



THE HONG KONG INSTITUTE OF
SURVEYORS

香港測量師學會

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By Fax (2537 9083),
Email (policyaddress@cso.gov.hk) & Post

Policy Address Team,
26/F, West Wing,
Central Government Offices,
2 Tim Mei Avenue,
Tamar, Hong Kong

Dear Honourable Mr LEE,

Re: HKIS Views to 2022 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 Adjust the GFA exemption arrangement for newly built car parks to allow more opportunities of exemption for car parks built on the ground

The car park provisions required by the Transport Departments for new developments has been raised to meet with the car parking needs (i.e. higher-end parameters under HKPSG). The current measure only fully exempts underground car parks from the calculation of statutory floor area, resulting in a significant increase in the development time (which can exceed one year) and construction costs for the development of many properties with basement car parks, including public housing.

Provision of independent staircases for escape from each deep basement floor would take up significant space at each basement floor and valuable ground-floor space and frontage of the buildings.

The operation and maintenance costs of underground car parks are high while the usage conditions are not satisfactory, including risks such as flooding and water seepage. Deep basement construction not only incurs significantly greater carbon emission but also dumping of excavated debris. Continuous operation of mechanical ventilation system in the basement over the years would cause unnecessary energy consumption which is against the policy of sustainable development.

To remove the delay due to lengthened construction time arising from the difficult and laborious basement excavation works in domestic building project, basement constructions shall be discouraged. In this connection, car parking spaces shall be

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permitted to be placed on or above ground level with full gross floor area exemption as it was used to be before 2011. This could easily shorten at least 6 to 9 months of the development cycle.

By imposing the high-end car parking requirements alone will not solve the issue of traffic congestion. There must be more measures on traffic management and law enforcement. A paper from HKIS is to be submitted for the issue with recommendations included.

1.2 Planning Approval Process – delay and problems of “comments”

The HKIS has selected 14 planning applications (minor relaxation within the OU(B) zone or C zone) in Kowloon East for review and identified the problems as below:

- Lengthy Process - Twelve out of the fourteen cases experienced deferments, with two of them being deferred for three times.
- Required Excessive Details for Proposed Schemes – say internal layout for the upper floors
- Irrelevant Consideration – say private operation of a site (medical related use)
- Challenging to Implement – say GFA accountability of canopy

A paper from HKIS is to be submitted for the issue with recommendations included.

1.3 Streamline the development approval process among departments

Continue streamlining the development approval process under Buildings Department, Lands Department and Planning Department. All other technical departments involved in the process shall strictly adhere to the time pledge for returning comments to the three departments otherwise “no objection” shall be deemed. Better coordination and collaboration among government departments are required.

Review manpower and structure of the departments being involved in the approval process so that sufficient manpower could be assigned to deal with the increasing submission demand particularly for those area with comprehensive development / substantial development (i.e. Kai Tak, West Kowloon and Northern Metropolis, etc).

1.4 Excessive requirements on new tender sites

The HKIS has reviewed 36 land sale tender documents while three tenders were unsuccessful. For the 25 residential sites, the Building Covenant period (“BC period”) ranges from 55 to 92 months with an average of 68 months – which is long. Most of



them include the requirements for (1) provision of public car park and GIC facilities and/or (2) different impact assessments

For the requirement of public car park and GIC facilities, they created significant constraints on the development and the land sale revenue was adversely affected. Some of the impact assessments have been creating unnecessary delays in the completion of some of the projects.

A paper from HKIS is to be submitted for the issue.

1.5 Issue of “Non-polluting industrial” use under Planning Regime and “Industrial” use under land lease

20% additional plot ratio for redevelopment of old industrial buildings was promoted by the Government (including for industrial use). There were some cases that 20% additional plot ratio with “non-polluting industrial” use were approved by Town Planning Board.

Developers intend to redevelop such old industrial buildings to new industrial buildings under the existing lease requirement (i.e. Industrial / godown use). There are different interpretations of “non-polluting industrial” use under planning regime and “industrial” use under land lease.

Those redevelopment projects (especially for GBP approval) have been affected – requirement of unnecessary lease modification (with premium). The situation is not in-line with the general policy of the Government to increase floor spaces supply.

Better communications or consensus between LandsD and PlanD should be promoted.

