

**Minutes of the Third Meeting of
the Joint Committee on Information Technology
for the Social Welfare Sector held at 2:30 p.m. on 12 March 2002**

Present: Mrs Carrie Lam (Chairperson)
Mrs Patricia Chu
Mrs Eliza Leung
Mr Alex Ma
Mr Chan Wing-tai
Mr Chong Chan-yau
Mr T K Kang
Mr Philip Ho
Ms Christine Fang
Mr Kok Che-leung
Mr Li Wai-chiu
Mr Lam Ka-tai (Secretary)

In attendance: Mr John Fung
Miss Shirley Kiang
Mr Eric Chan
Miss Mina Chow
Mr Lee Wing-wai (for agenda items 5 & 6 only)
Mr Fu Tsun-hung (for agenda items 5 & 6 only)

Absent with apologies: Ms Peggy Leung

Confirmation of Minutes of the Last Meeting

The Chairperson said that the draft minutes of the last meeting had been sent to Members for comments on 6 November 2001. As Members raised no comments on the draft minutes at that time, the draft minutes were taken as confirmed. Both English and Chinese versions of the minutes had subsequently been uploaded onto the web site of the Social Welfare Department (SWD) for general information.

Matters arising from the Minutes of the Last Meeting

2. With regard to some of the issues set out in the minutes of the last meeting, the Chairperson briefed Members about the progress as follows -

Paragraph 34

3. The Chairperson said that SWD's Information Systems and Technology Branch had a meeting with Mr T K Kang and Mr Chan Wing-tai on 9 October 2001 to go through a list of items which non-governmental organisations (NGOs) should include in their information technology (IT) project proposals when submitting their funding applications in respect of them. She thanked Mr Kang and Mr Chan for their time and valuable suggestions on the items which had been incorporated into a paper submitted to the Lotteries Fund Advisory Committee (LFAC) for deliberation at its first meeting held on 23 October 2001. The Chairperson said that LFAC Members supported in principle the proposed framework on the use of Lotteries Fund (LF) to carry out IT projects. She however advised that in light that many business improvement project (BIP) proposals received in the earlier BIP invitation exercise were in fact IT projects, the Department decided that there was no need to rush inviting LF applications in respect of IT projects but more preparation work should be done. LFAC Members were of the view that to ensure proper use of public funds allocated to IT projects, more efforts should be made to arouse the awareness of NGOs' management of the strategic importance of IT project management in the meantime.

Paragraph 50

4. The Chairperson said that the proposal made by the Hong Kong Federation of Youth Groups (HKFYG) had been submitted to LFAC for consideration at its first meeting held on 23 October 2001. LFAC Members had reservations to support the project on value for money considerations and advised that joint solutions through core systems should be considered to ensure greater cost-effectiveness. The HKFYG's funding application was therefore not endorsed by LFAC, and

the agency had been informed of the decision. The Chairperson said that the agency was not included in the list of NGOs requiring human resource management and financial management systems under Paper No. JC 4/02. It would be necessary to decide whether the agency should be invited to join the core applications project when Members deliberated the paper for that agenda item.

Paragraph 53

5. On the initiative to enhance the accessibility of social welfare web sites to the visually impaired, the Chairperson said that SWD had written to non-profit-making welfare NGOs to brief them about the initiative and invite their participation in the project. A total of 87 NGOs (out of 175 NGOs with web sites at the time) had responded to indicate interest in improving their web accessibility to the visually impaired. SWD had referred those NGOs to the Information Technology Resource Centre (ITRC) for follow-up of NGOs' initial response.

Implementation of the Information Technology Strategy for the Social Welfare Sector

6. The Chairperson referred Members to Paper No. JC 2/02 for an update on the actions taken by SWD in implementing the IT strategy for the social welfare sector subsequent to the second meeting of the Joint Committee held on 4 October 2001.

7. Mr T K Kang asked how many NGOs had taken the initiative to wire up their units through the grant for Internet access and e-Cert provision. Mr Kok Che-leung said that only the Christian Family Service Centre had indicated in writing that they would use the grant to wire up their headquarters units by using T1 connection. Mr Kang said that NGOs should be encouraged to deploy the grant allocated to them flexibly in building up their technical infrastructure. Mr Kok responded that in SWD's letter of invitation to applications for the grant, it had been made clear that NGOs were free to choose the technical solutions that best suited their circumstances in achieving the objective of the grant.

