

Legislative Council Finance Committee Meeting
on 6 July 2020
Follow-up to FCR(2020-21)26

Members requested supplementary information on the item FCR(2020-21)26 “Full Implementation of Electronic Recordkeeping System in the Government”. The requested information is provided as follows:

(a)(i)	For records captured into the proposed Electronic Recordkeeping System (ERKS), please provide the code of practice of bureaux and departments (B/Ds) on the establishment of relevant authorisation for modification to, deletion, destruction of records or their transfer to the Government Records Service (GRS) for permanent retention upon the end of the records’ life cycle. The code of practice shall cover the nature of records captured into the system, the rank of authorised staff and the rights of individual staff; and
Reply:	<p>The purpose of disposal of records is to remove unnecessary records from the system upon the end of records’ life cycle so as to enhance system performance as well as to facilitate easy retrieval of records in active use. This could also facilitate timely transfer of records with archival value to GRS for permanent retention. For records captured into the ERKS, only those appraised as having no archival value are allowed to be deleted permanently from the ERKS upon the end of the records’ life cycle by officers designated by B/Ds after obtaining agreement from GRS Director.</p> <p>General Circular No. 2/2009 on Mandatory Records Management Requirements stipulates that B/Ds shall dispose of records regularly. Records appraised as having archival value would be transferred to GRS for permanent retention in accordance with the requirements set out in the relevant records retention and disposal schedules. As for records appraised as having no archival value, they should only be destroyed with GRS Director’s prior agreement. Whether a record possesses archival value should have been determined at the time when the records retention and disposal schedules were drawn up. GRS conducts records appraisal to ascertain the archival value of government records in the process. This important process is conducted by the professional Archivist grade officers of GRS based on international best practices and standards, and supervised and endorsed by the Archivist, who is the officer at the most senior rank of the Archivist grade, to determine whether a record possesses</p>

	<p>archival value for permanent retention.</p> <p>Before B/Ds consider the destruction of records without archival value, including permanent deletion of the electronic records from the ERKS, the disposal of records should be endorsed in writing by a senior officer not lower than the rank of Senior Executive Officer or equivalent in the B/Ds in accordance with the disposal action set out in the relevant records retention and disposal schedules. The B/Ds must also make applications to GRS Director. After obtaining GRS Director's agreement, B/Ds should designate an officer not lower than the rank of Executive Officer II or equivalent to ensure that the destruction process is properly supervised and the relevant records destruction procedures are complied with. The above-mentioned records destruction procedures and authorisation only apply to those records which have already been appraised as having no archival value. Records appraised as having archival value should be transferred to GRS for permanent retention.</p> <p>The aforementioned mandatory requirements on records disposal are also applicable to the ERKS. B/Ds shall designate officers of appropriate ranking and grant relevant rights in accordance with the above requirements and their operational needs to dispose of records.</p> <p>Since all records captured into the ERKS cannot be modified, the system does not possess any function for modification to the content of any records.</p>
(a)(ii)	Specify whether individual B/Ds have promulgated their business rules for records management to the public; if not, the reason(s) for that;
Reply:	<p>To create and collect records systematically, B/Ds have developed quite a few business rules according to the guidelines issued by GRS to document decisions as to what records are to be kept for their business functions and activities. The above guidelines have been uploaded onto GRS' website (https://www.grs.gov.hk/pdf/CM_No.4_2012e.pdf) for public access. If necessary, members of the public may approach individual B/Ds direct to apply for access to the related information.</p>