1.6 Private Development (non-small house) within Village Environs (VE) / “V” zone

The boundaries of “V” zones may not necessarily coincide with those of VEs. Private lands (owned by private owners but not indigenous villagers) in VEs but outside V zone have not been entertained for land exchange by the Lands Department for years. As such private lands are not owned by indigenous villagers, they cannot be used for small house development neither.

Thus, those private lands have been kept idle resulting in a waste of land resources. A clear policy is needed for allowing private developments within VEs / “V” zone.



1.7 Interest Payment for ex-gratia compensation payment

Ex-gratia compensation is intended to help resumption activities of the government which would speed up compensation payment to be made to affected owners. However, very long time (one year plus) is needed for the administrative activities including acceptance of property title by the LandsD and compensation payment would thus be delayed.

Interest will be paid (from the date of reversion up to the date of payment). However, the interest rate applied by the government is very low, (as noted in a recent case in the order of 0.001% per annum); this is not reasonable for owners who have been deprived of their property. Furthermore, the interest is calculated on simple rate.

The Government needs to speed up the title checking process – which in the market would take a few weeks only. The interest rate needs to reflect market reality like interest rates determined by the Lands Tribunal at Prime rate +1% or interest rates for Silver Bond (which was 3.5% pa and will become 4% as announced by the Financial Secretary recently).

1.8 Build resort hotels in suitable tourist and leisure spots to expand reception capacity

Look for opportunities to develop resort hotels in suitable locations of high recreational and/or scenic values like Lantau South, so that more Hong Kong citizens and tourists can enjoy the attractions (including sunrise and sunset views) for longer periods.

1.9 Tso/Tong Lands

A number of Tso/Tong land have been left idle for a long time and some of which are situated in the middle of privately owned sites. To release the development potential of these sites, the Government should consider how to resolve the existing difficulties.

1.10 Civil Servants' co-operative building societies

There are a number of sites owned under the Civil Servants' Cooperative Societies but the development potential of most of these properties are restricted. Even though the owners are willing to sell the sites to developer for modification for redevelopment purpose, the approval and premium assessment processes are extremely slow. This would defer the land supply in the open market. We hope the Government streamlines the process so that more land could be released.



1.11 Inadequate power supply for data centre

The Hong Kong Government has repeatedly mentioned that Hong Kong should be developed as a hi-technology hub. Several funds are trying to acquire properties and redevelop them as data centres or to convert the existing buildings into data centres. However, they were informed that power supply for most of the areas in Hong Kong are inadequate and it would take 6 to 7 years at least for China Light and Power to develop sub-stations for supplying electricity to the sites. We hope the Government should consider how the problems could be resolved so that adequate data centres can be developed to meet future demands.

2. BUILDING

2.1 Construction of supporting infrastructure and associated site formation works

Construction of supporting infrastructure and associated site formation works could be entrusted and undertaken by developer of a development site in one package. This could avoid idling of land resource due to prolonged waiting of completion of the relevant advance works by government as a result of the tedious administrative processes by the works department and funding approval of the LegCo before putting the land for sale. The advancement of land sale programme could advance private housing supply time schedule. This also applies to the public housing development projects.

2.2 Modular Integrated Construction (MiC) Policy

Promotion of wider adoption of MiC method should be supported. More incentives in terms of plot ratios for MiC projects could be introduced to the private sector (e.g. increase GFA from 10% to 20%). The government could support the technical training and designate land and set up an initial fund to help setting up local assembly plants and stacking yards to facilitate training of local skills and workers as well as technological development. The design and construction standard for MiC shall be reviewed to ensure it is practical and economical.

2.3 Flexibility for “proper conversion” of non-domestic building to domestic use

Flexibility for “proper conversion” of non-domestic building to domestic use should be further explored under the Buildings Ordinance control, town planning perspective and the lease restrictions to facilitate short term supply of residential units in or at the fringe of urban area.



2.4 Relaxation of plot ratio limit

Relaxation of plot ratio limit under OZP may be further visited. For example, the 7.5 plot ratio constraint for domestic buildings or domestic part of the buildings for R(A) zone for most Kowloon area could be lift at certain appropriate locations to raise the private housing supply.