8. Mr Chan Wing-tai suggested that efforts should be made to educate NGOs about the possible technical solutions. The Chairperson pointed out that innovation was the norm nowadays and that NGOs should make their own choice and develop their own ideas instead of being fed with guidelines or briefings. The Chairperson advised that there should be a closing date for the initiative on Internet access and e-Cert provision for NGOs such that the accounts for that LF commitment could be settled at a suitable time.

9. Mr Chong Chan-yau said that the Seminar on IT Project Management for the Social Welfare Sector held on 21 January 2002 was useful and two of the areas covered in the Seminar, namely IT project management and contract management, were particularly informative. He hoped that some follow-up training in these areas would continue to be arranged for the sector. Mr Kok Che-leung said that he would have a meeting with the ITRC and the Training Division of the Hong Kong Council of Social Service (HKCSS) shortly to follow up NGOs' IT training needs.

10. On the web accessibility initiative, Mr John Fung reported that the ITRC had to date completed adding alternative text (alt-text) to 21 web sites. Some NGOs were reluctant to pass their web site passwords to the ITRC for alt-text construction. The ITRC had provided these NGOs with guidelines on adding alt-text to web sites and would leave the alt-text work to the NGOs themselves. Some NGOs had however mistaken that the ITRC would develop web sites for them when they responded to SWD's letter to indicate interest in improving their web accessibility. Mr Fung said that the ITRC would complete the alt-text addition work for the remaining web sites by May 2002.

11. The Chairperson asked whether given all these, the resource input for the web accessibility project was close to the original estimate. Mr John Fung answered in the affirmative. Mr Philip Ho suggested that the ITRC should advise the NGOs to secure their web site passwords after the ITRC had completed the alt-text work on their web sites. Mr Fung agreed.

12. Mr Chong Chan-yau said that it was important for NGOs to

have adequate training in updating the alt-text on their web sites. He suggested that the ITRC provide NGOs with a manual for their easy reference so that they might do the updating themselves. Mr John Fung said that the information expected of the manual had already been posted on the ITRC's web site and that there was no need to arrange separate training courses on this as the alt-text work did not entail too much technical knowledge.

13. As regards the annual call for LF applications in respect of IT projects, the Chairperson said that it would be proceeded at a slightly slower pace having regard to a more than expected number of IT project proposals received under the BIP scheme still awaiting vetting. Mr Chan Wing-tai said that IT should be seen as a vehicle to improving business rather than an end in itself. The Chairperson agreed and said that consideration would be given to synchronising the two types of call for applications.

14. The Chairperson said that a paper on the mini-feasibility study on Client Information System (CIS) for subvented family services centres (FSCs) in the NGO sector (Paper No. JC 1/02) had been circulated to Members for information. She thanked Mr Chan Wing-tai for his earlier indication via e-mail to volunteer to sit on the Project Steering Committee (PSC) of the mini-feasibility study and formally invited him to be a member of the said PSC. The Chairperson pointed out that SWD would seek funds from the Finance Committee of the Legislative Council for implementing Phase II of its Information Systems Strategy (ISS) which involved development of a Technical Infrastructure (TI) and a CIS for SWD. The mini-feasibility study on CIS for NGO FSCs would only commence subject to approval of funds by the Finance Committee for the implementation of Phase II of SWD's ISS. (Post meeting note: Finance Committee approved at its meeting on 12 April 2002 funding for the TI/CIS of SWD.)

First Progress Report on the Information Technology Resource Centre

15. Mr Chan Wing-tai declared interests on this agenda item as he was the vice-Chairman of the HKCSS's Management Enhancement

Committee. The Chairperson referred Members to Paper No. JC 3/02 for a summary of the main points set out in the ITRC's first progress report which covered the period from 1 June 2001 to 31 December 2001. Mr John Fung presented the progress report and briefed Members about the work done by the ITRC during the said period.

