

Head 47 — INFORMATION TECHNOLOGY SERVICES DEPARTMENT

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

Estimate 2002–03 **\$616.6m**

Establishment ceiling 2002–03 (notional annual mid-point salary value) representing an estimated 801 non-directorate posts at 31 March 2002 reducing by 38 posts to 763 posts at 31 March 2003 **\$354.6m**

In addition there will be an estimated 17 directorate posts at 31 March 2002 and at 31 March 2003.

Controlling Officer's Report

Programmes

Programme (1) Use of Information Technology (IT) in Government

These programmes contribute to Policy Area 17: Information Technology and Broadcasting (Secretary for Information Technology and Broadcasting).

Programme (2) IT Infrastructure and Standards

Programme (3) IT in the Community

Detail

Programme (1): Use of IT in Government

	2000–01 (Actual)	2001–02 (Approved)	2001–02 (Revised)	2002–03 (Estimate)
Financial provision (\$m)	532.3	508.6 (–4.5%)	519.1 (+2.1%)	501.4 (–3.4%)

Aim

2 The aim is to promote and facilitate the widespread adoption of IT in the 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 2001–02, the department:

- started to implement a series of IT programmes to facilitate common inter-departmental and intra-departmental electronic transactions;
- co-ordinated all bureaux and departments to complete the adoption of proper Software Asset Management practices regarding government computer systems;
- launched the Confidential Mail Programme within the Government to allow exchange of electronic mails with confidential content;
- started the Government Office Automation Extension Programme to cover an additional 15 000 officers in bureaux and departments by mid-2003;
- completed a review of progress in IT development of all bureaux and departments;
- will have completed two Information Systems Strategy Studies/Reviews, 38 feasibility studies and implementation of 169 computer applications for bureaux and departments;
- will have implemented the new Information Technology Professional Services Arrangement which helps enlarge the Government's capacity for IT service delivery and accelerate the delivery of IT solutions; and
- will have helped outsource the application maintenance services of five departments.

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

Head 47 — INFORMATION TECHNOLOGY SERVICES DEPARTMENT

Target

	Target	2000 (Actual)	2001 (Actual)	2002 (Plan)
percentage of services rendered meeting requirements set out in service level documents agreed with users.....	100.0	100.0	100.0	100.0

Indicators

	2000 (Actual)	2001 (Actual)	2002 (Estimate)
no. of workstations per 1 000 civil servants.....	482	586	630
no. of bureaux/departments with IT plans in place	37	44	52
results of post-implementation reviews on completed projects			
percentage completed on schedule.....	72.8	81.5	75.0
percentage completed within budget.....	100.0	100.0	100.0
percentage meeting agreed specifications	100.0	100.0	99.0
percentage achieving intended benefits	95.8	100.0	98.0
	2000-01 (Actual)	2001-02 (Estimate)	2002-03 (Estimate)
total value of work undertaken in the year (\$m)	1,530	1,503	1,749
total value of work outsourced in the year (\$m)	1,327	1,220	1,166

Matters Requiring Special Attention in 2002-03

6 During 2002-03, the department will:

- assist the E-government Co-ordination Office (EGCO) and bureaux/departments in the development of IT programmes under the e-government initiatives;
- assist the EGCO in the implementation of IT programmes to facilitate intra- and inter-departmental transactions;
- assist bureaux/departments in providing e-option for 90% of public services which are amenable to the electronic mode of delivery by end-2003;
- assist bureaux/departments in the implementation of a programme to provide IT facilities to all civil servants to promote greater use of IT for internal operations from 2002;
- assist bureaux/departments in implementing the recommendations of the review of their progress in IT development;
- co-ordinate the development and implementation of value-added applications of the smart identity cards to be issued in 2003;
- complete the implementation of the Confidential Mail Programme within the Government;
- continue to implement the Government Office Automation Extension Programme in bureaux and departments;
- assist departments in the implementation of pilot mobile computing projects in enhancing their off-site operations; and
- assist departments in the implementation of a pilot scheme for providing public services using voice recognition technology.

