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 2000-01 for the implementation of computerisation projects under 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 for funding projects on administrative computer systems. Projects which cost more than $10 million each are funded under separate subheads and are subject to the approval of the Finance Committee of the Legislative Council individually. Projects costing between $100,001 and $10 million each are dealt with by a block allocation under Subhead A007GX - New Administrative Computer Systems. Under the delegated authority from the Finance Committee, we are allowed a maximum level of over-commitment of up to 150% of the expenditure approved by the Finance Committee for the block allocation for a financial year. Projects costing not more than $100,000 each are funded from the respective Departmental Expenses subheads under the Recurrent Account.

Funding Requirement for 2000-01

3. Based on the proposals made by bureaux and departments, we estimate that we would need $560 million under Subhead A007GX block allocation in 2000-01 for funding over 200 projects on administrative computer systems. Of the $560 million, about $155 million is needed to fund approved projects carried forward from 1999-2000, and the balance is required for funding endorsed projects and new bids submitted by bureaux and departments for implementation as from 2000-01. Tentative allocations of the $560 million proposed are summarised in Annex A.

4.   Subject to the approval by the Finance Committee of the proposed allocation of $560 million, the maximum level of commitment in 2000-01 under the block allocation will be $1,400 million for covering the expenditure of all approved projects in 2000-01 and in subsequent years (i.e. an over-commitment of 150% will be allowed).

5.   The sizes of the block allocation in 1998-99 and 1999-2000 were $400 million and $600 million respectively. The allocation for 1999-2000 represented a 50% increase over the allocation for 1998-99 mainly because of the need to implement a large number of rectification projects for administrative computer systems which were not Y2K compliant. Netting off the funding requirement in 1999-2000 for Y2K projects, the proposed allocation of $560 million for 2000-01 will represent an increase of 18% in the funding for computerisation projects which are not Y2K related. This will enable us to maintain the momentum for using information technology to improve Government operation and services. The new projects to be implemented in 2000-01 include those related to the provision of Government services to the community through electronic means, the implementation of the Enhanced Productivity Programme (EPP) and the rollout of the confidential mail system to Government bureaux and departments. Details of the key expenditure items are set out in Annex B.

Submission of Funding Application to Finance Committee

6.   Conventionally, the Administration seeks funding approval for all the CWRF block allocations including Subhead A007GX block allocation from the Finance Committee after obtaining the prior endorsement of the Public Works Subcommittee. Finance Bureau now plans to make the funding submission for the 2000-01 provisions for all the CWRF block allocations to the Public Works Subcommittee and the Finance Committee for consideration on 15 December 1999 and 7 January 2000 respectively.

Information Technology and Broadcasting Bureau
December 1999

Tentative Allocation of the Proposed Funding under
CWRF Head 710 Computerisation
Subhead A007GX - New Administrative Computer Systems
in 2000-01

	2000-01	
	No. of Projects	($'M)
Approved projects carried forward from 1999-2000	77	155
New projects related to the provision of Government services to the community through electronic means	10	32
New projects related to the implementation of Enhanced Productivity Programme	6	16
New projects related to the rollout of confidential mail system to Government bureaux and departments	20	42
Other computerisation projects	98	315
	211	560

Key expenditure items in 2000-01 under Head 710
Computerisation Block Allocation

Subhead A007GX - New Administrative Computer Systems

	<u>Project Description</u>	Estimate <u>2000-2001</u> $'000
1.	Information systems strategy study, Transport Department	6,300
2.	Implementation of an on-line search on bankruptcy and compulsory winding-up of companies via electronic service delivery infrastructure, Official Receiver's Office	6,747
3.	Implementation of the Government Office Automation programme phase II, Buildings Department	7,097
4.	Implementation of extended non-means tested loan system, Student Financial Assistance Agency	7,819
5.	Office automation system for Legal Advisory and Conveyancing Office, Lands Department	8,060
6.	Penal information management system, Correctional Services Department	8,094
7.	Case monitoring system for Lands Administration Office, Lands Department	8,655
8.	Upgrading of document management system for business registration applications, Inland Revenue Department	9,098
9.	Implementation of confidential mail and Government common application system enhancements, Department of Justice	9,433
10.	More than 200 other items with expected expenditure in 2000-2001	488,697

Total: <u>560,000</u>