

**Replies to questions raised by Finance Committee Members in examining the
Estimates of Expenditure 2022-23**

Government Property Agency

Reply Serial No.	Question Serial No.	Name of Member	Head	Programme
FSTB(Tsy)003	0212	TSE Wai-chuen, Tony	51	(1) Acquisition and Allocation (3) Estate Utilisation
DEVB(PL)058	0554	LEE Chun-keung	51	(1) Acquisition and Allocation

CONTROLLING OFFICER'S REPLY

(Question Serial No. 0212)

Head: (51) Government Property Agency

Subhead (No. & title): ()

Programme: (1) Acquisition and Allocation, (3) Estate Utilisation

Controlling Officer: Government Property Administrator (Eugene FUNG)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

The work of the Government Property Agency (GPA) involves assessing and co-ordinating Government's needs for civil servant quarters, and advising bureaux and departments to optimise the utilisation of surplus properties with potential for commercialisation or alternative government uses. Regarding the management of non-departmental quarters (NDQs) and surplus government quarters, will the GPA inform this Committee:

1. of the reasons for the decreasing number of NDQ units in recent years; whether all of these NDQ units (or sites) have been sold since the decrease; of the number of the existing 310 NDQ units located in private developments;
2. of the numbers and total disposal values of the former NDQ units sold in the past 5 years; of the time taken, in general or on average, from non-occupation to completion of sale of a former NDQ unit;
3. of the latest situation of the 9 NDQ sites to be gradually sold as proposed in the 2015 Report of the Working Group on Long-term Fiscal Planning; whether the Government has drawn up its work plan and schedule for the sale of these sites; whether the Government will take the initiative to encourage some of the existing tenants to move for consolidation with a view to expediting the sale of some of these sites;
4. of the number of surplus quarter units currently held by other departments; and whether there are any disposal plan and timetable?

Asked by: Hon TSE Wai-chuen, Tony (LegCo internal reference no.:27)

Reply:

In consultation with the relevant bureaux and department, the reply of the Government Property Agency (GPA) is set out as follows:

1. & 2. Civil servants offered appointment before 1 October 1990 on local terms and receiving a substantive salary equivalent to Master Pay Scale Point 45 or above, and those offered appointment before the same date on overseas terms may apply for non-departmental quarters (NDQ). As the number of eligible civil servants has continued to decline due to gradual retirement, the Government has correspondingly reduced the number of NDQ required.

As at 28 February 2022, there were 336 NDQ units of which 91 units were located within private developments.

The Civil Service Bureau regularly assesses the demand and supply of NDQ. Any surplus NDQ units would be transferred to the GPA for assistance in handling. Normally, the GPA would put up the quarters units for sale where appropriate. If the quarters en bloc become surplus, the GPA would transfer the quarters site to the Lands Department (LandsD) for alternative development or disposal. The disposal priority is subject to a number of factors (see the reply in part 3 below). As an interim arrangement before the disposal of the quarters units or the site, the GPA would normally consider leasing out the properties at market rent in the open market for better use of public resources. Therefore, the vacancy period of the quarters units before disposal would generally be the time required for completion of the disposal process subject to a number of external factors. It may not be appropriate to simply work out the average time taken.

During the past 5 years up to 31 December 2021, the GPA sold a total of 19 ex-NDQ units under the above-mentioned mechanism, with overall sale proceeds at about HK\$800.72 million.

3. The Phase Two Report of the Working Group on Long-Term Fiscal Planning in 2015 pointed out that 9 NDQ sites were expected to gradually become surplus in the coming two decades upon the retirement of eligible civil servants who joined the Government before 1 October 1990. The Working Group recommended that the Government should continue with the established policy of disposing of NDQ sites and units by sale as and when they become available, and adopt a pragmatic approach to allow flexibility in the disposal mechanism and to avoid selling valuable government properties when the market sentiment is weak. The disposal priority should be guided by the status of the NDQ decanting programme, the potential revenue to be captured, the site utilisation to be enhanced through redevelopment, and the sentiment of the market. As an interim arrangement pending permanent disposal, the Government should continue leasing out surplus NDQ units. At present, 6 of the NDQ sites are still being used as NDQ. The Government is considering the appropriate options for the handling of the remaining 3 sites which have some vacant quarters units, including leasing out surplus quarters units therein as an interim arrangement and disposal by land sale when appropriate.

4. The GPA does not have the statistics on all surplus quarters which are currently under the purview of other departments. Under the existing mechanism, if the relevant bureaux/departments, after considering their operational needs, confirm that the quarters units under their allocation responsibility are no longer required for quarters use, they will regard those quarters units as surplus for conversion to other usage, or seek the GPA's assistance in identifying alternative users within the Government or putting the properties up for lease or sale in the market. If lands or planning issues are involved in the handling of surplus quarters, the relevant department may seek the GPA's assistance in consulting the Planning Department and the LandsD, etc.

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CONTROLLING OFFICER'S REPLY

DEVB(PL)058

(Question Serial No. 0554)

Head: (51) Government Property Agency

Subhead (No. & title): ()

Programme: (1) Acquisition and Allocation

Controlling Officer: Government Property Administrator (Eugene FUNG)

Director of Bureau: Secretary for Development

Question:

The Bureau stated that it will continue to work with relevant bureaux and departments to pursue the “single site, multiple use” model to facilitate multi-storey “Government, Institution or Community” projects and take forward the first batch of projects. In this connection, would the Government advise this Committee of the progress of the first batch of these projects and the multi-storey “Government, Institution or Community” projects with a breakdown by project?

