

# THE HONG KONG HOUSING AUTHORITY

## Memorandum for The Finance Committee

### Tackling The Year 2000 Challenge

#### PURPOSE

This paper provides an update to Members on our current progress in addressing the *Year 2000 Challenge* in Housing Department.

#### BACKGROUND

2. Top management has accorded high priority to address the *Year 2000 Challenge*. The Housing Department Computer Committee (HDCC) which has assumed the role of overseeing the Year 2000 exercise continues to meet monthly to steer and monitor the work progress planned in our Master Action Programme. Our target is to complete rectification of all critical information technology (IT) and embedded systems by June 1999. This paper provides a further update, subsequent to FC 23/98, FC 54/98 and FC 9/99 on the progress of our rectification work.

#### PRESENT SITUATION

3. The major components of the Master Action Programme and progress as at 15.4.1999 are summarised below -

##### 3.1 IT Application Systems

There are a total of 31 critical and 42 non-critical IT application systems of which 30 and 39 of them respectively require checking / rectification. We have been engaging an external service provider to conduct the rectification exercise while project management is being undertaken in-house. So far, we have checked / rectified 24 critical and 33 non-critical systems. Work on the remaining 12 will be completed by June this year.

##### 3.2 End-user Developed Computer Systems

There are a total of 95 end-user developed computer systems. While 33 such systems are business-critical, only 23 of them require checking / rectification. We have already checked / rectified 17 of them. Work on the remaining 6 will be completed by June this year. Similarly, only 40 out of the 62 non-business-critical systems need rectification. We have now checked / rectified 23 of them. We target to complete the remaining 17 systems in batches before the end of this year.

### 3.3 Embedded Equipment and Devices

There are a total of 998 mission-critical and 1,573 non-mission critical embedded systems identified in the existing premises, with 13 and 180 of them potentially sensitive to the millennium date change respectively. So far, we have completed checking / rectification of 7 and 115 of the systems respectively. The target for completing the work of the remaining 6 critical and 65 non-critical ones is June this year. In addition, we will ensure all embedded systems in newly constructed estates are compliant before in-take of residents.

For HOS and PSPS properties, we have already requested the relevant management agencies to take necessary actions and be responsible for addressing the Year 2000 issues.

### 3.4 PABX and Phone Systems

There are a total of 247 PABX and phone systems. We need only to upgrade the Headquarters' PABX for Year 2000 compliance. The upgrading work will take place in May and be completed before June .

3.5 The rectification progress of the above systems is summarised below-

	CRITICAL				NON-CRITICAL			
	<u>Total</u>	<u>Comp</u>	<u>I/P</u>	<u>%C</u>	<u>Total</u>	<u>Comp</u>	<u>I/P</u>	<u>%C</u>
<i>IT application systems</i>	31	25	6	80.6	42	36	6	85.7
<i>End-user dev computer systems</i>	33	27	6	81.8	62	45	17	72.6
<i>Embedded systems</i>	998	992	6	99.4	1573	1508	65	95.9
<i>PABX and phone systems</i>	247	246	1	99.6				
<b>TOTAL</b>	1309	1290		98.5	1677	1589		94.8

Note

- Comp** - Checked / rectified to be compliant and inclusive of systems requiring no rectification
- I/P** - Checking / rectification in progress.
- %C** - Percentage of compliant systems.

3.6 Personal Computers (PCs)

A comprehensive exercise to check some 7,400 PCs and PC servers located in the headquarters and outstation offices has just been completed. While each PC has been checked and its date-sensitive device (“BIOS”) be fixed by applying a software, it is also labelled with a compliance sticker. We are now in the process of compiling the exercise results and initial findings indicate that there are only a negligible number of 11 PCs which are non Year 2000 compliant and cannot be fixed by applying a software. Replacement of these PCs is being scheduled for completion in June.

3.7 Business Partners

We have been working closely with our business partners, including service providers (e.g., contractors, private management agents,banks) to ensure they are also taking actions to check and rectify date-sensitive items which may affect the services provided to us. This has been done through the conduct of briefings and seminars, as well as seeking written confirmation from them of their compliance status.

3.8 Awareness Programme

Newsletters have been issued and a series of seminars have been arranged to increase staff awareness and understanding of the Year 2000 issues. For our customers, a publicity programme is being developed to inform them of what actions have been taken to address the Year 2000 issues.

3.9 Contingency Plans

The objective of contingency planning is to devise pre-determined responses to mitigate the efforts and enable recovery from a Year 2000 induced event. We have started the process and are drafting the framework for a contingency plan. We are seeking the engagement of additional advisory service to assist in this task. In the contingency planning process, we will define the command and control structure, resources and prioritisation, actions to be taken in responding to the potential loss or degradation of service, customer communication, etc.

We target to complete contingency planning by June this year. Once our contingency plan is ready, the aim is to conduct trial exercises to test it out.

4. In addition to the Housing Department Internal Audit Section observing the implementation of the exercise, we have invited and are awaiting confirmation from the Task Force comprising representatives of ITBB, ITSD, EMSD and OFTA to visit us to provide third party checking on our programme.

**INFORMATION**

5. This paper is for Members' information. We will continue to keep Members informed of our progress in dealing with the *Year 2000 Challenge*.

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