Programme (2): IT Infrastructure and Standards

	2000-01 (Actual)	2001-02 (Approved)	2001-02 (Revised)	2002-03 (Estimate)
Financial provision (\$m)	71.7	81.9 (+14.2%)	84.7 (+3.4%)	86.4 (+2.0%)

Aim

7 The aim is to foster the development of the IT infrastructure and standards in the Hong Kong Special Administrative Region (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

Head 47 — INFORMATION TECHNOLOGY SERVICES DEPARTMENT

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 2001–02, the department:

- helped implement additional applications under the Electronic Service Delivery (ESD) scheme;
- facilitated the functioning of the Information Security Management Committee and the IT Security Working Group to oversee and co-ordinate the development, review and implementation of IT security policies and guidelines within the Government;
- established the Government Information Security Incident Response Office for handling information security incidents in the Government;
- established a secretariat to support the Working Group on Internet2 Development;
- implemented the Government Directory Service which serves as a repository of government contact information to facilitate electronic communication with the Government;
- implemented an automatic and online translation service between traditional and simplified Chinese characters on web pages under the Guangdong/HKSAR electronic link to enhance electronic information flow between the governments of the Guangdong Province and the HKSAR; and
- granted recognition to a certification authority under the Voluntary Certification Authority Recognition Scheme.

Matters Requiring Special Attention in 2002–03

10 During 2002–03, the department will:

- continue to help implement additional applications under the ESD scheme so as to provide more government services online;
- help provide ESD services through the mobile medium in addition to personal computers and public kiosks;
- continue to help bureaux and departments in implementing IT security policies and guidelines;
- put in place an inter-operability framework to facilitate the inter-operability of applications within the Government as well as between the Government and external parties;
- continue to facilitate the set up of the link between Hong Kong and the Internet2 network to promote research and development work on the Internet and to develop Hong Kong into an Internet hub in the region;
- assist in the review of the Electronic Transactions Ordinance;
- develop a simplified Chinese character version for government websites so as to enhance their accessibility to Chinese communities outside Hong Kong, in particular, people in the Mainland, thus facilitating the development of e-business with such communities; and
- continue to process applications for recognition under the Voluntary Certification Authority Recognition Scheme and the on-going assessment of recognised certification authorities.

Programme (3): IT in the Community

	2000–01 (Actual)	2001–02 (Approved)	2001–02 (Revised)	2002–03 (Estimate)
Financial provision (\$m)	29.7	28.6 (–3.7%)	30.1 (+5.2%)	28.8 (–4.3%)

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 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 2001–02, the department:

- conducted seminars, in collaboration with industry partners, to encourage the private sector to engage in e-business, especially the small and medium enterprises (SMEs);

Head 47 — INFORMATION TECHNOLOGY SERVICES DEPARTMENT

- organised roving shows and exhibitions to promote e-government, the ESD scheme and the use of digital certificates;
- co-organised with ITBB and the Home Affairs Department an IT Hong Kong (ITHK) campaign to promote the wider use of IT in the community at the district level;
- conducted seminars to promote the awareness of the community on the need for barrier-free web page design;
- implemented measures to facilitate SMEs in the IT industry in bidding for government IT contracts;
- facilitated the introduction of the new arrangements to keep the administration and assignment of Internet domain names in line with international development trends and the establishment of a non-profit-making organisation for the administration and assignment of Internet domain names; and
- completed annual surveys on the use of IT in households and the business community to assess the usage and development of IT in Hong Kong.

Matters Requiring Special Attention in 2002–03

14 During 2002–03, the department will continue to work with ITBB to:

- implement sector-specific promotional programmes to encourage the adoption of e-business in the private sector, especially SMEs;
- continue with the ITHK campaign to promote the awareness and wider use of IT in the community;
- facilitate the development of the local IT industry and businesses;
- collaborate with world renowned IT companies to provide professional IT training to secondary students;
- co-ordinate, among government departments, the activities to address the issue of digital divide in Hong Kong;
- collaborate with professional bodies in the IT industry to promote the adoption of barrier-free website in the private sector so as to facilitate access by the visually impaired;
- facilitate the introduction of registration of Chinese and individual Internet domain names in Hong Kong;
- implement an on-going publicity programme to promote the Digital 21 IT strategy overseas; and
- explore the development of text-to-speech translation services and a sound version for government websites in order to facilitate the blind, the visually impaired, and senior citizens to access government online information.