3. HOUSING

3.1 Public Rental Housing

There continues to be a lot of concerns for public rental housing supply as the average waiting time for first allocations is 5.8 years now. The projected new supply of 101,300 public housing units (including both public rental and subsidised sale units) in the five Financial Years from 2020/21 to 2024/25 is still far below the target supply figure as stated in the 2018 Long Term Housing Strategy Report.

To expedite the supply of the public rental housing, we propose to build higher public housing block towers, say up to 50 floors, which will lead to a 25% substantial increase in flat supply as compared to the current 40-storey high block towers.

We observe that redevelopment of old public housing estates which were completed in the 1950s and 1960s have been in slow pace. We propose the Housing Authority to take serious efforts in redeveloping these old estates in the next five years.

3.2 Transitional Housing

As transitional housing supply is still critical in the near future, the height of transitional housing blocks could be raised to about 6-8 stories from the current 4 stories to double the supply within a short period of time.

We appreciate various NGOs' great efforts in carrying out many transitional housing projects with the Government funding of HK\$2 billion last year. To satisfy the overwhelming housing demand from people living in sub-divided flat units, we strongly opine that the Government should continue to give full support (both in terms of financial funding and land allocations) to the transitional housing projects in the years to come. Unsatisfactory sub-divided flat units should be phased out as soon as possible.

In this connection, we propose that the Government may consider sponsoring the HKIS to give necessary technical consultancy on the MiC design/procurement and



construction to those NGOs who are adopting MiC for their transitional housing projects.

3.3 Home Ownership Scheme (HOS)/Subsidized Housing for Sale

Hong Kong construction industry had contributed to the successful Private Sector Participation Scheme (PSPS) for providing subsidised housing for sale in the past. Normally a PSPS project could be completed in 3 to 4 years' time. Therefore, we would like to request the Government to revamp the PSPS Scheme with a view to speeding up the supply of subsidised housing for sale.

3.4 Starter Homes Pilot Project for Hong Kong Residents

We support the Urban Renewal Authority (URA) to continue the development of Home Starters Scheme Housing projects. It is an effective way to help those first-time homebuyers who cannot afford private housing. For the sake of natural justice, we consider the Home Starters Scheme Housing flats should only be resold to those local first-time homebuyers in the second market.

3.5 Elderly Housing

Elderly-friendly building designs are considered very helpful in sustaining the elderly's well-being. Therefore, we propose it should be adopted as a basic statutory domestic building design standard, similar to the disabled design codes, which will effectively enable the elderly to live safely in their own home and hence results in a delay of their demand for Aged Home facilities. The HKIS has produced a relevant design codes proposal and will be happy to discuss further.

3.6 Idle school sites

We noted several schools were vacant and idle due to the drop in pupil number in recent years. We would recommend the Government to consider redeveloping these sites for public housing or subsidized housing. Alternatively, these sites could be modified as multi-storey transitional housing.



4. LAND MANAGEMENT AND PLANNING

4.1 Accelerate Land Development with Quality Land Related Information and Integrated Platform

Seeing the forthcoming development of the Northern Metropolis, the Government should formulate a strategic plan to improve the reliability of the land boundary records, particularly in the New Territories, with a view to accelerate land development projects, including land resumption for public works and land exchange for residential development, where solving land boundary problems is always a stumbling block in the process.

We also see another bottleneck in the land development process caused by information exchange between Government departments. Therefore, we would like to suggest the Government sets up an inter-departmental Common Data Environment (CDE) using the Common Geospatial Information System Platform (CGISP) proposed in the consultancy report in 2017 as basis to facilitate information exchange among the involved departments in the land development process.

4.2 Electronic Submissions of BIM to Shorten Processing Time by Departments

While we are glad to see the first stage rollout of the Electronic Submission Hub (ESH) by Buildings Department in 2022, we would like to see Buildings Department's next move to promote the use of BIM for submission and all Departments to utilize the BIM submissions to accelerate their processing works as one of the measures to streamline development control

4.3 Wider use of Building Information Modelling (BIM) for Smart City Blueprint

The Government should continue to promote the use of BIM technology in the construction industry and allocate resources for BIM capacity building, standards formulation and data sharing. We have seen the Government's serious effort paid to boost the use of BIM in public works. To further realise the benefits of BIM and its drive for the Hong Kong Smart City Blueprint, we suggest the Government sets up a task force for the construction of as-built BIM models of basic Level of Information Need (LOIN) standard of all the existing high-rise buildings/infrastructures in Hong Kong using advanced surveying technologies available.

