

LC Paper No. CB(4)292/12-13(08)

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Panel on Information Technology and Broadcasting

Meeting on 14 January 2013

Updated background brief on the Internet Learning Support Programme

Purpose

This paper summarizes previous discussions by the Panel on Information Technology and Broadcasting ("the Panel") on the Internet Learning Support Programme ("ILSP").

Background

2. In his 2010-2011 Budget, the Financial Secretary announced a two-pronged strategy to assist students from low-income families to undertake web-based learning at home through provision of an Internet access subsidy and an ILSP. Following consultation with the Panel on Education, the Administration obtained the approval of the Finance Committee ("FC") for a funding of \$500 million for these two initiatives at its meeting on 28 May 2010.

3. The ILSP aims at helping eligible families acquire affordable computers and Internet access service and providing them with technical and social support. The Office of the Government Chief Information Officer ("OGCIO") launched an open Request for Proposal ("RFP") between May and July 2010 with a view to identifying a non-profit organization as implementation agent for the ILSP.

4. Five proposals were received when the RFP closed on 5 July 2010. They were assessed by an Evaluation Panel, led by the Government Chief Information Officer ("GCIO") and comprising representatives of the Education Bureau and the former Office of the Telecommunications Authority (now known as "Office of the Communications Authority¹"), in accordance with the published process and criteria. The Evaluation Panel completed assessment on different aspects of the proposals, including the proposed operating and financial models, key performance indicators, risk assessment, collaboration with various parties, the expertise, track record and commitment of the proponent and its partners, as well as the arrangements for corporate governance, management and control, and public accountability.

5. According to the Administration's paper (Paper No. FCR(2010-11)15) provided to FC at its meeting on 28 May 2010, the following aspects of the proposals were to be assessed:

- (a) in respect of the proposed non-profit-making organization ("NPO") and other parties involved
 - (i) business skills required to develop the necessary product and service offerings;
 - (ii) knowledge and understanding of the learning needs of children from the target low-income families;
 - (iii) capability of managing and sustaining a business start-up of comparable target market and turnover in relevant industries or businesses;
 - (iv) experience of managing a project involving substantial public money;
 - (v) ability to work with non-governmental organizations ("NGO") and government departments in the sale and marketing of the organization's services;
 - (vi) ability to work with Internet service providers and information technology suppliers; and
 - (vii) ability to work with district and community service networks to provide services in, for example, distributing computers, providing technical support and Internet education.
- (b) in respect of the implementation of the proposal –

¹ Pursuant to the Communications Authority Ordinance (Cap 616), with effect from 1 April 2012, all duties and powers of the Telecommunications Authority ("TA") are conferred on the Communications Authority ("CA"), and all duties and powers of the OFTA are conferred on the OFCA, the executive arm of the CA.

- (i) delivery against programme objectives;
- (ii) cost effectiveness of operation and financial management of the programme;
- (iii) governance mechanism for the programme and for the NPO;
- (iv) effectiveness of relationship management among the parties involved in the programme; and
- (v) risk management of the programme.

6. According to the Administration's (LC Paper No. paper CB(1)1023/10-11)(01)) circulated to members of the Panel on Information Technology and Broadcasting ("ITB Panel") on 10 January 2011, upon conclusion of the RFP exercise, the Administration informed the proponents on 22 October 2010 that it would invite the Hong Kong Council of Social Service ("HKCSS") and the eluclusion Foundation Limited ("eluclusion") to explore the possibility of collaboration in jointly establishing a NPO to implement the programme. In early January 2011, the Administration proposed an alternative collaboration arrangement by engaging HKCSS and eInclusion to implement the programme in two geographical zones having regard to the spread of low-income families, with each of them taking up responsibility for one of the zones and OGCIO providing central coordination on matters such as territory-wide promotion, students' eligibility, monitoring and reporting, and According to the Administration, this arrangement other mutual concerns. would enable both organizations to leverage their network and management experience to bring benefits to low-income families. The Government would review the implementation arrangements in two years. Both HKCSS and eInclusion had accepted this dual implementer approach.