Head 47 — INFORMATION TECHNOLOGY SERVICES DEPARTMENT

ANALYSIS OF FINANCIAL PROVISION

Programme	2000-01 (Actual) (\$m)	2001-02 (Approved) (\$m)	2001-02 (Revised) (\$m)	2002-03 (Estimate) (\$m)
(1) Use of IT in Government.....	532.3	508.6	519.1	501.4
(2) IT Infrastructure and Standards	71.7	81.9	84.7	86.4
(3) IT in the Community	29.7	28.6	30.1	28.8
	<u>633.7</u>	<u>619.1</u> (-2.3%)	<u>633.9</u> (+2.4%)	<u>616.6</u> (-2.7%)

Analysis of Financial and Staffing Provision

Programme (1)

Provision for 2002-03 is \$17.7 million (3.4%) lower than the revised estimate for 2001-02. This is mainly due to the transfer of 18 posts to Education Department, 11 posts to Rating and Valuation Department, seven posts to Transport Department, three posts to Information Services Department and one post to Judiciary to support the computerisation projects and strengthen the IT management capability of these departments; and savings from reduced operating expenditure under the Enhanced Productivity Programme, partly offset by provision for maintaining additional computer hardware and software, and the creation of two posts to support the implementation of a Multi-application Smart Identity Card Programme.

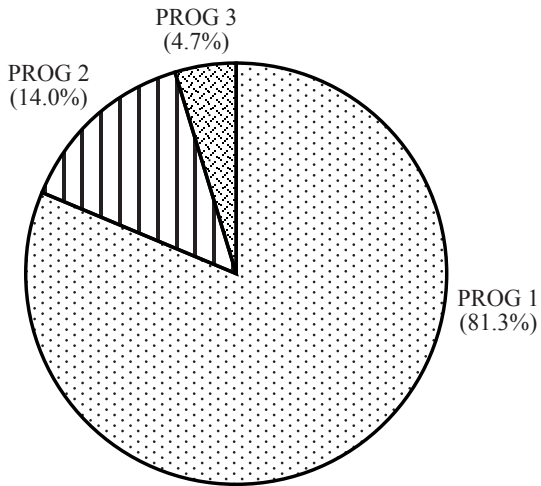
Programme (2)

Provision for 2002-03 is \$1.7 million (2.0%) higher than the revised estimate for 2001-02. This is mainly due to increased requirements for IT infrastructure and standards.

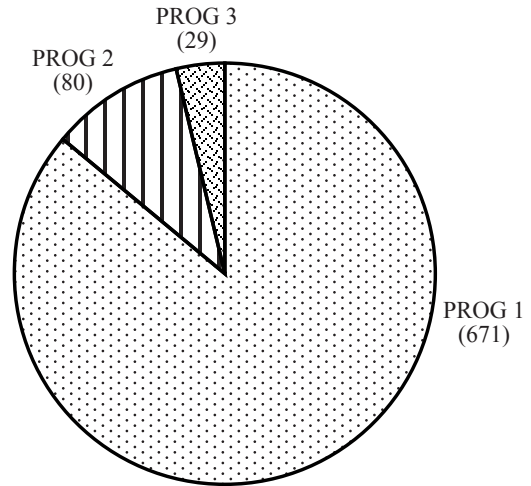
Programme (3)

Provision for 2002-03 is \$1.3 million (4.3%) lower than the revised estimate for 2001-02. This is mainly due to redeployment of existing resources to Programme 2 to strengthen the support to development of IT infrastructure and standards.

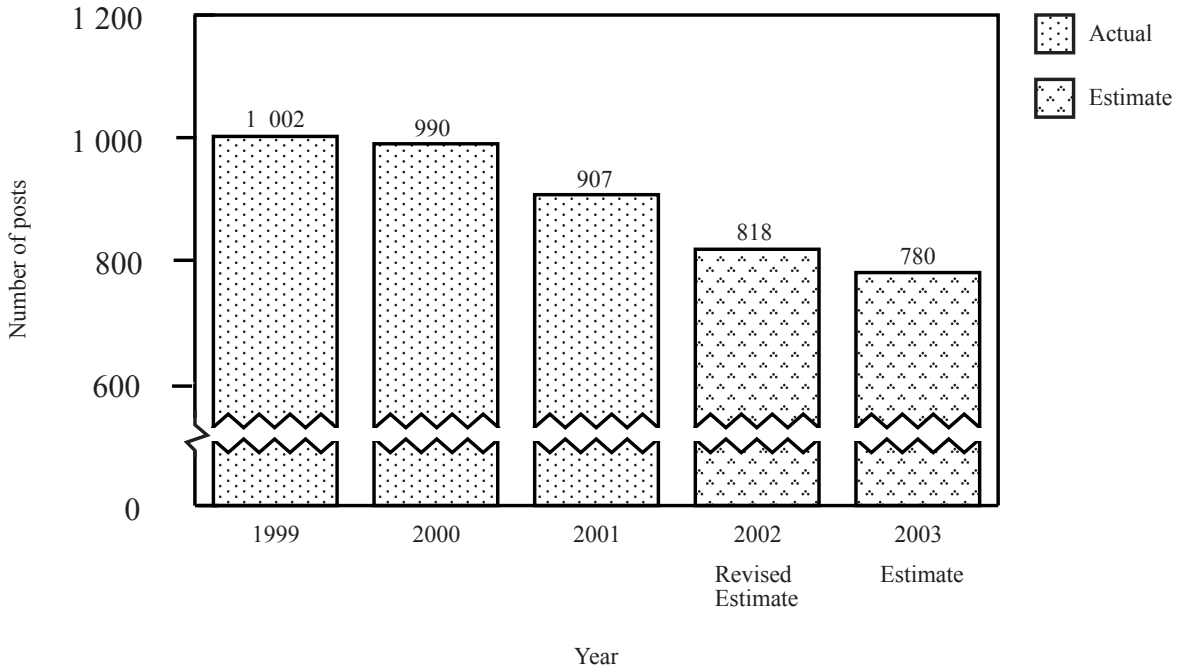
Allocation of provision to programmes (2002-03)



