

**For discussion
on 8 November 2004**

**Legislative Council Panel on
Information Technology and Broadcasting**

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

Introduction

This paper briefs Members on the funding requirement for 2005-06 for the implementation of computerisation projects under the 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 funding administrative computer system projects. Projects costing between \$150,001 and \$10 million are funded through a block allocation under Subhead A007GX which covers new administrative computer systems, and consultancies for feasibility studies and system development. Projects costing more than \$10 million are funded under separate subheads and are subject to the specific approval of this Council's Finance Committee.

3. As for projects costing not more than \$150,000, they are funded by individual bureaux and departments through their respective operational expenses subheads under the General Revenue Account.

Funding Requirement for 2005-06

4. Based on the proposals submitted by bureaux and departments, we estimate that for 2005-06 a block allocation of **\$540 million** will be required under Head 710 Subhead A007GX to fund a total of 306 administrative computer system projects. These include \$404 million for the 193 projects initiated in 2004-05 or earlier; and \$136 million for 113 new projects. A breakdown of the funding requirements is at Annex A.

5. The proposed allocation for 2005-06 is the same as the provision for the current (2004-05) financial year. Balancing the need for fiscal prudence with the need to sustain the E-government programme and taking into account past expenditure pattern, we consider \$540 million an appropriate allocation for the block vote.

6. The new projects to be implemented can be classified into the following four main categories:

- (a) Projects to enable the delivery of better services to the citizens and businesses;
- (b) Projects to strive for greater efficiency and productivity;
- (c) Projects to ensure the availability of a robust and secure e-government infrastructure in government departments; and
- (d) Projects to improve accessibility of government employees to information technology (IT) facilities and services and to cultivate an e-culture within Government.

Examples of the new projects to be implemented in 2005-06 are at Annex B.

7. Bureaux and departments will be required to observe the following guiding principles in formulating computerization project proposals:

- (a) to integrate e-government and use of IT into their overall business plans;
- (b) to embrace a customer-centric culture and best practices in the delivery of public services;
- (c) to build in service transformation and business process re-engineering in all organisation/business reviews;
- (d) to proactively identify opportunities for joining-up services, take ownership of the projects and account for their performance/benefits; and
- (e) to rationalise service delivery channels and migrate customers to the most efficient, user-friendly and cost-effective channels.

Submission of Funding Application to the Finance Committee

8. Funding approval for all CWRF block allocations (including the Subhead A007GX block allocation) will be sought from Finance Committee, after endorsement by the Public Works Subcommittee. The Financial Services and the Treasury Bureau will then arrange to seek funding approval for the proposed allocations for 2005-06 in respect of all CWRF block allocation subheads in early 2005.

Advice Sought

9. Members are invited to give support to the proposed block allocation to be sought from the Finance Committee for CWRF Head 710 Subhead A007GX in 2005-06.

**Office of the Government Chief Information Officer
Commerce, Industry and Technology Bureau
November 2004**

**Tentative Allocation of the Proposed Funding under
CWRP Head 710 Computerisation
Subhead A007GX – New Administrative Computer Systems
in 2005-06**

	<u>No. of Projects</u>	<u>(\$'M)</u>
Projects initiated in 2004-05 or earlier	193	404
New Projects to:	113	136
(a) deliver better services to citizens and businesses, including customer relationship management system, provision of e-services, wireless application.	24	25
(b) strive for greater efficiency and productivity, including document management system, knowledge management system, systems to support departmental operations.	32	50
(c) build a robust and secure infrastructure in government, including IT security enhancement, technology upgrade, provisioning of for new offices.	41	44
(d) network the government departments and staff, including the accessibility programme and G2E/G2G applications.	16	17
Total	<hr/> 306 <hr/>	<hr/> 540 <hr/>

**20 Examples of New Projects in 2005-06 under
CWRF Head 710 Computerisation Block Allocation
Subhead A007GX – New Administrative Computer Systems**

Item No.	Project Description	Objectives	Project Estimate (\$'M)
1.	Electronic Valuation Files (EVF), Rating & Valuation Department	Improve document management	9.9
2.	Implementation of Paramedic Services Quality Assurance System, Fire Services Department	Improve delivery of paramedic services	9.9
3.	Implementation of Departmental Portal for the Hong Kong Police Force	Provide single authentication for access to G2E applications	9.9
4.	Implementation of Accessibility Programme (AP) for IT facilities for Government Officers, Food and Environmental Hygiene Department	Develop e-culture within Government	9.9
5.	Use of IT for the Civil Justice Reform, The Judiciary	Improve delivery of court services	9.9
6.	Enhancement of Intelligence System, Customs & Excise Department	Improve business intelligence	9.8
7.	Network Infrastructure Enhancement of the Central Computer Centre and the Central Internet Gateway, Office of the Government Chief Information Officer	Upgrade technology	9.6
8.	Scoping Study cum Implementation of the Pilot Advance Passenger Information System (APIS), Immigration Department	Improve immigration clearance	8.0
9.	Contract Management System, Leisure & Cultural Services Department	Provide e-means for contract management	7.2

Item No.	Project Description	Objectives	Project Estimate (\$'M)
10.	Enhancement of Road Test Process Control System (RTPCS), Transport Department	Improve road test service	6.8
11.	e-Procurement for Supplies Office, the Judiciary	Introduce e-procurement	6.2
12.	IT Security Risk Assessment and Audit on Networks & Computer Systems and Technical Study on Tools for Network Security and Risk Management, Lands Department	Enhance IT security	4.9
13.	Registration and Practicing Certificates Renewal System for Chinese Medicine Practitioners, Department of Health	Improve registration of medical professionals	4.2
14.	Replacement of the First Registration Tax System, Customs & Excise Department	Improve services to car traders	4.0
15.	Knowledge Management System Phase II - Customer Relationship Management, Invest Hong Kong	Provide customer-oriented services to investors	3.5
16.	Integrated On-line Oral Health Resource and Information for School Dental Care Service and Oral Health Education Unit, Department of Health	Provide one-stop oral health information to the public	3.1
17.	Feasibility study on the establishment of a Taxpayer Portal, Inland Revenue Department	Provide one-stop service to taxpayers	3.0
18.	Strategic Commodities Bulk Approval Licensing System, Trade & Industry Department	Provide e-submission of license applications	2.9

Item No.	Project Description	Objectives	Project Estimate (\$'M)
19.	Virtual Tour of Preserved Heritage, Leisure & Cultural Services Department	Provide virtual tour of heritage information through internet	2.5
20.	Provision of Radio Frequency Identification (RFID) for the Resource Centre of the Hong Kong Heritage Museum, Leisure & Cultural Services Department	Improve library service	1.3