4.4 Spatial Data Infrastructure (SDI)

Accurate and up-to-date geospatial information including three-dimensional (3D) digital map is indispensable for policy formulation and informed decisions making. The Government should continue building/developing Common Spatial Data Infrastructure



(CSDI) and 3D digital map as they are the critical infrastructure for the development of Hong Kong as a Smart City.

We look forward to the launch of the CSDI portal for public use by the end of 2022 and 3D digital map by 2023; and having a long-term strategy in CSDI sustainable development. The Government should continue mining, creating, and soliciting more geospatial data from the public as well as private sectors for the CSDI to facilitate policy planning and formulation across bureaux/departments, different corporate businesses needs and for the public to share, utilise and apply the geospatial data supporting innovative applications and the smart city development.

We are delighted to see the establishment of the Geospatial Lab in July last year and looks forward to collaborating with the Lab on various activities. The Government should educate more teachers/students on the importance of spatial technology; encourage more young people and start-ups to harness the use of geospatial data to improve daily lives of Hong Kong people; and promote business opportunities through Geospatial Lab.

4.5 More Surveyors' Input in Capital Works Projects

We would like to see the Government invest more on professional surveying input in the Government and the industry in taking forward public works projects, particularly for the new development areas. Surveyors are familiar with managing spatial information. With the Government's Smart City initiatives in the construction industry like adoption of BIM, the involvement of more surveyors in capital works projects will enable better coordination for compliance of standards in various BIM processes like BIM authoring, as-built BIM survey and BIM data management throughout the construction and asset life cycle. This will facilitate the digitalization of the delivery of works project, spare the effort of engineers/architects for engineering and project management, shorten the construction period and save cost.

4.6 Training Support to Meet Demand of Surveyors

We see the increasing demand of professional land surveyors to support the development of spatial data infrastructure and the Smart City applications in Hong Kong. We also see the shortage of supply of land surveyors in the construction industry. Therefore, training of land surveying graduates has become urgent to meet the needs both in quantity and quality. We would like to suggest the Government extends the training subsidy schemes for graduates under Support Measure from 1 year to 2 years to align with the duration of professional training as required by the HKIS. As such, it will encourage more private land surveying firms, which are mostly SME, and other land surveying related companies to offer more training opportunities to the graduates. We would also like to suggest the Government makes this Support Measure as a standing measure.



5 PUBLIC PROJECTS DEVELOPMENTS

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

There will be an up-climbing Government investment in infrastructure / civil engineering projects under the Lantau Tomorrow Vision, the Northern Metropolis Development, and future railway and roadwork projects associated with increasing public housing development, etc. The HKIS suggests the Government fully employs independent cost consultants from planning, pre-construction, and construction up to the handover of infrastructure / civil engineering projects to escalate "check and balance". of project expenditures.

5.2 Innovative Construction

The HKIS supports the Government's initiatives in adopting BIM, DfMA and MiC in the local construction industry. The HKIS suggests the Government supports research to explore innovative technologies to boost productivity, quality and also site safety. The HKIS also suggests the Government supports the construction industry in data transformation through digitalisation and employing Common Data Environment for effective data management, data sharing and collaboration, and also achieving a green office.

6 MAGNIFYING AND INVESTING IN LOCAL SURVEYING EDUCATION

The figures by the Census and Statistics Department shows concern on the workforce due to ageing population and international migration. The provisional figures in 2022 demonstrated one out of five Hong Kong people are aged 65 or over while the population growth rate is -1.6%. Hong Kong is facing a shortage of young talents and professionals in the future. The HKIS is particularly concerned on the diminishing student cohort sizes of various local surveying bachelor's degree programmes in the coming years. In view of the imminent planning on various construction in Hong Kong such as the Northern Metropolis and Lantau Tomorrow Vision, there has been an expanding demand for surveyors in the local construction and real estate industry. The HKIS would wish the Government to implement necessary resources and funding to the local universities for increasing the student cohort sizes of the various local surveying bachelor's degree programmes to suit the future demand on surveyors.



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, reading 'Kam Kuen Chiu'.

Sr CHIU Kam Kuen
President
The Hong Kong Institute of Surveyors

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