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

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

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Introduction

This paper briefs Members on the funding requirement for 2004-05 for the implementation of computerisation projects under this Head.

Background

2.   CWRF Head 710 Computerisation is the Head of Expenditure for funding administrative computer system projects. Projects which cost more than $10 million are funded under separate subheads and are subject to the specific approval of this Council's Finance Committee.

3.   Projects costing between $150,001 and $10 million are funded through a block allocation under Subhead A007GX which is for new administrative computer systems, and consultancies for feasibility studies and system development.

4.   Projects costing not more than $150,000 are funded from the respective Operational Expenses subheads of individual bureaux and departments, under the General Revenue Account.

Funding Requirement for 2004-05

5.   Based on proposals submitted by bureaux and departments, we estimate that in 2004-05 a block allocation of $540 million will be required to fund 286 administrative computer system projects. Of this, $310 million is needed to fund projects initiated in 2003-04 or earlier. The balance of $230 million is required to fund 86 new bids. A breakdown of the funding requirements is at Annex A.

6.   In 2002-03 and 2003-04, the block allocation was $690 million. The proposed allocation for 2004-05 represents a 22% reduction over the previous year's provision.   Balancing the need for fiscal prudence with the need to sustain the E-government programme, and taking into account past expenditure pattern, we consider that $540 million is appropriate for this vote.

7.   The new projects to be implemented include four main programmes, namely projects related to the provision of electronic services to citizens and businesses, projects to support departmental operations, projects related to office automation and the building up of IT infrastructure in government departments, and projects to enhance IT security.   Details of 20 representative projects are set out at Annex B.

8.   To take full advantage of computerisation to improve operational efficiency and the quality of services delivered to the public, we have introduced in 2003-04 a requirement that all bureaux and departments must explore business process re-engineering (BPR) opportunities when implementing computerisation projects.   We have conducted an initial BPR vetting on all new bids and as a result, most will be required to conduct an in-house BPR study or to incorporate this into the feasibility study or system analysis and design stages of the project.

Submission of Funding Application to the Finance Committee

9.   Funding approval for all CWRF block allocations (including the Subhead A007GX block allocation) will be sought from Finance Committee, after endorsement from the Public Works Subcommittee has been received.   The Financial Services and the Treasury Bureau will seek funding approval for the proposed allocations for 2004-05 in respect of all CWRF block allocation subheads, in early 2004.

Communications and Technology Branch
Commerce, Industry and Technology Bureau
November 2003

**Tentative Allocation of the Proposed Funding under
CWRF Head 710 Computerisation
Subhead A007GX – New Administrative Computer Systems
in 2004-05**

	No. of Projects	($'M)
Projects initiated in 2003-04 or earlier	200	310
New projects related to the provision of e-Government services to citizens and businesses	14	25
New projects related to support of departmental operations, including document management system, knowledge management system, customer relationship management system, etc.	29	100
New projects related to office automation and the building up of IT infrastructure in government departments	18	55
New projects to enhance IT security	10	10
Other new projects, including information systems strategy study, feasibility study, etc.	15	40
	286	540

**Representative Projects in 2004-05 under
CWRF Head 710 Computerisation Block Allocation
Subhead A007GX – New Administrative Computer Systems**

Item No.	Project Description	Nature of Application	Project Estimate ($'M)
1.	Self-service Kiosks for the Leisure Link System, Leisure and Cultural Services Department	Provision of e-services	9.9
2.	Court Recordings Imaging Management System (Family Court), The Judiciary	Document management system	9.9
3.	Implementation of the Environmental Protection Interactive Centre (EPIC) Phase 2, Environmental Protection Department	Provision of e-services	9.9
4.	To replace the Employees' Compensation Computer System, Labour Department	System to support departmental operations	9.9
5.	Implementation of IT and Network Infrastructure (Network Planning and Workstations Roll-out and Software Implementation), Fire Services Department	IT infrastructure	9.8
6.	Upgrading the Existing Land Boundary System (LBS) to cater for the operational need at the future Boundary Crossing Facilities in the Shenzhen Western Corridor (SWC) (for Phase I operation), Customs and Excise Department	Others	9.8
7.	Implementation of Works Project Information Standard, Environment, Transport and Works Bureau	Others	9.7

Item No.	Project Description	Nature of Application	Project Estimate ($'M)
8.	Installation of a Pilot Intelligence System (PIS) to support customs operations, Customs and Excise Department	Knowledge management	9.5
9.	Implementation of Drainage Maintenance Management Information System (DRAMIS), Drainage Services Department	System to support departmental operations	9.4
10.	Implementation of the Document Management System Phase II, Inland Revenue Department	Document management system	8.9
11.	e-Interface for Court Users, The Judiciary	Provision of e-services	7.8
12.	Phase 2 of e-Business System (eBS), Marine Department	Provision of e-services	7.7
13.	Land Supply Information System and Core Planning Data Hub, Planning Department	System to support departmental operations	7.5
14.	Replacement of the Meteorological Information Processing, Visualisation, Compilation and Dissemination Software Applications, Hong Kong Observatory	System to support departmental operations	7.5
15.	Portal for Legal Aid Panel Electronic Services (LAPES), Legal Aid Department	Provision of e-services	7.3
16.	Civic Centre Management System, Leisure and Cultural Services Department	Provision of e-services	7.0
17.	Implementation of IT Security Measures, Legal Aid Department	IT security	6.8

Item No.	Project Description	Nature of Application	Project Estimate ($'M)
18.	Implementation of the Customer Service Support System, Inland Revenue Department	Customer relationship management	5.0
19.	Electronic Issuance of Strategic Commodities Licences (EI-SC), Trade and Industry Department	Provision of e-services	4.5
20.	Government Laboratory Information Systems Strategy Study, Government Laboratory	Information systems strategy study	3.5