

Head 47 — INFORMATION TECHNOLOGY SERVICES DEPARTMENT

Controlling officer: the Director of Information Technology Services will account for expenditure under this Head.

Estimate 2001–02..... **\$619.1m**

Establishment ceiling 2001–02 (notional annual mid-point salary value) representing an estimated 890 non-directorate posts at 31 March 2001 reducing by 88 posts to 802 posts at 31 March 2002..... **\$367.6m**

In addition there will be an estimated 17 directorate posts at 31 March 2001 and at 31 March 2002.

Controlling Officer's Report

Programmes

<p>Programme (1) Use of Information Technology (IT) in Government</p> <p>Programme (2) IT Infrastructure and Standards</p> <p>Programme (3) IT in the Community</p>	<p>These programmes contribute to Policy Area 17: Information Technology and Broadcasting (Secretary for Information Technology and Broadcasting).</p>
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Detail

Programme (1): Use of IT in Government

	1999–2000 (Actual)	2000–01 (Approved)	2000–01 (Revised)	2001–02 (Estimate)
Financial provision (\$m)	542.2	565.0 (+4.2%)	553.1 (–2.1%)	508.6 (–8.0%)

Aim

2 The aim is to promote and facilitate the widespread adoption of IT in Government to enhance its operations and services to the public.

Brief Description

3 The Director of Information Technology Services is the Government's IT advisor. The Information Technology Services Department (ITSD) provides advice and assistance to bureaux and departments in identifying and planning for their individual and collective IT needs. It works to ensure the timely and cost-effective delivery of quality IT solutions, including IT programme development, enhancement, maintenance and on-going support. In addition, ITSD assists bureaux and departments in developing their IT management and capability to take full advantage of the benefits of IT.

4 In 2000–01, the department:

- has completed the Government Office Automation Programme for all bureaux and departments;
- has enhanced the institutional arrangements within Government to strengthen the security of Government information systems by establishing an Information Security Management Committee to develop up-to-date security related policies and guidelines for use within Government;
- will have completed five Information Systems Strategy Studies/Reviews, 49 feasibility studies and implementation of 111 computer applications for bureaux and departments;
- will have launched the Central Cyber Government Office to serve as a webcasting station, information centre and e-business platform within Government; and
- will have converted some 200 government forms commonly used by the public into the electronic format so that the public can complete the forms electronically and submit them on-line via the Internet.

5 The key performance measures in respect of use of IT in the Government are:

Target

	Target	1999 (Actual)	2000 (Actual)	2001 (Plan)
percentage of services rendered meeting requirements set out in Service Level documents agreed with users	100.0	100.0	100.0	100.0

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Indicators

	1999 (Actual)	2000 (Actual)	2001 (Estimate)
no. of departments with Government Office Automation (GOA) facilities	48	70	70
no. of workstations per 1 000 civil servants	424	482	526
no. of bureaux/departments with IT plans in place	27	37	43
results of post-implementation reviews on completed projects			
percentage completed on schedule	73.1	72.8	75.0
percentage completed within budget	100.0	100.0	99.0
percentage meeting agreed specifications	98.9	100.0	99.0
percentage achieving intended benefits	100.0	95.8	97.0
	1999–2000 (Actual)	2000–01 (Estimate)	2001–02 (Estimate)
total value of work undertaken in the year (\$m)	1,162	1,456	1,568
total value of work outsourced in the year (\$m)	794	1,219	1,045

Matters Requiring Special Attention in 2001–02

6 During 2001–02, the department will:

- co-ordinate and implement the Confidential Mail Programme within Government so that confidential materials can be transmitted electronically;
- assist bureaux and departments in the feasibility studies and implementation projects related to the e-Government initiatives;
- extend the coverage of the Government Office Automation Programme to more officers so as to promote a paperless electronic government;
- co-ordinate and implement a phased programme for adopting several common inter-departmental and intra-departmental electronic transactions; and
- co-ordinate and complete the adoption of proper Software Asset Management practices in all departments regarding Government computer systems.