Discussions at the Panel on Information Technology and Broadcasting

7. The Panel in general supported the implementation of the ILSP as it could provide convenient and suitable Internet learning opportunities to needy students.

8. At the Panel meeting on 14 March 2011, the Administration briefed members on the progress of the Government's digital inclusion initiatives, including the progress of the ILSP. Hon Emily LAU expressed concern about the selection process for the ILSP, in particular the apparent lack of proven track record of one of the selected Implementers, i.e. eInclusion, in providing the services concerned.

9. The Administration advised that under the ILSP, the five proposals received in the RFP exercise were assessed by the Evaluation Panel led by the former GCIO in accordance with the assessment process and criteria approved by FC in May 2010. After rigorous assessment of the proposals, two leading contenders emerged and GCIO concluded that it would be in the best interest of low-income families if the programme could be executed so as to incorporate the best elements of the two leading proposals. As such, GCIO suggested collaboration between the two leading proponents to implement the programme as a single implementer. Owing to difficulty in reaching agreement on a collaboration model to co-found an implementation agent to take forward the programme, the Government proposed and both parties agreed to take forward the ILSP as separate Implementers in two separate geographical zones.

As Mr Jeremy Godfrey, the former Government Chief Information 10. Officer, alleged that there had been political pressure from senior Government officials to select a designated party as ILSP Implementer, the Panel held two special meetings on 7 and 16 June 2011 to follow up on the matter. The Panel examined submissions from Mr Godfrey and from the two leading ILSP contenders, as well as papers and documents provided by the Administration, including the reports of the Evaluation Panel for the Implementer of ILSP and the Government's internal correspondence relating to the selection process. Some members requested that powers to summon witnesses under the Legislative Council (Powers and Privileges) Ordinance (Cap. 382) be invoked and a select committee appointed to conduct an inquiry into the matter. Other members, however, said that there was no concrete evidence that there had been a political agenda relating to the selection of the Implementer for ILSP. At the special meeting of the Panel on 16 June 2011, a motion on the appointment of a select committee to inquire into the matter moved by Mr LEE Wing-tat was The Panel agreed that the Administration should provide further negatived. papers and documents relating to the selection process as requested by members The Administration subsequently provided its for further examination. responses vide LC Paper No. CB(1)2692/10-11(01) and CB(1)2959/10-11(02) on 8 July 2011 and 30 August 2011 respectively.

11. At the Panel meeting on 14 May 2012, members noted that the Government commissioned eInclusion and WebOrganic, formed by the HKCSS, as Implementers in the eastern and western parts of Hong Kong respectively. The programme was launched under the brand name "i Learn at home" ("一家 一網 e 學習") on 14 July 2011. As at 31 March 2012, 43 378 of the 245 000 eligible families in the 2011/12 school year had enrolled in the Programme and 10 395 of them had received services from the Implementers. A summary of programme performance in figures and promotion activities is set out in the **Appendix**. Members noted that the take-up of the programme was slower

than originally envisaged. The Administration advised that it had since January 2012 streamlined the enrolment procedures to encourage participation. To monitor the implementation of the programme, OGCIO had entered into Funding and Operation Agreement with the two Implementers, setting out their performance targets, obligations, and governance and accounting requirements, A Programme Steering Committee led by the GCIO and comprising etc. representatives from the Education Bureau and the Social Welfare Department had been set up to monitor Programme delivery and resolve matters of common In addition, OGCIO also monitored the Programme through regular concern. working level meetings with the Implementers, Implementers' regular performance reports with supporting data and statistics, their annual business plan and audited accounts, and site visits. OGCIO would conduct a review of the implementation arrangements in mid-2013.

