

MESSAGE

The provision of an adequate and reliable water supply is essential for sustaining the long-term development of Hong Kong as a world class city. Works Bureau and Water Supplies Department will continue to provide a high quality water supply and a high standard of service.

To ensure an adequate supply of high quality Dongjiang water for sustainable development, we will maintain close dialogue and full co-operation with the Guangdong Authorities through regular communication at all levels. To maintain a high quality of water supply, we will ensure that the treated water supplied to customers is clean, safe and conforms to the World Health Organization standards. We will expand our water supply infrastructure, maintain and improve its conditions to meet the needs of the community.

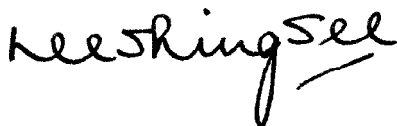
We will promote the proper upkeep and maintenance of pipes and tanks inside buildings to protect the quality of treated water for direct consumption from the tap. Together with the Advisory Committee on the Quality of Water Supplies, we will enhance our communications with the community on water quality issues.

We are conducting a review on our water resources strategy, and have started a preliminary study on new fresh water resources. We hope that when the preliminary findings are available later this year, we will be able to formulate a long-term strategy on fresh water resources.

We will also upkeep our effort to further enhance customer services in the provision of water supply, and the efficiency and cost-effectiveness in the water supply services as a whole. We will keep our operations and management under constant review and implement efficiency improvement measures to achieve pre-set targets.



Your comments and suggestions, which will help us attain an even higher standard in our services, are most welcome.

A handwritten signature in black ink, reading "Lee Shing-see". The signature is written in a cursive style with a prominent flourish at the end of the last name.

(Lee Shing-see)
Secretary for Works

Water Supply

Policy Objective and Key Result Areas

WATER SUPPLY

Our Policy Objective is to ensure the provision of a reliable, adequate and quality water supply and an efficient water supply service.

Overall Targets

Our targets this year in pursuing this Policy Objective are –

- to maintain a 24-hour water supply
- to undertake 98% of the planned maintenance of the water supply infrastructure
- to ensure 100% compliance with the Guidelines for Drinking-water Quality of the World Health Organization (WHO) (1993) for water supplied to customers at connection points
- to attain a level of 90% customer satisfaction with the water supply service

Progress

We set four targets at the Policy Objective level in the past 12 months.

Our first target was to maintain a 24-hour water supply. In the past 12 months, full water supply has been maintained throughout the year. We have also had close liaison with the Guangdong Authorities to ensure an adequate supply of raw water for the next decade.

Our second target was to undertake 98% of the planned maintenance of the water supply infrastructure. In the past 12 months, we have achieved satisfactory progress in meeting this target. We have carried out regular preventive maintenance on all waterworks installations, plant and equipment.

Our third target was to ensure 100% compliance with the Guidelines for Drinking-water Quality of the WHO (1993) for water supplied to customers at connection points. Measures have been taken to upkeep the

water quality monitoring system, and full compliance with the Guidelines has been achieved.

Our fourth target was to attain 90% customer satisfaction with the water supply service. In the 2000 opinion survey on Customer Enquiry Centre and Customer Telephone Enquiry Centre services, over 90% of customers were generally satisfied with our services.

We also achieved the following progress in our seven Key Result Areas (KRAs).

1 Identify water supply needs and secure water resources

In the past 12 months, we have achieved in planning sufficient water resources to fully meet the increase in demand. Through close liaison with the Guangdong Authorities, we have ensured the proper implementation of the current Dongjiang water supply agreement.

2 Improve the water supply administrative and regulatory framework

We have obtained International Organisation for Standardisation (ISO) 9000 certification for managing waterworks projects and for maintenance of slopes. Preparation works for ISO 9000 certification on other functions and activities are in progress. The feasibility study for the implementation of the Information Systems Strategy to water supply and distribution functions is also in progress.

3 Expand the water supply infrastructure to meet increasing demand

In the past 12 months, we have completed all the eight new water supply infrastructure projects scheduled for completion in the 2000-2001 financial year on time and within budget. Good progress has been made on the works for expanding water supply infrastructure to meet the requirements of new developments and for improving the reliability of existing water supply systems.

4 Maintain and improve the condition of the water supply infrastructure

Progress towards the targets under this KRA over the past 12 months was satisfactory. 90% of fresh water interruptions were restored within 12 hours. The scheduled leakage detection tests and other functional inspections of waterworks installations were all carried out.