Programme (2): IT Infrastructure and Standards

	1999–2000 (Actual)	2000–01 (Approved)	2000–01 (Revised)	2001–02 (Estimate)
Financial provision (\$m)	58.5	71.3 (+21.9%)	76.8 (+7.7%)	81.9 (+6.6%)

Aim

7 The aim is to foster the development of the IT infrastructure and standards in the HKSAR.

Brief Description

8 The department provides support to the Information Technology and Broadcasting Bureau (ITBB) in developing IT infrastructure and setting of standards so as to keep Hong Kong in the forefront of IT development and to promote a wider use of IT in Hong Kong. The department seeks to develop an information infrastructure with an open common interface through which the Government, business and the general public can interact easily and securely. It also seeks to introduce common standards which apply to both the public and private sectors.

9 In 2000–01, the department has:

- helped to launch the Electronic Service Delivery scheme;
- assisted in the establishment of an architecture for adoption of public key infrastructure technology and use of digital certificates in Government applications as well as communication with the public; and
- established a common interface for using Chinese in electronic communication and data exchange between Government and the community.

Matters Requiring Special Attention in 2001–02

10 During 2001–02, the department will:

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- facilitate the set up of the link between Hong Kong and the Internet 2 network to promote research and development work on the Internet and to develop Hong Kong into an Internet hub in the region;
- continue to process applications for recognition under the Voluntary Certification Authority Recognition Scheme and the on-going assessment of recognised certification authorities;
- assist in enhancing the information security infrastructure and help bureaux and departments in implementing security policies and guidelines;
- help to implement additional applications under the Electronic Service Delivery scheme so as to provide more Government services on-line;
- enhance the Government IT infrastructure to support the wider adoption of electronic transactions; and
- assist in the review of the Electronic Transactions Ordinance.

Programme (3): IT in the Community

	1999–2000 (Actual)	2000–01 (Approved)	2000–01 (Revised)	2001–02 (Estimate)
Financial provision (\$m)	27.5	32.1 (+16.7%)	31.0 (–3.4%)	28.6 (–7.7%)

Aim

11 The aim is to promote and facilitate the development of IT in the community to enhance the social and economic well-being of the HKSAR.

Brief Description

12 The department provides support to ITBB in promoting and facilitating the wider use of IT in the community and in fostering the development of the local IT industry. It helps to promote awareness and understanding of IT and its applications through an active promotion programme. It also works in close partnership with the local IT industry, academic and other professional bodies to encourage the cross-fertilisation of ideas and promote the use of new and emerging technologies within the community.

13 In 2000–01, the department has:

- undertaken programmes to promote the awareness and use of IT in the community;
- co-organised with ITBB and the Home Affairs Department a major IT campaign in the 18 districts to promote the wider use of IT in the community at district level;
- launched roving shows and exhibitions in preparation for the launch of the Electronic Service Delivery scheme;
- conducted seminars to encourage the private sector, especially the small and medium-sized enterprises, to engage in electronic commerce;
- serviced a Task Force under the Information Infrastructure Advisory Committee in reviewing the administration and assignment of Internet domain names and Internet Protocol addresses in Hong Kong;
- collected benchmarking statistics on the use of IT in Hong Kong; and
- facilitated the establishment of a Computer Emergency Response Centre in Hong Kong.

Matters Requiring Special Attention in 2001–02

14 During 2001–02, the department will continue to work with ITBB in:

- implementing programmes to encourage the private sector to engage in electronic commerce;
- promoting the development of the local IT industry and business;
- promoting IT awareness, skills and competence throughout the community;
- facilitating the introduction of the new arrangements to keep the administration and assignment of Internet domain names and Internet protocol addresses in line with international development trends so as to promote the extensive use of the Internet;
- developing collaboration opportunities with partner economies with whom Hong Kong has concluded bilateral arrangements on IT co-operation;
- conducting an annual survey on the use of IT in the business community to assess the usage of IT in business and the development of the IT industry locally; and
- conducting an annual household survey on the use of IT in the community to assess the usage and development of IT in the community.

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ANALYSIS OF FINANCIAL PROVISION

Programme	1999-2000 (Actual) (\$m)	2000-01 (Approved) (\$m)	2000-01 (Revised) (\$m)	2001-02 (Estimate) (\$m)
(1) Use of IT in Government	542.2	565.0	553.1	508.6
(2) IT Infrastructure and Standards	58.5	71.3	76.8	81.9
(3) IT in the Community.....	27.5	32.1	31.0	28.6
	<u>628.2</u>	<u>668.4</u> (+6.4%)	<u>660.9</u> (-1.1%)	<u>619.1</u> (-6.3%)

Analysis of Financial and Staffing Provision

Programme (1)

Provision for 2001-02 is \$44.5 million (8.0%) lower than the revised estimate for 2000-01. This is mainly due to the transfer of 48 posts to Immigration Department, 32 posts to Inland Revenue Department, two posts to the Judiciary and one post to Social Welfare Department to support the computerisation projects and strengthen the IT management capability of these departments; and net deletion of five posts and savings from reduced operating expenditure under the Enhanced Productivity Programme.