(b)	What is the timetable for implementing the proposed ERKS in B/Ds?
Reply:	<p>The Office of the Government Chief Information Officer (OGCIO) will conduct a procurement exercise by way of open tender to develop a new central ERKS. It takes about a year to develop the system. Rollout of the new system to around 75 B/Ds which have not yet fully implemented the ERKS will commence in the second half of 2021. According to the initial plan, we will roll out the ERKS to about 10 to 20 B/Ds each year, and it is expected full rollout will be completed by end-2025. However, as B/Ds will need to make substantial preparation and system configuration when introducing the new system, the actual implementation schedule needs to be adjusted according to the actual situation.</p>
(c)	<p>What software packages will be adopted for development of the proposed ERKS; what functionalities are available in the software packages to control / track the actions made by authorised staff with regards to modification to, deletion and destruction of records, and ensure that B/Ds comply with international practices when performing the relevant functions in the system;</p>
Reply:	<p>In drawing up the functional requirements of the ERKS (including functions for deletion of records upon the end of records' life cycle), GRS has made reference to different international records management standards and best practices including the following documents:</p> <ol style="list-style-type: none"> <li data-bbox="357 1357 1401 1435">(1) European Commission, Model Requirements for the Management of Electronic Records, February 2008; <li data-bbox="357 1487 1401 1733">(2) International Council on Archives, Principles and Functional Requirements for Records in Electronic Office Environments, July 2008; https://www.naa.gov.au/sites/default/files/2019-09/m1-ica-overview-principle-and-functional-requirements_tcm16-95418.pdf <li data-bbox="357 1785 1401 1906">(3) ISO 15489-1:2001 Information and documentation – Records management – Part 1: General; and https://www.iso.org/obp/ui/#iso:std:iso:15489:-1:ed-1:v1:en <li data-bbox="357 1957 1401 2022">(4) ISO/TR 15489-2:2001 Information and documentation – Records management – Part 2: Guidelines.

	<p>https://www.iso.org/obp/ui/#iso:std:iso:tr:15489:-2:ed-1:v1:en</p> <p>B/Ds shall comply with the functional requirements of the ERKS drawn up by GRS when developing or adopting an ERKS. On records disposal, an ERKS possesses control functionalities to provide security control, audit trails and management report functions to protect records within the ERKS and to track actions taken by all users in the ERKS, including actions on disposal of records.</p> <p>Currently, 11 B/Ds have implemented the ERKS through adopting commercial off-the-shelf software packages as their ERKS solutions with customisation and necessary system configurations to meet the above functional requirements of an ERKS drawn up by GRS. At present, the five software packages being used by B/Ds are Azeus Business Components, Documentum, FileNet, Micro Focus Content Manager and OpenText.</p>
(d)(i)	<p>Please provide the tender assessment criteria of this project, specific measures to monitor the performance of successful contractors, including but not limited to key performance indicators, and contingency measures if the contractor fails to complete the project; and</p>
Reply:	<p>When evaluating tenders, we will in general take the quality of the tenderer's proposals as the important consideration, including the tenderers' experience, composition of the project team, project implementation methodology and approach, and the price. Under the new government procurement policy promulgated in April 2019, a weighting of at least 50% to 70% will in general be given to the quality of tender proposal so that tenders of better quality will stand a higher chance of success.</p> <p>Regarding project management, OGCI O has been adopting various measures to monitor a contractor's performance, including the Project Steering Committee led by the senior management of OGCI O to steer the project. OGCI O will set up a project team to maintain close contact, hold regular working meetings and review project progress with the contractor's project team to ensure smooth implementation of the project. The Project Assurance Team is responsible for quality assurance and advise on monitoring matters. The Project Steering Committee will also meet with the senior management of the contractor where necessary and provide strategic guidance on project</p>

	<p>implementation issues, and regularly review project progress and performance.</p> <p>If any potential project risks are identified (e.g. the contractor fails to complete an implementation phase as scheduled), OGCIO will remind the contractor of this at the regular meetings mentioned above and request for rectification. If the contractor fails to mitigate the project risks in a timely manner, OGCIO will issue warning letter, meet with the contractor’s senior management and request for rectification plan and additional contractor resources to address the issue. According to the latest standard terms and conditions for IT projects, liquidated damages can be imposed if there is a project delay. OGCIO will seek the Department of Justice’s advice on whether liquidated damages should be imposed on the contractor, having regard to the contractor’s performance and the loss to the Government arising from the project delay.</p>
(d)(ii)	<p>Upon expiry of the service contract of the original contractor, what considerations and criteria will the Government adopt when reviewing whether the same contractor should be appointed so as to avoid the perception of possible conflict of interest and/or monopoly?</p>
Reply:	<p>The service contract for the “Full Implementation of Electronic Recordkeeping System in the Government” will cover the development and rollout of the central ERKS for 75 B/Ds as well as the system support and maintenance services. Upon expiry of the contract, the Government will commission a suitable contractor from the market afresh to support and maintain the developed central ERKS based on open and fair competition procurement principles. There is no question of conflict of interest or monopoly.</p>

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