12. Some Panel members expressed concern that there was a visible difference in the performance between the two Implementers of ILSP. These members urged the Administration to follow up the matter with a view to enhance the overall efficiency of ILSP. The Administration advised that each of the Implementers had its own strengths and weaknesses. With the accumulation and exchange of experience between the two Implementers, ILSP was being implemented more smoothly and efficiently. The Administration would continue to work with the Implementers to try to catch up on performance for the remaining term of ILSP.

Council meetings

13. At the Legislative Council meetings on 25 May 2011 and 9 November 2011, Hon Fred LI and Hon Emily LAU raised questions on the implementation and progress of the ILSP respectively. At the Council meeting on 13 July 2011, Hon Emily LAU moved a motion on "Appointment of a select committee" to inquire into the selection process of the ILSP. The motion was negatived.

Latest position

14. At the Panel meeting on 10 December 2012, members noted Hon Charles Peter MOK's concern about the implementation of the ILSP by eInclusion raised in his letter dated 21 November 2012 (LC Paper No. CB(4)201/12-13(03)). Members agreed that the Panel should follow up the matter with the Administration at the Panel meeting on 14 January 2013.

Relevant papers

15. A list of relevant papers on the subject is available on the Legislative Council website at http://www.legco.gov.hk/yr11-12/english/panels/itb/papers/itb_ea.htm.

Council Business Division 4 Legislative Council Secretariat 8 January 2013

Appendix

Internet Learning Support Programme

Progress and Performance

1. Performance Figures

Service Areas		Progress as at 31 March 2012		
		eInclusion	WebOrganic	Total
1.	Number of target beneficiaries reached	19 449 families	23 929 families	43 378 families
2.	Number of target beneficiaries served	3 117 families	7 278 families	10 395 families
3.	Number of students trained	1 158	2 294	3 452
4.	Number of parents trained	2 860	2 131	4 991
5.	Number of Internet packages sold	396	1 503	1 899
6.	Number of computers sold	2 498	2 289	4 787
7.	User support requests handled	16 896	10 066	26 962
8.	Counselling services rendered	6 cases	5 cases	11 cases
9.	Conversion of non-user to user of Internet access at home	776	1 048	1 824

2. Promotion Activities

Timeframe	Promotion Activities		
June 2011	 Thematic programme portal to disseminate programme information Briefings to schools and the Federation of 		
	Parent-Teacher Associations		
July 2011	• Displaying programme posters in public housing estates, libraries, government premises and public locations such as bus stops and footbridges		
August 2011	Distributing programme posters and leaflets to all primary and secondary schools		
	• Direct mail of programme leaflets and enrolment forms to all the 180 000 eligible families (75% of total) through the Student Financial Assistance Agency		
	• Distribution of programme information to the remaining (around 70 000) eligible families through the District Social Security Centres of the Social Welfare Department		
September 2011	• Broadcasting of Announcements in the Public Interest (API) on television and radio		
October 2011	Distributing posters and leaflets to all Mutual Aid Committees, Area Committees and District Cyber Centres		
	Broadcasting of API at community facilities		
March 2012	Broadcasting of promotional video at 3 200 buses and housing estates		
	Briefing to District Councils		

Office of the Government Chief Information Officer

eInclusion

Timeframe	Promotion Activities	
August 2011 to March 2012	 103 talks and visits to schools 8 meetings with principals, Federation of Parent-Teacher Associations, Parent Associations, etc. 	
December 2011	Christmas sales promotion	
March 2012	• Launching of IT Buddies Program to provide one-on-one user support by tertiary student volunteers	

WebOrganic

Timeframe	Promotion Activities
August 2011 to March 2012	 335 talks and visits to schools 17 meetings with principals, Federation of Parent-Teacher Associations, Parent Associations, etc.
September 2011	• Launch Seed School and Seed Ambassadors Programs to leverage schools to promote the Programme
December 2011	Christmas sales promotion
February 2012	Chinese New Year sales promotion