We have commenced the first stage of replacing/rehabilitating aged watermains. We have also adopted a continuous leakage monitoring strategy in 20 existing district metering areas. Implementation of the strategy in another 15 areas is in progress.

5 Ensure the quality of water supplied to customers

In the past 12 months, we achieved the target of compliance of the quality of both fresh and salt water at connection points with WHO guidelines and Water Supplies Department (WSD) objectives respectively.

Procedures have been audited and revised to ensure compliance with the quality assurance and laboratory safety requirements in water science laboratories in end-2000.

The first annual publication of water quality data was made in August 2000 and the 2001 updating was completed in July 2001. We have also conducted educational visits to schools and housing estates to publicise the importance of proper maintenance of water tanks and pipes inside buildings.

6 Improve customer services in the provision of water supply

In the past 12 months, 99% of applications for change of account holder were processed within seven working days; 99% of fresh water fault complaints were attended within half a working day; and three days' notice were given to consumers for 99% of planned suspensions of water supply.

In addition, we have introduced a new monolingual format for water and sewage charge bills with details of water consumption and charge for each tier. We have also started the preparation of tender documents for the implementation of the Customer Care and Billing System.

7 Improve overall efficiency and reduce cost

A major programme of reforms and efficiency improvements is being undertaken by WSD, and is progressing as scheduled to improve its service and cost efficiency, aiming at reducing significantly the operation and maintenance expenditure without lowering service level over a three-year period from end-2000 to end-2003. On the other hand, in order to make use of the lower electricity tariffs during off-peak, the pumping patterns for several key installations have been revised. An energy audit is also underway to review the energy costs of major waterworks installations.

Progress on each previously announced initiative under the above KRAs is set out in the “Detailed Progress” section of this report.

Looking Forward

To achieve our overall targets this year, we will undertake the following initiatives and targets under each of the KRAs for the coming year.

1

Identify water supply needs and secure water resources

We aim to plan water resources so as to ensure a continuous, reliable supply of water for Hong Kong. We plan supply requirements on the basis of providing a full 24-hour supply of both potable and flushing water.

As Hong Kong's own water resources are insufficient to meet demand, we have been importing additional water from Guangdong since 1960. In 1989, we entered into a long-term agreement with the Guangdong Authorities for the supply of water from Dongjiang up to the year 2000 and beyond. In 1998, both sides reached an agreement to update the 1989 Agreement. This update will take us into the next decade with a reliable water supply. We will continue to co-operate closely with the Guangdong Authorities to ensure the smooth implementation of the Agreements and to negotiate for more flexibilities in adjusting the annual supply quantities.

We will assess our performance in respect of this KRA against the following indicator –

- Percentage of water resources secured to meet the increase in demand. Our target is to secure water resources to meet 100% of the increase in demand.

We will pursue the following initiatives and targets to deliver results in this area –

Initiative *	Target
To maintain close liaison with the Guangdong Authorities on the implementation of the current Agreement <i>(Works Bureau(WB)/Water Supplies Department (WSD))</i>	To hold at least one high-level business meeting and two technical meetings with the Guangdong Authorities in 2002 to discuss and resolve problems

* the bracketed information denotes the agency with lead responsibility for the initiative

Initiative	Target
To monitor the quality of Dongjiang water (<i>WB/WSD</i>)	To closely monitor the progress of measures taken by the Guangdong Authorities on the protection of the Dongjiang water quality and publish an annual update of the Dongjiang water quality information in 2002

2

Improve the water supply administrative and regulatory framework

Managing the supply of water to all customers in Hong Kong is a challenging administrative and managerial task. We are implementing various measures to further improve our operational efficiency. In order to capitalise on the benefits available from information technology, we have started to implement the measures recommended in the Information Systems Strategy Study. We also keep our systems and procedures under constant review to ensure cost-effectiveness in delivering quality water supply services.

Water Supplies Department is responsible for the control of waterworks installations in building developments and the licensing of plumbers through the enforcement of the Waterworks Ordinance and Regulations. We review and update the Ordinance and Regulations regularly in order to meet the changing requirements of the society.

We will assess our performance in respect of this KRA against the following indicator –

- Percentage of initiatives completed on time. Our target is to complete 100% of the initiatives on time.

