

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 and our way forward 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. This paper provides a further update subsequent to FC 23/98, FC 54/98, FC 9/99 and FC 28/99 on the progress of our rectification work.

PRESENT SITUATION

Compliance Status

3. The Government's deadline for achieving Y2K compliance of critical systems and equipment was end June 1999. The following is a summary of our progress as of that date -

	Percent Y2K Compliance Achieved	
	<i>Critical</i>	<i>Non-critical</i>
(a) IT Application Systems	100%	100%
(b) End-user Developed Computer Systems	100%	92%
(c) Embedded Systems	100%	100%
(d) Phone Systems	100%	100%
(e) Office Systems	100%	100%

4. The 3 remaining non-critical end-user developed computer systems are being rectified progressively and work on them will be completed before end 1999.

5. We have checked our PCs and labelled them with colour stickers to distinguish their compliance status. All are Y2K compliant with the exception of 15 PCs which are scheduled for replacement in August.

Y2K Contingency Planning

6. Our current focus is on devising and rehearsing our Y2K Contingency Plan. The Government has asked all Bureaux and Departments to produce their Y2K Contingency Plans and to have them tested internally.

7. We have established a Y2K Contingency Planning Task Force, comprising representatives from all Branches, to plan and coordinate all matters related to the planning work. A draft Y2K Contingency Plan has already been prepared and is being refined. The coverage of the Plan is highlighted in the **Annex**. In the Plan, we have identified all business-critical functions / operations of the Department and have correspondingly devised arrangements to handle contingent situations. We are planning to test the Contingency Plan in August.

Publicity Programme

8. In June, We launched a publicity programme to inform our customers and staff of the status of our Y2K readiness. The programme included the use of posters, our corporate newsletter "HA Update," and the Estate Management Advisory Committee newsletter to disseminate information on actions being taken to deal with the Y2K issues. We intend to launch another round of publicity in September to provide an update on our Y2K status.

Reviews

9. In addition to the Housing Department Internal Audit Section observing the implementation of the Programme, we invited a team of representatives from Housing Bureau, ITBB, OFTA, EMSD and ITSD to review progress of our work. The visit took place on 17 June. On the whole, the team considered our progress in order.

10. Director of Audit has been conducting an audit review of our Y2K Compliance Programme since May this year based on our progress status up to May 1999. We are awaiting for the report recommendations.

FORWARD PLAN

11. Between now and end of the year, we propose to freeze all enhancements/modifications to all rectified systems unless they are absolutely necessary. The aim is to minimize introducing changes to already certified Y2K compliant systems to reduce the potential risk of infecting these systems.

12. We will start to promulgate the Contingency Plan within the Department. We are planning to test the Plan in late August and, where necessary, refine the Plan according to the test results. In addition, we will start setting up the Contingency Centre (for master command and control) and activate it in the period before and after the upcoming critical date of 9.9.1999 as a pilot exercise.

INFORMATION

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

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Coverage of the Y2K Contingency Plan

We have divided the Plan into three parts covering the following items –

Part A

- Purpose
- Approach to contingency planning
- Target areas
- Critical systems
- Top-level management
- Contingency control centre
- Branch contingency team
- Role/operation of contingency centre

Part B

- Contingency operation procedures

Part C

- Contingency arrangement of Allocation and Marketing Branch
- Contingency arrangement of Corporate Services Branch
- Contingency arrangement of Development and Construction Branch
- Contingency arrangement of Management Branch
- Contingency arrangement of Finance and Accounting Branch
- Contingency arrangement of Commercial and Business Development Branch