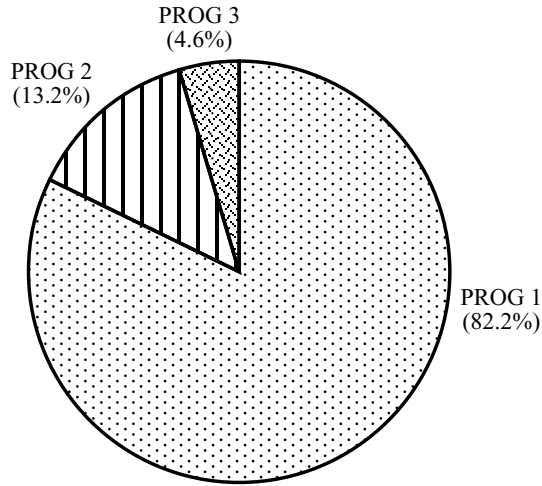
Programme (2)

Provision for 2001-02 is \$5.1 million (6.6%) higher than the revised estimate for 2000-01. This is mainly due to the increased requirements for IT infrastructure and standards.

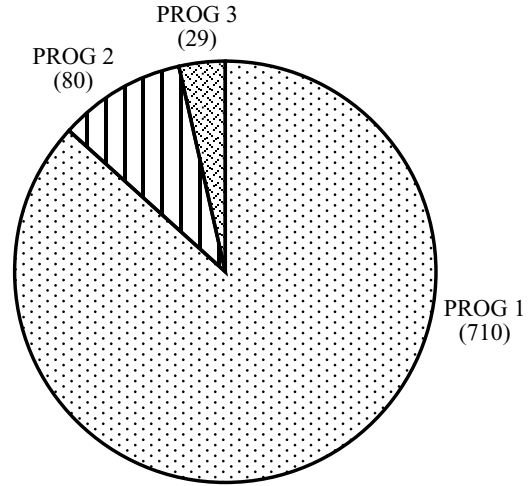
Programme (3)

Provision for 2001-02 is \$2.4 million (7.7%) lower than the revised estimate for 2000-01. This is mainly due to the redeployment of existing resources to Programme 2 to strengthen the support to development of IT infrastructure.

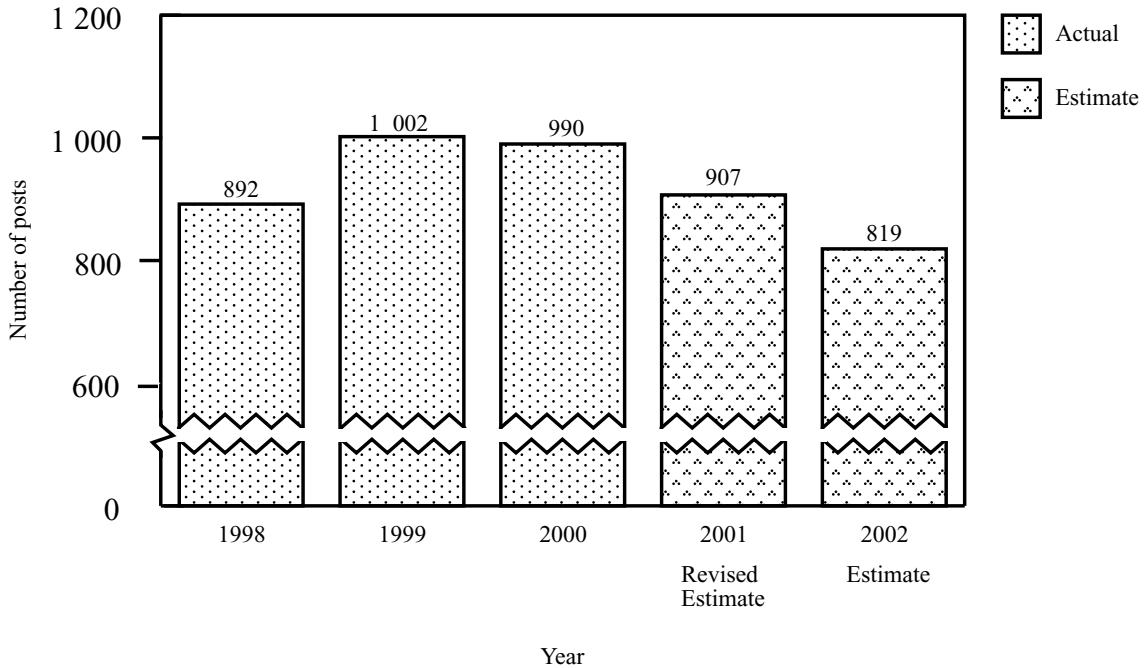
Allocation of provision to programmes (2001-02)



