

Legislative Council Panel on Information Technology and Broadcasting

Capital Works Reserve Fund Head 710 Computerisation Subhead A007GX – New Administrative Computer System

Introduction

This paper briefs Members on the funding requirement for 2002-03 for the implementation of computerisation projects under Capital Works Reserve Fund (CWRP) Head 710 Computerisation Subhead A007GX – New Administrative Computer Systems.

Background

2. CWRP Head 710 Computerisation is the Head of Expenditure for funding projects of administrative computer systems. Projects which cost more than \$10 million each are funded under separate subheads and are subject to the approval of the Finance Committee of the Legislative Council individually.

3. Projects costing between \$100,001 and \$10 million each are dealt with by a block allocation under Subhead A007GX which is for new administrative computer systems, and consultancies for feasibility studies and systems development.

4. For projects costing not more than \$100,000 each, they are funded from the respective Departmental Expenses subheads of individual bureaux and departments under the Recurrent Account.

Funding Requirement for 2002-03

5. Based on proposals made by bureaux and departments, we estimate that in 2002-03 we shall require a block allocation of \$690 million under Subhead A007GX for funding some 400 projects for administrative computer systems. Of the \$690 million, \$212 million is needed to fund approved projects carried forward from 2001-02, and the balance of \$478 million is required for funding endorsed projects and

new bids submitted by bureaux and departments for implementation as from 2002-03. The tentative allocation of the \$690 million proposed are summarised in Annex A.

6. The Secretary for the Treasury has approved an over-commitment level up to a maximum of 200% of the expenditure approved by the Finance Committee for the block allocation for a given financial year. That is to say, subject to the approval by the Finance Committee of the proposed allocation of \$690 million, the maximum level of commitment in 2002-03 will be \$2,070 million. This level of over-commitment is necessary because many projects are spread over several years from first initiation to final completion. Thus the total cost of all projects in hand at any one time must exceed one year's approved expenditure.

7. The sizes of block allocation in 2000-01 and 2001-02 were \$560 million and \$620 million respectively. The allocation for 2002-03 represented a 11.3% increase over the allocation for 2001-02. The increase is mainly to cater for the introduction of various programmes on Government computerisation for implementation starting in 2002-03 with a view better to develop electronic government. The new projects to be implemented in 2002-03 include four main programmes, they are : projects related to the provision of Government services to the community through electronic means; projects to extend the coverage of the Government Office Automation programme to provide dedicated computing facilities to more officers; projects to implement an accessibility programme to provide shared computing facilities to civil servants who do not have dedicated computer facilities to facilitate access to information and Government-to-Employee and Government-to-Government applications; and projects to enhance the Government internal information infrastructure to support the increase in the adoption of electronic transactions. These programmes will enable us to maintain momentum for using information technology to improve Government operations and services. Details of some key expenditure items are set out in Annex B.

Submission of Funding Application to Finance Committee

8. The practice of the Administration is to seek funding

approval for all the CWRP block allocations, including the Subhead A007GX block allocation, from the Finance Committee after obtaining the endorsement of the Public Works Subcommittee. Finance Bureau plans to seek funding approval for the proposed allocations for 2002-03 in respect of all CWRP block allocation subheads in late 2001.

**Information Technology and Broadcasting Bureau
November 2001**

**Tentative Allocation of the Proposed Funding under
CWRF Head 710 Computerisation
Subhead A007GX – New Administrative Computer Systems
in 2002-03**

	<u>No. of Projects</u>	<u>(\$'M)</u>
Approved projects carried forward from 2001-02	144	212
New projects related to the provision of Government services to the community through electronic means	29	85
New projects related to the extension of the Government Office Automation programme	13	37
New projects related to the IT accessibility programme	8	21
New projects related to the Leave Recording and Calculation System and Electronic Leave Application and Processing System	86	30
New projects related to the adoption of intra-departmental and inter-departmental electronic transactions and the enhancement of Government internal information infrastructure to support electronic transactions	21	55
Other computerisation projects	92	250
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**Key Expenditure Items in 2002-03 under
CWRF Head 710 Computerisation Block Allocation**

Subhead A007GX – New Administrative Computer Systems

Item No.	Project Description	Draft Estimate <u>2002-03</u> (S'000)
1.	Electronic Transaction System for Operation of the Environmental Impact Assessment Ordinance – Phase 1, Environmental Protection Department	9,951
2.	Upgrade of Air Cargo Clearance System for Air Cargo Hub Operations, Customs & Excise Department	9,823
3.	Redevelopment of the Payroll System, Treasury	9,815
4.	Extension of Government Office Automation Programme, Food and Environmental Hygiene Department	9,500
5.	Information Systems Strategy Study, Home Affairs Department	9,000
6.	Implementation of an On-line search on Bankruptcy and Compulsory Winding-up of Companies via the Electronic Service Delivery Infrastructure for the Official Receiver's Office, Official Receiver's Office	8,865
7.	Internet access for Excavation Permit Application, Lands Department	8,600
8.	Enhancement of Residential Care Services Delivery System for the Elderly, Social Welfare Department	8,241
9.	Implementation of an Integrated Gas Safety Enforcement System (including mobile computing facilities), Electrical and Mechanical Services Department	6,500
10.	Intranet for Social Welfare Department, Social Welfare Department	6,250
11.	More than <u>380</u> other items with expected expenditure in 2002-03	603,455
Total :		690,000