

**For discussion
on 12 December 2005**

**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 2006-07 for the implementation of computerisation projects under the Capital Works Reserve Fund (CWRF) Head 710 Computerisation Subhead A007GX– New Administrative Computer Systems.

Background

2. CWRF 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 2006-07

4. Based on the proposals submitted by bureaux and departments, we estimate that for 2006-07 a block allocation of **\$540 million** will be required under Head 710 Subhead A007GX to fund a total of 285 administrative computer system projects. These include \$389 million for the 178 projects initiated in 2005-06 or earlier; and \$151 million for 107 new projects. A breakdown of the funding requirements is at **Annex A**.

5. The proposed allocation for 2006-07 is the same as the provision for the current (2005-06) financial year (\$540 million for a total of 306 new and ongoing projects). Having regard to the need to implement the next wave of E-government programme and the past expenditure pattern, we consider \$540 million an appropriate allocation for the block vote.

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

- (a) Projects to enable the delivery of better services to the citizens and businesses;
- (b) Projects to attain greater efficiency and productivity; and
- (c) Projects to enhance the e-government infrastructure of government bureaux and departments.

Examples of the new projects proposed by departments for implementation in 2006-07 are at **Annex B**.

7. Bureaux and departments are required to observe the following guiding principles in formulating computerisation project proposals:

- (a) to integrate e-government and use of IT into their overall business plans;
- (b) to embrace a citizen-centric culture and adopt customer relationship management (CRM) principles 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 across departmental boundaries, 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 the Finance Committee (FC), after endorsement by the Public Works Subcommittee. The Financial Services and the Treasury Bureau will arrange to seek funding approval from FC for the proposed allocations for 2006-07 in respect of all CWRF block allocation subheads on 13 January 2006.

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 2006-07.

**Office of the Government Chief Information Officer
Commerce, Industry and Technology Bureau
December 2005**

**Tentative Allocation of the Proposed Funding under
CWRF Head 710 Computerisation
Subhead A007GX – New Administrative Computer Systems
in 2006-07**

	No. of Projects	(\$'M)
Projects initiated in 2005-06 or earlier	178	389
New Projects to:	107	151
(a) deliver better services to citizens and businesses (e.g. CRM measures and provision of citizen-centric e-services).	16	20
(b) attain greater efficiency and productivity (e.g. electronic document management system, knowledge management system and human resources management information systems).	28	35
(c) enhance the e-government infrastructure in government departments (e.g. IT security enhancement and technology upgrade).	63	96
Total	<hr/> 285 <hr/>	<hr/> 540 <hr/>

**Examples of New Projects seeking funding in 2006-07 under
CWRP Head 710 Computerisation Block Allocation
Subhead A007GX – New Administrative Computer Systems**

Item No.	Project Description	Objective of Application	Project Estimate (\$'M)
1.	Enhancement/Reprovisioning of the Leisure Link System (Leisure and Cultural Services Department) (LCSD)	Provide better services	9.9
2.	Introduction of new e-services including electronic returns, electronic notices and other assessment related e-services (Inland Revenue Department)	Provide better services	9.9
3.	Electronic document management system (Civil Engineering and Development Department)	Improve efficiency and productivity	9.8
4.	Implementation of CRM measures for the Central Cyber Government Office Portal (Office of the Government Chief Information Officer) (OGCIO)	Provide better services	9.8
5.	Three-dimensional spatial data processing system (Lands Department)	Enhance e-government infrastructure	9.6
6.	Legal Aid Electronic Services Portal (Legal Aid Department)	Provide better services	9.6
7.	Human resources management information system (LCSD)	Improve efficiency and productivity	8.9
8.	New network terminals for junior police officers of crime units and Lok Ma Chau Boundary Crossing Point (Hong Kong Police Force)	Enhance e-government infrastructure	8.3
9.	Computer system for Child Health Service Phase II for Family Health Service (Department of Health)	Improve efficiency and productivity	8.3

Item No.	Project Description	Objective of Application	Project Estimate (\$'M)
10.	Upgrading of Lotus notes domino (Transport Department)	Enhance e-government infrastructure	7.2
11.	Internet content management system (Hong Kong Observatory)	Enhance e-government infrastructure	6.9
12.	Implementation of e-procurement system (Radio Television Hong Kong)	Improve efficiency and productivity	5.7
13.	Provision of internet express terminals for Hong Kong public libraries (LCSD)	Enhance e-government infrastructure	5.0
14.	Enhancement of regional air quality forecasting and data dissimulation system (Environmental Protection Department)	Improve efficiency and productivity	4.2
15.	Implementation of Accessibility Programme (Agriculture, Fisheries and Conservation Department)	Enhance e-government infrastructure	4.1
16.	Food sampling records system (Food and Environmental Hygiene Department)	Improve efficiency and productivity	2.9
17.	Enhancement of the training system (OGCIO)	Improve efficiency and productivity	2.9
18.	Prosecutions information system (Labour Department)	Improve efficiency and productivity	2.0
19.	Enhancement of the web portal system for on-line factory registration (Trade and Industry Department)	Provide better services	1.9
20.	Feasibility study on the provision of electronic demand notes for rates and/or Government rent (Rating and Valuation Department)	Provide better services	1.5