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Minutes of the Sixteenth Meeting of
the Joint Committee on Information Technology (JCIT)
for the Social Welfare Sector held on 23 October 2007

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Present: Mr Stephen Fisher   (Chairperson)
               Miss Nancy Law
               Mr Fung Man-lok
               Mr Sherman Chan
               Ms Joyce Mok
               Dr Law Chi-kwong
               Mr Leung Wai-fung, Joseph
               Mr Ma Chiu-tong, Nigel
               Ir Li Wai-lim, William
               Mr Man Hung-yee, Joseph
               Dr Ting Wai-fong
               Ms Patty Wong
               Mr Lam Bing-chun   (Secretary)

Absent with apologies: Prof Meng Mei-ling, Helen

In attendance: Mr Ashton Chan
                      Mr Timothy Cheng
                      Ms Monita Yuen
                      Miss Ann Hon
                      Ms Lily Ng
                      Mr Edmond Keung   (for agenda item 3 only)
                      Ms Amy Fung   (for agenda item 4 only)
                      Ms Clare Wong   (for agenda item 4 only)
                      Mr Joe Yau   (for agenda item 4 only)
                      Mrs Li Chan Sook-yee (for agenda item 5 only)
                      Mr Eric Lee   (for agenda item 5 only)
                      Mr Wesley Chan   (for agenda item 5 only)
                      Dr. Miranda Chan   (for agenda item 6 only)
                      Ms Lai Sau-ling   (for agenda item 6 only)
                      Ms Alice Wong   (for agenda item 6 only)
                      Ms Fiona Yuen   (for agenda item 6 only)
                      Mr Ronald To   (for agenda item 6 only)

Opening Remarks

The Chairperson welcomed the following five new members attending the meeting:

(a) Mr Sherman Chan, representative of the Labour and Welfare Bureau;
(b) Ms Joyce Mok, representative of the Office of the Government Chief Information Officer(OGCIO) (replacing Mr Alex Ma who had retired);
(c) Mr Joseph Man;
(d) Dr Ting Wai-fong; and
(e) Ms Patty Wong

The Chairperson also welcomed Mr Timothy Cheng, SSM(IST) seconded to SWD from OGCIO, to replace Mr Li Kam-chiu, CITM, who had left SWD.

Confirmation of Minutes of the Last Meeting

2.   Minutes of the 15th meeting were confirmed without amendment.

Matters Arising from the Minutes of the Last Meeting

Paragraph 3: The Information Technology (IT)-related Business Improvement Project (BIP)

3.   The Secretary reported that since the last meeting, three proposals were received and all these proposals would be discussed in this Meeting.

Paragraph 4 – 5: Progress Report on the Implementation of the First and Second Batches of the Core Applications Development Project (CAP) on Human Resource Management (HRM) and Financial Management (FM) for Non-governmental Organisations (NGOs)

4.   The Secretary reported that the Hong Kong Council of Social Service (HKCSS) had not yet finalised the final evaluation report of the first and second batches of CAP upon the project completion in December 2006.   The evaluation report was expected to be discussed in the next meeting.

Agenda Item 3 – Implementation of the Third Batch of the Core Applications Development Project (CAP) on Human Resource Management (HRM) and Financial Management (FM) for Non-governmental Organisations NGO) (Paper JC 3/07)

5.   The Chairperson invited Mr Edmond Keung to report the progress of the third batch of CAP. Dr Law Chi-kwong declared his interests in the project in view of his capacity as the Chairperson of the Project Steering Committee (PSC) of CAP.

6.   Mr Edmond Keung highlighted the progress of the third batch of CAP as follows : -

    (a)   Three NGOs were in positive progress with the system implementation, while other NGOs had agreed to the proposed solutions for handling the difficulties encountered and continued with the implementation.

    (b)   Four NGOs with five systems requested further extension until mid-2008 due to their lack of manpower resources to work on the project. Both HKCSS and the contractor agreed to accommodate the extension.

    (c)   HKCSS had made a preliminary agreement with the contractor for a contract variation. The project fee would be reduced to 87% of the original contract sum and all in-scope customisation requirements identified so far by the NGOs would be catered for by the contractor.

7.   In response to Mr Fung Man-lok's enquiry, Mr Edmond Keung clarified that six NGOs with eight systems would remain with the CAP. He supplemented that the contractor could accommodate further extension until the end of 2008 the latest but HKCSS would negotiate with the NGOs to confine the schedule to mid-2008.

8.   The Chairperson enquired about the chance for success of the project. Mr Edmond Keung indicated that the chance for successful launch of the systems for the remaining NGOs was optimistic as all parties concerned had agreed on the implementation schedule and the contractor would cater for all the agreed customisation requests of the NGOs and demonstrated its readiness to deliver the project.

9.   In response to Mr Joseph Man's enquiry on the experiences learnt from the previous batches to mitigate the difficulties encountered in the third batch of CAP, Mr Edmond Keung replied that the participating NGOs did not totally conform to the concept of core applications and requested a lot of customisations even though the core systems had been developed based on the requirements made with the NGOs participating in the previous batches. He added that it would be better if the NGOs had gathered better understanding on

the systems before they committed themselves to join the CAP.

10.   In response to the Chairperson's enquiry on the sustainability of the CAP, Mr Edmond Keung replied that there were still about 20 NGOs joining the CAP from the first and second batches which guaranteed the sustainability of CAP. However, HKCSS might not be able to reduce the recurrent cost within the original schedule due to the slippage of the third batch of CAP.

11.   Dr Ting wai-fong commented that the cost-effectiveness of the CAP might need to be reviewed based on the current contract price. Mr Fung Man-lok said that the direction of the CAP would be reviewed in light of the change in the market over the years, as it was now very convenient for NGOs to shop HRM and FM packaged products at an acceptable price in the market.

12.   Mr Nigel Ma, Mr Joseph Leung and Ir William Li were concerned about the over-expectation of the NGOs on the CAP systems and this contributed to the unceasing requests for customisation. Dr Law Chi-kwong commented that NGOs had weak ownership of the CAP project as contract management was taken up by the Information Technology Resource Centre (ITRC).

13.   The Chairperson enquired about the impacts if more NGOs chose to withdraw from the third batch of CAP. Dr Law Chi-kwong stressed that CAP was still sustainable with the running of CAP systems for the previous batches of CAP even if more NGOs withdrew from the third batch of CAP. Ms Patty Wong commented that there was no sufficient penalty to deter NGOs from withdrawal from the CAP during the implementation stage. The Chairperson further commented that ITRC should strengthen its effort to complete the project on schedule as unnecessary delay may pose more uncertainties to the project completion. Miss Ann Hon supplemented that stock-taking of the inventory relating to the CAP or disposal of the unserviceable equipment has to be proceeded with upon premature termination of the CAP.

14.   In response to Miss Nancy Law's enquiry on the latest update of the NGOs joining the third batch of CAP, Mr Edmond keung affirmed that the reported position was the most updated one and this would be used as a basis for contract variation. Mr Joseph Man considered that a contingency plan should be devised to mitigate the risk of withdrawal of contractor from the project for unexpected circumstances.

15.   The Chairperson concluded that HKCSS should continue its effort to monitor the CAP project and communicate with the concerned NGOs to upkeep their commitment to the project.

Business Improvement Project (BIP) Proposals

16.	At the meeting, Members deliberated three BIP proposals. After discussion, Members agreed to support the proposals based on the funding criteria for BIPs.

Any Other Business

17.	There being no other business, the meeting was adjourned at 1:00 pm. The next meeting would be held in February 2008 with a date to be fixed.

Social Welfare Department
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