We will pursue the following initiative and target to deliver results in this area –

Initiative	Target
To improve quality assurance of mechanical and electrical maintenance work <i>(Water Supplies Department)</i>	To obtain International Organisation for Standardisation 9000 certification for managing mechanical and electrical maintenance work by 2003

3

Expand the water supply infrastructure to meet increasing demand

Hong Kong's water supply needs to continue to expand as the population grows and the standard of living rises. Water Supplies Department plans, designs and builds new projects to extend and upgrade the fresh and salt water supply systems to meet demand.

During the 2000-2001 financial year, we spent \$2.2 billion on Public Works Programme projects to expand and improve the water supply infrastructure. These included water treatment works, service reservoirs, watermains and other ancillary structures for extending water supply to new developments. Major works now in hand include the Tai Po Treatment Works, service reservoirs, pumping stations and mainlaying in Lantau Island, Tuen Mun, Yuen Long, Tseung Kwan O, Pokfulam, Kowloon East and other parts of the urban areas.

We will assess our performance in respect of this KRA against the following indicators –

- Number of high priority projects completed in 2001-2002. Our target is to complete four.
- Number of high priority projects completed within budget in 2001-2002. Our target is to complete four.

We will pursue the following initiative and target to deliver results in this area –

Initiative	Target
To expand the water supply infrastructure to meet new development requirements <i>(Water Supplies Department)</i>	To provide water supply to the Ngong Ping area by 2006 to meet the demand from tourism-related developments

4

Maintain and improve the condition of the water supply infrastructure

Our extensive water supply network represents both a significant asset and a major operational and maintenance responsibility. Regular preventive maintenance is carried out on all waterworks installations, plant and equipment.

To enhance the reliability of the water supply infrastructure, there is a need to upgrade or replace aged watermains and reservoirs to reduce leakages and bursts, thus minimising inconvenience to the public. Proper maintenance is also particularly important for the reservoir and catchwater systems as well as those pipes and service reservoirs that may affect the stability of adjacent slopes.

Water Supplies Department has initiated action to implement the recommendations of the Underground Asset Management Study. We aim to operate and maintain the water supply systems in the most cost-effective manner possible.

We will assess our performance in respect of this KRA against the following indicators –

- Percentage of cases where supply can be resumed within 12 hours after interruption. Our target is to resume fresh water supply for 90% of the cases.
- Number of leakage detection tests. Our target is to conduct 4 500 leakage detection tests.
- Number of inspections of impounding and service reservoirs. Our target is to conduct 1 140 inspections.
- Number of safety inspections. Our target is to conduct 350 safety inspections.
- Number of inspections of major waterworks installations for compliance with environmental protection requirements. Our target is to conduct 400 inspections.

We will pursue the following initiative and targets to deliver results in this area –

Initiative	Target
To implement a replacement/rehabilitation programme for the aged waterworks installations <i>(Water Supplies Department)</i>	<ul style="list-style-type: none">● To complete the replacement/rehabilitation for the Tsuen Wan Fresh Water Pumping Station by 2004● To complete the replacement/rehabilitation for the Tai Po Tau Raw Water Pumping Station by 2006

5

Ensure the quality of water supplied to customers

The supply of clean water is essential to our health. Water Supplies Department (WSD) is responsible for ensuring that the treated water supplied to customers is pure, safe and wholesome and conforms to the World Health Organization (WHO) guidelines. WSD is also responsible for ensuring that salt water for flushing meets the Department's Water Quality Objectives. Conformity with these standards is assured by regular water quality sampling and testing, and monitoring of the test results throughout the entire supply and distribution system, i.e., at source points, in various treatment stages and at customers' taps.

We will assess our performance in respect of this KRA against the following indicators –

- Percentage of compliance with WHO guidelines for fresh water supplied to customers at connection points. Our target is 100%.
- Percentage of compliance with WSD internal guidelines for salt water supplied to customers. Our target is 93%.

We will pursue the following initiative and target to deliver results in this area –

Initiative	Target
To advise customers on the upkeep of their inside services (storage tanks and pipes) so that water can be drinkable out of their taps <i>(Water Supplies Department)</i>	To conduct a public opinion survey on the direct consumption of fresh water out of the tap by 2002

6

Improve customer services in the provision of water supply

Water Supplies Department is responsible for the provision of efficient and effective services to some 2.4 million registered customers. To upgrade our services, we are improving efficiency and effectiveness in dealing with customer enquiries and complaints; publicising the customer services offered and information provided to customers; ensuring timeliness of billing and promptness in updating customer account records; and promptly processing new customer account applications. We will implement information technology systems and introduce business process re-engineering to improve the quality of services provided to customers.