In addition, in view of the problem of shortage of parking spaces in various districts, will the Government earmark certain projects for the provision of parking spaces in the course of implementing the “single site, multiple use” model? If yes, what are the details?

Asked by: Hon LEE Chun-keung (LegCo internal reference no.: 6)

Reply:

The measures on “single site, multiple use” would facilitate the implementation of multi-storey “Government, Institution or Community” developments involving multiple public facilities and the effect is becoming visible. Latest progress of the first batch of projects is tabulated as follows: -

Project	Latest Progress
Joint-user complex at the former Anderson Road Quarry	We plan to construct a joint-user complex which will provide a multi-purpose sports centre, a public library, a community hall, a range of welfare facilities including elderly, family and child, and rehabilitation services as well as underground public carparking facilities. We consulted the Housing, Planning and Development Committee of the Sai Kung District Council (DC) and the Housing, Planning and Lands Committee of the Kwun

Project	Latest Progress
	<p>Tong DC on the initial user mix in March 2020 and May 2020 respectively. Members generally supported the proposal.</p> <p>We completed the technical feasibility statement of the project and further briefed the Housing, Planning and Environment Committee of the Sai Kung DC and the Housing, Planning, Lands, Development and Redevelopment Committee of the Kwun Tong DC in November 2021 and February 2022 respectively on the planning concepts of the joint-user complex. In the meantime, planning application was approved by the Town Planning Board (TPB) in March 2022 for minor relaxation of the building height restriction and permission for “public vehicle park (excluding container vehicle)” use within the site zoned “Open Space” to optimise site utilisation. We target to apply for funding from the Legislative Council (LegCo) for the construction of the proposed complex in 2022.</p>
<p>Joint-user complex at Tseung Kwan O town centre</p>	<p>We plan to construct a joint-user complex which will provide facilities including a public market, a district health centre, a blood donation centre, a child assessment centre, a maternal and child health centre, a dermatological clinic, a range of welfare facilities (including services for the elderly and mentally handicapped persons) and a public vehicle park. We consulted the Sai Kung DC and its Housing, Planning and Development Committee on the proposed development and the initial user mix in May 2020. Members generally supported the proposal.</p> <p>We completed the technical feasibility statement in the third quarter of 2021. Upon the completion of the detailed design of the complex, we strive to seek LegCo’s funding approval for the construction of the proposed complex in 2023.</p>
<p>Joint-user complex at Shan Mei Street in Sha Tin</p>	<p>We plan to construct a joint-user complex of 10 or more storeys which will mainly provide leisure, cultural, medical health, social welfare and educational facilities, government offices and public vehicle park, etc. We attended the meeting of the Sha Tin DC in September 2019 to exchange views with members on the development of the proposed joint-user complex and consulted the Cultural, Sports & Community Development Committee of the Sha Tin DC in October 2021 on the initial user mix of the project.</p> <p>We are currently carrying out the preparatory work for rezoning of the project site (from “Industrial” to “Government, Institution or Community” use) with a view to submitting the amendments of the Outline Zoning Plan to the TPB as soon as possible.</p>

Project	Latest Progress
Redevelopment of Tuen Mun Clinic	<p>We propose to redevelop the Tuen Mun Clinic into a 24-storey joint-user complex which will mainly provide district-based healthcare services, including a school dental clinic, a student health service/assessment centre, a general out-patient clinic, a maternal and child health centre, a child assessment centre and an elderly health centre. There will also be welfare facilities including a residential care home for the elderly and a family service centre. We consulted the Working Group on Development and Planning of Tuen Mun District of the Tuen Mun DC on the above-mentioned initial user mix in September 2019. Members generally supported the proposal.</p> <p>We are preparing to apply to the TPB for relaxation of the existing building height restriction. We will commence the design work with a view to applying for funding from the LegCo as soon as possible.</p>
Development of a proposed ambulance depot near Sheung Wan Fire Station	<p>We plan to construct a joint-user complex which will provide an ambulance depot, a district health centre, welfare facilities (including elderly, family and child, and rehabilitation services), community space, a reading room and a public vehicle park. We consulted the Central and Western DC in October 2020 on the initial user mix of the project. Members generally supported the proposal. Upon the completion of the detailed design of the complex, we will apply for funding from the LegCo at an appropriate time to commence the construction works.</p>
Consolidation of several government sites in Tsuen Wan town centre	<p>Making reference to the experience of the recently completed “District Study for Yau Ma Tei and Mong Kok”, the Chief Executive announced in the 2021 Policy Address to invite the Urban Renewal Authority (URA) to commence similar district planning studies on the old districts of Tsuen Wan and Sham Shui Po with a view to ascertaining renewal plans and formulating the planning and redevelopment blueprints for these two districts as well as exploring the feasibility of adjusting and increasing the development intensity so as to optimise land use and speed up the redevelopment of old districts. As the relevant sites are within the scope of URA's district planning study on Tsuen Wan, we will consider the proposed long-term use of the relevant sites as recommended by URA.</p>

In implementing the “single site, multiple use” development projects, subject to the requirements of the concerned departments and technical feasibility, the government will provide public parking spaces within these relevant projects as far as possible in order to address the local demand.

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