Staff by programme (as at 31 March 2003)



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



Head 47 — INFORMATION TECHNOLOGY SERVICES DEPARTMENT

Sub-head (Code)	Actual expenditure 2000-01	Approved estimate 2001-02	Revised estimate 2001-02	Estimate 2002-03	
	\$'000	\$'000	\$'000	\$'000	
Recurrent Account					
I — Personal Emoluments					
001	Salaries	419,854	364,643	392,244	379,945
002	Allowances	11,140	15,950	15,950	16,570
007	Job-related allowances	609	545	545	524
	Total, Personal Emoluments	<u>431,603</u>	<u>381,138</u>	<u>408,739</u>	<u>397,039</u>
III — Departmental Expenses					
111	Hire of services and professional fees	93,016	107,229	95,532	92,347
117	Data processing	78,799	84,668	81,800	84,965
149	General departmental expenses	30,323	43,638	40,700	42,249
	Total, Departmental Expenses	<u>202,138</u>	<u>235,535</u>	<u>218,032</u>	<u>219,561</u>
	Total, Recurrent Account	<u>633,741</u>	<u>616,673</u>	<u>626,771</u>	<u>616,600</u>
Capital Account					
I — Plant, Equipment and Works					
	Minor plant, vehicles and equipment (block vote)	—	2,458	2,458	—
	Total, Plant, Equipment and Works	<u>—</u>	<u>2,458</u>	<u>2,458</u>	<u>—</u>
II — Other Non-Recurrent					
	General other non-recurrent	—	—	4,660	—
	Total, Other Non-Recurrent	<u>—</u>	<u>—</u>	<u>4,660</u>	<u>—</u>
	Total, Capital Account	<u>—</u>	<u>2,458</u>	<u>7,118</u>	<u>—</u>
	Total Expenditure	<u><u>633,741</u></u>	<u><u>619,131</u></u>	<u><u>633,889</u></u>	<u><u>616,600</u></u>

Head 47 — INFORMATION TECHNOLOGY SERVICES DEPARTMENT

Details of Expenditure by Subhead

The estimate of the amount required in 2002–03 for the salaries and expenses of the Information Technology Services Department is \$616,600,000. This represents a decrease of \$17,289,000 against the revised estimate for 2001–02 and of \$17,141,000 against actual expenditure in 2000–01.

Recurrent Account

Personal Emoluments

2 Provision of \$397,039,000 for personal emoluments represents a decrease of \$11,700,000 against the revised estimate for 2001–02 and takes into account provision for posts to be transferred to other departments, partly offset by provision for salary increment and new posts to be created in 2002–03.

3 The establishment at 31 March 2002 will be 818 permanent posts. Taking into account the transfer of 40 posts to other departments on 1 April 2002 and the creation of two posts for new services, it is expected that a net 38 posts will be deleted in 2002–03.

4 Subject to certain conditions, the controlling officer may under delegated powers create or delete non-directorate posts during 2002–03, but the notional annual mid-point salary value of all such posts must not exceed \$354,599,000.

5 Provision of \$16,570,000 under *Subhead 002 Allowances* is for standard allowances.

6 Provision of \$524,000 under *Subhead 007 Job-related allowances* is for standard job-related allowances.

Departmental Expenses

7 Provision of \$92,347,000 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.

8 Provision of \$84,965,000 under *Subhead 117 Data processing* is for the hire and maintenance of computer hardware, software and data preparation equipment.