We will assess our performance in respect of this KRA against the following indicators –

- Percentage of applications for change of account processed within seven working days. Our target is 99%.
- Percentage of fresh water fault complaints responded to within half a working day. Our target is 99%.
- Percentage of planned suspensions undertaken with three days' notice in advance. Our target is 99%.

We will pursue the following initiatives and targets to deliver results in this area –

Initiative	Target
To educate the public about the water quality in Hong Kong (<i>Water Supplies Department (WSD)</i>)	To carry out one publicity campaign on water quality in 2002-2003
To promote the importance of good customer service amongst staff (<i>WSD</i>)	To conduct five training workshops for frontline staff in 2002-2003

Initiative	Target
To introduce telephone applications for taking up consumership of domestic water accounts registered in a personal capacity (WSD)	To introduce the service by 2002

7

Improve overall efficiency and reduce cost

In response to the Government's Enhanced Productivity Programme, the Water Supplies Department has embarked on a major programme of reforms and efficiency improvements. Actions are being implemented to achieve significant overall savings in operation and maintenance expenditure without lowering service level over a three-year period from end-2000 to end-2003.

We will assess our performance in respect of this KRA against the following indicator –

- The cost-effectiveness of the provision of the services. Our target is to further enhance efficiency and reduce cost.

We will pursue the following initiatives and targets to deliver results in this area –

Initiative	Target
To improve the efficiency of transport services <i>(Water Supplies Department (WSD))</i>	To introduce contracting out of transport services by 2003
To improve the efficiency of operating salt water pumping stations <i>(WSD)</i>	To reduce the manning level by enhancing automation by 2003

Water Supply

Detailed Progress

1

Identify water supply needs and secure water resources

To achieve results in this area, various initiatives have been undertaken in the past year. Details are set out below –

Initiative *	Target #	Present Position +
To maintain close liaison with the Guangdong Authorities on the implementation of the current Agreement <i>(Works Bureau)</i>	To hold at least one high-level business meeting and two technical sub-group meetings with the Guangdong Authorities in 2001 to discuss and resolve problems <i>(2000)</i>	The 11th Business Meeting was held in April 2001. The first technical meeting was held in March 2001 and preparations for the second technical meeting to be held in end-2001 are in hand. <i>(Action in Progress: On Schedule)</i>
To ensure the supply and storage of water is sufficient to meet demand <i>(Water Supplies Department (WSD))</i>	To review the storage position and demand forecast on a monthly basis and to seek agreement to adjust the Dongjiang water supply when necessary <i>(2000)</i>	This is an on-going task. Storage position and demand forecast were reviewed monthly and supply from Dongjiang adjusted to suit storage position and demand. <i>(Action in Progress: On Schedule)</i>
To monitor the quality of Dongjiang water <i>(WSD)</i>	To closely monitor the quality of Dongjiang water and exchange data with the Guangdong Authorities on a weekly basis <i>(2000)</i>	This is an on-going task. Water quality data were exchanged weekly with the Guangdong Authorities and the quality of Dongjiang water closely monitored. <i>(Action in Progress: On Schedule)</i>

* the bracketed information denotes the agency with lead responsibility for the initiative

the bracketed information denotes the year in which the target was set

+ the bracketed information denotes the status of the target

Initiative	Target	Present Position
<p>To formulate a long-term strategy for developing new fresh water resources for the Hong Kong Special Administrative Region <i>(WSD)</i></p>	<p>To formulate a long-term strategy, taking into account the findings of a consultancy study, by 2001 <i>(2000)</i></p>	<p>We have started a preliminary study on new fresh water resources. When the preliminary findings are available towards end-2001, we will be able to formulate a long-term strategy for developing new fresh water resources.</p> <p><i>(Action in Progress: On Schedule)</i></p>

2

Improve the water supply administrative and regulatory framework

To achieve results in this area, various initiatives have been undertaken in the past years. Details are set out below –

