

LCQ9: Statistics on applications for compulsory sale order

Following is a question by the Hon Abraham Shek and a written reply by the Secretary for Development, Mr Michael Wong, in the Legislative Council today (September 1):

Question:

Regarding statistics on the applications to the Lands Tribunal for a compulsory sale order (order) under the Land (Compulsory Sale for Redevelopment) Ordinance (Cap. 545), will the Government inform this Council:

(1) of the total number of such applications filed since January 1, 2011; and

(2) among the applications mentioned in (1),

(i) of the number of those for which an order has been granted and provide, for each case, the information set out in Table 1;

Table 1

Case number	Date on which the application was filed	Date on which an order was granted	Number of months between the two dates

(ii) of the number of those which have been discontinued and provide, for each case, the information set out in Table 2; and

Table 2

Case number	Date on which the application was filed	Date on which the application was discontinued	Number of months between the two dates

(iii) of the number of those which are pending and provide, for each case, the information set out in Table 3?

Table 3

Case number	Date on which the application was filed	Number of months since the filing of application

Reply:

President,

The Land (Compulsory Sale for Redevelopment) Ordinance (LCSRO) (Cap. 545), which was enacted by the Legislative Council in 1998 and brought into operation in June 1999, enables persons who own a specified majority of the undivided shares in a lot to make an application to the Lands Tribunal for an order for sale of all the undivided shares in the lot for the purpose of redevelopment. On the request for statistics, we have approached the Judiciary whose advice is set out in the ensuing paragraphs.

According to the Judiciary, as at July 31, 2021, 304 applications have been made to the Lands Tribunal for an order for compulsory sale since January 1, 2011.

Among the above 304 applications, 246 cases have been disposed by the Lands Tribunal. They comprise 113 cases with compulsory sale orders granted as well as 133 cases which were discontinued, withdrawn, settled by other means or dismissed. 58 cases are under processing.

A recent special stocktaking exercise conducted by the Judiciary indicates that around 80 per cent of the 246 cases were processed within two years from the filing of applications. A broad breakdown of the processing time for these cases is set out in the following three summary tables:

Table 1: Summary of processing time for all the 246 cases disposed

Processing time by Lands Tribunal (from application to disposal)	No. of cases	Percentage of total
Within one year (≤ 12 months)	86	35%
More than one year but within two years (> 12 but ≤ 24 months)	109	44%
More than two years but within three years (> 24 but ≤ 36 months)	38	16%
More than three years (> 36 months)	13	5%
Total	246	100%

Table 2: Summary of processing time for the 113 cases with compulsory sale order granted

Processing time by Lands Tribunal (from application to disposal)	No. of cases	Percentage of total
Within one year (≤ 12 months)	15	13%

More than one year but within two years (>12 but ≤24 months)	62	55%
More than two years but within three years (>24 but ≤36 months)	27	24%
More than three years (>36 months)	9	8%
Total	113	100%

Table 3: Summary of processing time for the 133 cases disposed through other means

Processing time by Lands Tribunal (from application to disposal)	No. of cases	Percentage of total
Within one year (≤12 months)	71	54%
More than one year but within two years (>12 but ≤24 months)	47	35%
More than two years but within three years (>24 but ≤36 months)	11	8%
More than three years (>36 months)	4	3%
Total	133	100%

Without compromising on the need to ensure due administration of justice, the Lands Tribunal has been endeavouring to process all compulsory sale cases as expeditiously as is reasonably practicable through increasing judicial manpower, appropriate case management and listing arrangements.

Some applications may require longer processing time when a large number of minority owners are involved, especially when some of them are not legally represented, as it would require more time for the applicants to negotiate/mediate with the minority owners for settlement and for the minority owners to coordinate among themselves in the appointment of single joint experts for their side.

The Lands Tribunal would also need more time for hearing and determining a greater number of disputes from minority owners when the dispute is not just on the value of the property in question, but whether the lot is justified for redevelopment (for example, a longer time may be required by parties to seek expert evidence and to argue on legal issues relating to the interpretation of the "age" and "state of repair" of the existing development on the lot) and on whether reasonable steps have been taken by the majority owner to acquire all the undivided shares of the minority owners as required under the LCSRO. The Lands Tribunal would require more time to deal with such issues.

For reasons set out above, a longer time would be needed for more interlocutory hearings, longer trials and preparation of judgements.