

**For discussion  
on 12 November 2007**

**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 2008-09 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 above \$150,000 but not exceeding \$10 million each 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 the Finance Committee (FC) of the Legislative Council.

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 2008-09**

4. Based on the proposals submitted by bureaux and departments in response to the 2007 Resource Allocation Exercise, we estimate that for 2008-09 a block allocation of **\$600 million** will be required under Head 710 Subhead A007GX to fund a total of 378 administrative computer

system projects. These include \$437 million for 262 projects initiated in 2007-08 or earlier; and \$163 million for 116 new projects. A breakdown of the funding requirements is at **Annex A**.

5. The proposed allocation for 2008-09 represents an increase of 11% over the provision for the current (2007-08) financial year (\$540 million for a total of 279 new and ongoing projects). This is mainly due to the increased number of approved projects and new bids submitted this year. Having regard to the need to continue with the e-government programme and the past expenditure pattern, we consider \$600 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 bureaux and departments for implementation in 2008-09 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 into their overall business plans to derive more business benefits;
- (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 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 2008-09 in respect of all CWRF block allocation subheads on 11 January 2008.

### **Advice Sought**

9. Members are invited to give support to the proposed block allocation to be sought from FC for CWRF Head 710 Subhead A007GX in 2008-09.

**Office of the Government Chief Information Officer  
Commerce and Economic Development Bureau  
November 2007**

**Tentative Allocation of the Proposed Funding for 2008-09 under  
CWRF Head 710 Computerisation Block Allocation  
Subhead A007GX – New administrative computer systems**

|   | <b>No. of<br/>Projects</b> | <b>(\$'M)</b>          |
|---|----------------------------|------------------------|
| <b>Projects initiated in 2007-08 or earlier:</b>  | <b>262</b>                 | <b>437</b>             |
| <b>New Projects:</b>  | <b>116</b>                 | <b>163</b>             |
| (a) to deliver better services to citizens and businesses (e.g. CRM measures and provision of citizen-centric e-services).  | 32                         | 47                     |
| (b) to attain greater efficiency and productivity (e.g. electronic document management system, knowledge management system and human resources management information systems). | 42                         | 52                     |
| (c) to enhance the e-government infrastructure in government departments (e.g. IT security enhancement and technology upgrade).   | 42                         | 64                     |
| <b>Total:</b>   | <hr/> <b>378</b> <hr/>     | <hr/> <b>600</b> <hr/> |

**Examples of New Projects Seeking Funding  
under the Proposed Allocation for 2008-09  
CWRF Head 710 Computerisation Block Allocation  
Subhead A007GX – New administrative computer systems**

| <b>Item No.</b> | <b>Project Description</b>   | <b>Objective of Application</b>     | <b>Project Estimate (\$'M)</b> |
|-----------------|--|-------------------------------------|--------------------------------|
| 1.              | Development of Web Mail System (Hong Kong Police Force) (HKPF)   | Provide better services             | 9.967                          |
| 2.              | Computer System for Social Hygiene Service (Department of Health) (DH)   | Provide better services             | 9.956                          |
| 3.              | Implementation of the Clinical Genetics Management System (DH)   | Provide better services             | 9.947                          |
| 4.              | Enhancement of Central Office Automation Infrastructure and implementation of Master Directory Service (HKPF)                      | Improve efficiency and productivity | 9.940                          |
| 5.              | Revamp of the email system infrastructure (Leisure and Cultural Services Department)   | Improve efficiency and productivity | 9.910                          |
| 6.              | Provision of electronic demand notes for rates and/or Government rent - e-Billing services (Rating and Valuation Department) (RVD) | Provide better services             | 9.907                          |
| 7.              | Development of a Common Interface Gateway – Phase I (DH)   | Provide better services             | 9.900                          |
| 8.              | Revamp of the Government Web Newspaper (Information Services Department) (ISD)   | Provide better services             | 9.888                          |
| 9.              | Establishment of Address Data Infrastructure for the HKSAR Government (Office of the Government Chief Information Officer)         | Enhance e-government infrastructure | 9.814                          |

**Annex B**

| <b>Item No.</b> | <b>Project Description</b>   | <b>Objective of Application</b>     | <b>Project Estimate (\$'M)</b> |
|-----------------|--|-------------------------------------|--------------------------------|
| 10.             | Relocation of Civil Service Bureau's homepage to Government's infrastructure and redevelopment of associated application systems (Civil Service Bureau)  | Provide better services             | 9.800                          |
| 11.             | Revamping of Case Monitoring System (Lands Department)   | Improve efficiency and productivity | 8.373                          |
| 12.             | Security Intelligence Management System (Correctional Services Department)   | Improve efficiency and productivity | 8.367                          |
| 13.             | Enhancement to the Environmental Protection Interactive Centre (Environmental Protection Department)   | Provide better services             | 8.000                          |
| 14.             | Mobile Computing and Electronic Database System for Field Work and Site Records Retrieval (Planning Department)  | Improve efficiency and productivity | 7.800                          |
| 15.             | Enhancement of Laboratory Information Management System (Agriculture, Fisheries and Conservation Department)   | Improve efficiency and productivity | 7.330                          |
| 16.             | Replacement of Computerized Written Test System (Transport Department)   | Provide better services             | 5.870                          |
| 17.             | Upgrade of obsolete hardware and software of the Government Cash Receipting System (Inland Revenue Department)   | Enhance e-government infrastructure | 5.700                          |
| 18.             | Implementation of Portal System for Web Based Public Service - Phase II: enhanced payment methods through Treasury's General Demand Note System and Online Credit Card Payment Service for Electrical and Mechanical Services Department's Web-based Registration System (Electrical and Mechanical Services Department) | Provide better services             | 3.443                          |

**Annex B**

| <b>Item No.</b> | <b>Project Description</b>  | <b>Objective of Application</b>     | <b>Project Estimate (\$'M)</b> |
|-----------------|---|-------------------------------------|--------------------------------|
| 19.             | E-service for online access to information contained in the valuation list and Government rent roll (RVD) | Provide better services             | 2.230                          |
| 20.             | Security risk assessment and audit services (ISD)   | Enhance e-government infrastructure | 1.760                          |