Initiative	Target	Present Position
To improve quality assurance in the maintenance of Water Supplies Department slopes <i>(Water Supplies Department (WSD))</i>	To obtain International Organisation for Standardisation (ISO) 9000 certification for WSD slope maintenance by end-2001 <i>(2000)</i>	ISO 9000 certification for WSD slope maintenance was obtained in January 2001. <i>(Action Completed)</i>
To improve quality assurance in the attendance to main bursts and leaks <i>(WSD)</i>	To obtain ISO 9000 certification for attendance to main bursts and leaks by end-2001 <i>(2000)</i>	The quality management system was implemented in June 2001. The certification audit leading to ISO 9000 certification will be conducted in October 2001. <i>(Action in Progress: On Schedule)</i>
To improve quality assurance in handling consumers' complaints related to water supply <i>(WSD)</i>	To obtain ISO 9000 certification for handling consumers' complaints by end-2001 <i>(2000)</i>	The quality management system was implemented in June 2001. The certification audit leading to ISO 9000 certification will be conducted in October 2001. <i>(Action in Progress: On Schedule)</i>

Initiative	Target	Present Position
To improve quality assurance in leakage detection work (WSD)	To obtain ISO 9000 certification for managing leakage detection work by end-2001 (2000)	The quality management system was implemented in September 2001. The certification audit leading to ISO 9000 certification will be conducted in December 2001. <i>(Action in Progress: On Schedule)</i>
To improve quality assurance in the delivery of waterworks projects in the Public Works Programme (WSD)	To obtain ISO 9000 certification for managing waterworks projects by 2001 (1999)	The ISO 9000 certification was obtained in May 2001. <i>(Action Completed)</i>
To move towards the introduction of a comprehensive information technology system to improve working efficiency (WSD)	To complete a feasibility study for Stage II implementation of the Information Systems Strategy by 2001 (1999)	The study commenced in September 2000, and is scheduled for completion by end-2001. <i>(Action in Progress: On Schedule)</i>

3

Expand the water supply infrastructure to meet increasing demand

To achieve results in this area, various initiatives have been undertaken in the past years. Details are set out below –

Initiative	Target	Present Position
To expand the water supply infrastructure to meet new development requirements <i>(Water Supplies Department (WSD))</i>	<ul style="list-style-type: none"> To provide water supply for new developments in Pokfulam area by 2005 <i>(2000)</i> 	<ul style="list-style-type: none"> Construction works for the fresh water supply system for new developments in Pokfulam area commenced in February 2001. Design of the salt water supply system has been completed.
	<ul style="list-style-type: none"> To provide fresh water supply to Penny's Bay, Lantau by 2004 and salt water supply by 2006 <i>(2000)</i> 	<ul style="list-style-type: none"> Construction of the fresh water supply system commenced in August 2001 for completion by 2004. Planning of the salt water supply system is in progress.
	<ul style="list-style-type: none"> To provide water supply for new developments in the Kowloon East area by 2004 <i>(1999)</i> 	<ul style="list-style-type: none"> Construction works are in progress.
	<ul style="list-style-type: none"> To provide water supply for the Tung Chung and Tai Ho Phase 3 development by 2007 <i>(1999)</i> 	<ul style="list-style-type: none"> Detailed planning works are in progress. <i>(Action in Progress: On Schedule)</i>

Initiative	Target	Present Position
<p>To improve the reliability of existing water supply systems by providing new linkages (WSD)</p>	<p>To complete the improvements for Tuen Mun/Yuen Long and Sham Tseng/Yau Kom Tau by 2003 (1998)</p>	<p>Construction works for improving the water supply systems for Tuen Mun/Yuen Long and Sham Tseng/Yau Kom Tau are in progress. <i>(Action in Progress: On Schedule)</i></p>

4

Maintain and improve the condition of the water supply infrastructure

To achieve results in this area, various initiatives have been undertaken in the past years. Details are set out below –

