the needs of travel for schooling cannot be overlooked. Daily congestion at the conjunction of the main trunk roads between the New Territories East and Kowloon hinders the new town development in New Territories East and New Territories West. The Government should strengthen the co-ordination between transport planning and town planning at policy level. With the active government land sales programme, we noted that various government lands which were for car parking purposes (mainly for private cars and lorries) have ceased to be available. There are also concerns about coach parking in various tourist and



shopping districts. These issues need to be studied comprehensively and solutions to be worked out to address relevant parking needs.

6. Public Project Developments and Professional Supports

6.1 Government Investments and Labour Supply

6.1.1 We welcome the Government to allocate resource in the development of major infrastructure projects in recent years. However, we also note that the skillful labour force cannot cope with the need of these substantial projects.

6.1.2 We suggest the Government reviews the existing labour supply market in the construction and building industry to ensure that sufficient labour supply can be provided for public and private projects.

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

6.2.1 With so many cases of budget over-run on infrastructure / civil engineering projects, we suggest the Government appoints independent cost consultants (who may be Engineering Consultants, Cost Consultants or Quantity Surveyors) to improve the cost control and contract management of these Public Works projects.

6.3 Sustainable Development of Young Generation

6.3.1 Surveying professionals have always played their parts to maintain a healthy and stable development of construction and real estate sector. To uphold the standard of the industry, a sustainable development plan for our younger generation in an organised manner is highly recommended.

6.3.2 Through education, the Government may consider putting additional resources to surveying discipline organised by recognised tertiary institutions and universities immediately to cater for the need of the society.

7. Promotion of Business and Professional Services

7.1 Under the CEPA framework, the HKIS relied on the Government with its continuous efforts to facilitate our professional services to gain access to the Mainland market and to encourage mutual



recognition of professional qualifications. Yet, HKIS members still encounter difficulties and limitations concerning registration procedures in the Mainland which prevent us from practice in the Mainland, even though our members do possess professional qualifications which are mutually recognised. We would like to bring this up to the Government again for attention and assistance.

8. Local Research is Much Needed

- 8.1 The Institute finds that the researches made by professors and students in various local universities are heavily engaged in subjects of "international significance". It is important to have more researches conducted by our talented professor and students with the focus on local matters which could help Hong Kong better understand the problems we are facing / foreseeing and then to come up with possible "solutions".
- 8.2 The Government should encourage more local research studies (in particular on subjects like land use and development, and transport) to be made by academics and students in local universities. This can probably be encouraged through the funding requirements of the University Grants Committee. In order to better address local subjects, it is recommended that the researchers should consult stakeholder groups including relevant professional institutes.

We sincerely hope that these ideas and proposals will be further explored with your Policy Secretaries. Please contact Ms Karen Tam on 2526 3679 if you require more information or would like to set up a meeting on the above proposals.

Thank you for your attention.

Yours faithfully,

Sr Thomas Ho
President
The Hong Kong Institute of Surveyors



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