Staff by programme (as at 31 March 2002)



Changes in the size of the establishment (as at 31 March)



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Sub-head (Code)		Actual expenditure 1999–2000	Approved estimate 2000–01	Revised estimate 2000–01	Estimate 2001–02
		\$ 000	\$ 000	\$ 000	\$'000
Recurrent Account					
I — Personal Emoluments					
001	Salaries.....	410,508	419,800	421,679	364,643
002	Allowances.....	15,866	20,070	15,495	15,950
007	Job-related allowances.....	612	774	774	545
	Total, Personal Emoluments	426,986	440,644	437,948	381,138
III — Departmental Expenses					
111	Hire of services and professional fees.....	97,321	108,792	103,723	107,229
117	Data processing.....	76,550	85,802	83,664	84,668
149	General departmental expenses.....	27,364	33,159	35,555	43,638
	Total, Departmental Expenses	201,235	227,753	222,942	235,535
	Total, Recurrent Account	628,221	668,397	660,890	616,673
Capital Account					
I — Plant, Equipment and Works					
661	Minor plant, vehicles and equipment (block vote).....	—	—	—	2,458
	Total, Plant, Equipment and Works	—	—	—	2,458
	Total, Capital Account.....	—	—	—	2,458
	Total Expenditure	<u>628,221</u>	<u>668,397</u>	<u>660,890</u>	<u>619,131</u>

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Details of Expenditure by Subhead

The estimate of the amount required in 2001–02 for the salaries and expenses of the Information Technology Services Department is \$619,131,000. This represents a decrease of \$41,759,000 against the revised estimate for 2000–01 and of \$9,090,000 against actual expenditure in 1999–2000.

Recurrent Account

Personal Emoluments

2 Provision of \$381,138,000 for personal emoluments represents a decrease of \$56,810,000 against the revised estimate for 2000–01.

3 The establishment at 31 March 2001 will be 907 permanent posts. 83 posts will be transferred to other departments on 1 April 2001 and it is expected that a further five posts will be deleted in 2001–02.

4 Subject to certain conditions, the controlling officer may under delegated powers create or delete non-directorate posts during 2001–02, but the notional annual mid-point salary value of all such posts must not exceed \$367,584,000 which will be gradually reduced to \$363,447,000 upon the deletion of project-related posts as and when implementation of the projects has been completed in the course of the year.

5 Provision of \$15,950,000 under *Subhead 002 Allowances* is for standard allowances.

6 Provision of \$545,000 under *Subhead 007 Job-related allowances* is for standard job-related allowances. The decrease of \$229,000 (29.6%) against the revised estimate for 2000–01 is due to reduced requirement for on-call duty allowance following the transfer of 83 posts to other departments.

Departmental Expenses

7 Provision of \$107,229,000 under *Subhead 111 Hire of services and professional fees* is for acquisition of information technology manpower contract services and acquisition of tactical and strategic technology-related support and information. The increase of \$3,506,000 (3.4%) over the revised estimate for 2000–01 is mainly due to increased requirement for information technology manpower contract services, partly offset by savings from reduced operating expenditure under the Enhanced Productivity Programme.

8 Provision of \$84,668,000 under *Subhead 117 Data processing* is for the hire and maintenance of computer hardware, software and data preparation equipment.

9 Provision of \$43,638,000 under *Subhead 149 General departmental expenses* represents an increase of \$8,083,000 (22.7%) over the revised estimate for 2000–01. This is mainly due to the full-year effect of employment of non-civil service contract staff and temporary staff.