16. The Chairperson asked about the market share of ITRC's hardware and software sales. Miss Shirley Kiang responded that it was between 45% and 55% of the funds allocated to the sector for IT-related projects. The Chairperson then queried why so many NGOs had expressed "No Comments" in the customer satisfaction survey. Mr John Fung said that they had no comments because they had not used ITRC's services. The Chairperson was not convinced about this explanation as there was already an option "Haven't Used the Services Before" in the survey. As she saw it, it was not a good sign to have a noticeable number of "No Comments" in the survey returns. The Chairperson suggested exploring the possibility of getting an independent party to do a customer satisfaction survey in respect of ITRC's work for the impending evaluation.

17. Mr Chong Chan-yau asked whether there was any definition or expectation of ITRC's Research and Development (R&D) work and whether the re-positioning exercise for HKCSS as mentioned in paragraph 8 of the paper referred to ITRC's re-positioning or HKCSS's re-organisation exercise. The Chairperson said that the re-positioning exercise referred to in paragraph 8 of the paper was pointing to the HKCSS's re-organisation and that R&D was a core function of the HKCSS's services provided to NGOs and should therefore be absorbed under HKCSS's funds. Mr Chong said that ITRC's most important function was R&D however it was defined. He expected that there would be funding to support ITRC's R&D for the second year. The Chairperson agreed that she too considered R&D to support welfare services development a core business of HKCSS upon its re-structuring and R&D funding coming from HKCSS subvention would be more sustainable. She added that release of no second-year funding for R&D in the LF project vote would be examined in the context of HKCSS's Funding and Service Agreement (FSA) rather than during the evaluation of ITRC's work.

18. Ms Christine Fang pointed out that the monthly R&D cost for ITRC was \$240,000. The HKCSS was already subsidising the R&D service carried out by ITRC on top of the \$240,000. She said that the focus on R&D should come from the customers (i.e. NGOs) who might have to take some time for warming up. The Chairperson agreed that the R&D focus would become clearer as NGOs were getting more used to using IT to deliver their business. She also clarified that ITRC's revenue in the first three years of its operation was to build up buffers against market fluctuations, not to offset the LF grant to finance ITRC's three-year operation.

19. Mr Chong Chan-yau had reservations about the classification of adding alt-text to NGOs' web sites and bidding the hosting of HUSITA as ITRC's R&D activities as set out in the ITRC's first progress report. Mr John Fung explained that those activities were more of a capacity building nature. They were put under R&D primarily because they were non-fee-charging noting that R&D was the only non-fee-charging component among the services provided by the ITRC. Mr Fung admitted that it was not apt to adopt such categorisation and said that he would include the capacity building activities under a more appropriate category in the next progress report.

20. Concerning the R&D activity of exploring the use of server-based text-to-speech software for enhancing web accessibility, Mr Alex Ma said that an evaluation of the software had recently been done and suggested that the ITRC make reference to the software evaluation results before deciding on the further use of the software for NGO web sites. Mr Philip Ho suggested that the expenditure for ITRC's R&D should be capped under a specific ceiling for better control as in the case of R&D in other enterprises. He was also of the view that too many capacity building activities on the ITRC's part might risk blurring the focus of R&D.

21. Mr T K Kang said that the ITRC should be encouraged to do more exploration about IT developments in the human service arena with a view to building up knowledge for NGOs' reference. The Chairperson recognised that the ITRC was acting as a bridge between social work and

IT. She said that the Joint Committee was generally encouraged by the work done by the ITRC during its first seven months of operation, and hoped that the ITRC would take on board Members' views and suggestions in moving forward to provide adequate IT services to NGOs. Mr Chong Chan-yau hoped that funding would be available to allow the ITRC to provide core services, especially R&D, to the sector.

Core Application Development on Human Resource Management and Financial Management for Non-governmental Organisations

22. The Chairperson referred Members to Paper No. JC 4/02 which set out the rationale and implementation approach to the core application development on human resource management (HRM) and financial management (FM) for NGOs. Mr Kok Che-leung presented the paper and highlighted the different phases of the project. Mr Kok said that a total of 42 NGOs had requested developing applications relating to HRM and/or FM for agency use through their BIP submissions. He pointed out that Phase One of the project was a consultancy study to confirm and draw up with the 42 NGOs core user requirements for HRM and FM applications and to research about the relevant software packages available in the market with a view to identifying a set of applications suitable for adaptation for use by NGOs. The study would also examine possible options of implementing the HRM and FM applications for NGOs and work out cost estimates on the implementation of the applications as well as the hardware required for individual NGOs for the running of the applications. Subject to the findings of the study, SWD would determine the mode of implementation of the project in subsequent phases.

23. The Chairperson said that the intention was to invite the HKCSS's ITRC to conduct the study taking into account its familiarity with the operation and use of IT in welfare NGOs. In supporting a LF grant for the ITRC, it was recognised that the ITRC might be solicited to conduct consultancy studies or carry out ad hoc assignments on a fee for service basis. Mr John Fung said that the risk to the project was relatively large if it started with implementation right away without the user requirements and software/hardware related issues properly

examined through a study. He added that it would be more realistic and pragmatic to clarify the requirements with the 42 NGOs in the first instance. Mr Fung said that he had consulted some members of the HKCSS's IT Committee to confirm this direction.

24. Mr Chan Wing-tai said that NGOs might consider the customised product not suitable for their use in a year's time or not applicable to NGOs other than the 42 involved in the BIP submissions. Mr Chong Chan-yau said that most of the user requirements should be common rather than unique for such commonly used applications as HRM's and FM's. He asked whether it was really necessary to take four months for the study as the HKCSS should be quite familiar with NGOs' operation. Mr Chan Wing-tai said that four months was about right as the study examined not only common requirements but also requirements unique to individual NGOs.

25. Mr John Fung said that some NGOs' requirements were straightforward but some were not, thereby resulting in different study timelines for NGOs. Mr Philip Ho said that we might roughly apply a 20% rule to HRM applications for customisation to include some unique features such as leave calculation. The remaining 80% should be by and large common requirements.

26. Ms Christine Fang said that the HKCSS was under pressure in considering the invitation to conduct the study. The HKCSS had not yet seen even a single BIP proposal relating to the development of HRM and FM applications. The Chairperson said that the HKCSS's responsibility was primarily on delivering the study and its findings while SWD would explain to NGOs about the study and encourage them to cooperate in the study.

27. Mr T K Kang said that while there was a need to do an analysis of NGOs' user requirements, the matter was far from being complicated other than streamlining the data set. Mr Alex Ma asked whether the goal of the project was to get all NGOs to adopt the same HRM/FM applications. The Chairperson clarified that the ultimate goal was to help NGOs with their transition to the Lump Sum Grant environment and there was no intention to straight-jacket their operations.

Core system application to meet similar IT requirements was justified on value for money grounds.

28. Mr Philip Ho asked whether we would own the source code for the HRM/FM applications as the long term cost was an issue to be addressed. Mr Kok Che-leung said that it depended on what packages we were adopting and whether the service vendor would open the source code to us. The most desirable arrangement was to own the source code and to cost that in the implementation budget. Ms Christine Fang said that the study as Phase One of the project would propose and recommend options together with an examination of the source code issue.

29. The Chairperson said that the HRM/FM applications should be developed in modules with flexibility to fit the needs of NGOs of varying organisational size. They should be sustainable for future enhancement. The Chairperson concluded that the Joint Committee supported in principle the core HRM/FM application development for NGOs and considered this a proactive way forward to achieve synergy and greater cost-effectiveness. A submission would be made to LFAC for an LF grant to implement Phase One of the project. The Chairperson also suggested and the meeting agreed that the HKFYG be invited in writing to take part in the core application development project.

Business Improvement Projects

30. At the meeting, Members deliberated on two BIP applications and offered their advice for the further processing of these funding requests to LFAC for consideration.

31. The Chairperson said that another 18 BIP proposals involving the use of IT was pending Members' deliberations in the coming meetings of the Joint Committee. She suggested that the Joint Committee convene at two-month intervals until all the outstanding IT-related BIP proposals had been discussed.

32. There being no other business, the meeting was adjourned at
4:15 p.m.

Social Welfare Department
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