Initiative	Target	Present Position
<p>To implement a replacement/rehabilitation programme for the aged waterworks installations</p> <p><i>(Water Supplies Department (WSD))</i></p>	<ul style="list-style-type: none"> To complete the replacement/rehabilitation for Tuen Mun Fresh Water Pumping Station by 2005 <p><i>(2000)</i></p>	<ul style="list-style-type: none"> Detailed design is in progress.
	<ul style="list-style-type: none"> To complete the replacement/rehabilitation for Tsuen Wan Raw Water Pumping Station by 2007 <p><i>(2000)</i></p>	<ul style="list-style-type: none"> Detailed design is in progress.
	<ul style="list-style-type: none"> To complete the replacement/rehabilitation for Ha Lo Wai Salt Water Pumping Station by 2001 <p><i>(1999)</i></p>	<ul style="list-style-type: none"> Equipment for the pumping station has been delivered. Installation of equipment is in progress. <p><i>(Action in Progress: On Schedule)</i></p>
<p>To reduce the leakage in distribution network</p> <p><i>(WSD)</i></p>	<ul style="list-style-type: none"> To adopt a continuous leakage monitoring strategy in 35 existing district metering areas by mid-2002 	<ul style="list-style-type: none"> Implementation of a continuous leakage monitoring strategy in 20 existing district metering areas was completed. Implementation in the remaining 15 district metering areas is in progress.

Initiative	Target	Present Position
	<ul style="list-style-type: none"> ● To complete a pilot project on adopting pressure management techniques in a major supply zone by 2003 <p>(2000)</p>	<ul style="list-style-type: none"> ● Network modelling for the pilot supply zone is in progress. <p><i>(Action in Progress: On Schedule)</i></p>
<p>To launch a comprehensive and systematic programme to replace and rehabilitate aged watermains, with priority given to the watermains in urban areas and those most susceptible to leakages and bursts</p> <p>(WSD)</p>	<p>To start in 2000 the first stage of the programme by replacing or rehabilitating 350 km of aged watermains, for completion by 2006</p> <p>(1998)</p>	<p>Works of the first package of the first stage commenced in December 2000, and are in progress.</p> <p>Investigations and impact assessments of the works for other packages of the first stage have been completed. Detailed design of the works commenced in September 2001.</p> <p><i>(Action in Progress: On Schedule)</i></p>

5

Ensure the quality of water supplied to customers

To achieve results in this area, various initiatives have been undertaken in the past years. Details are set out below –

Initiative	Target	Present Position
<p>To enhance transparency of water quality monitoring following the advice of the Advisory Committee on the Quality of Water Supplies</p> <p><i>(Water Supplies Department (WSD))</i></p>	<p>To publish and update water quality data annually</p> <p><i>(2000)</i></p>	<p>Annual publication of water quality data has been arranged. The first publication was made in August 2000 and the 2001 updating was completed in July 2001.</p> <p><i>(Action Completed)</i></p>
<p>To advise customers on the upkeep of their inside services (storage tanks, pipes) so that water can be drinkable out of their taps</p> <p><i>(WSD)</i></p>	<ul style="list-style-type: none"> ● To conduct 25 educational visits to schools and housing estates to publicise the importance of proper maintenance of water tanks and inside services in 2001 ● To develop a broader action plan by 2001 <p><i>(2000)</i></p>	<ul style="list-style-type: none"> ● Forty educational visits were conducted. <p><i>(Action Completed)</i></p> <ul style="list-style-type: none"> ● The action plan is being developed in consultation with the Advisory Committee on the Quality of Water Supplies. <p><i>(Action in Progress: On Schedule)</i></p>

Initiative	Target	Present Position
To enhance water quality monitoring (WSD)	To build the Kowloon Laboratory by 2000 (1999)	The Laboratory was commissioned in October 2000. (Action Completed)
To improve the water quality testing laboratory facilities at Sham Tseng and Yau Kom Tau treatment works (WSD)	To complete the improvement by 2001 (1999)	The new laboratory at Sham Tseng Treatment Works has been completed. Construction of the new laboratory at Yau Kom Tau Treatment Works is in progress. (Action in Progress: On Schedule)
To enhance control and monitoring of the water gathering grounds and reservoirs (WSD)	To increase by 15% the frequency of patrolling the gathering grounds and monitoring of water quality in reservoirs by 2000 (1998)	Frequency of patrolling and monitoring has been stepped up by 15% by end-2000. (Action Completed)
To improve quality assurance and laboratory safety in WSD water science laboratories (WSD)	To achieve compliance with WSD's quality assurance procedures and laboratory safety procedures by 2000 (1998)	Review and revision of quality manuals have been completed to meet new recommendations by the Hong Kong Accreditation Service. A laboratory safety manual was issued in December 2000. (Action Completed)

6

Improve customer services in the provision of water supply

To achieve results in this area, various initiatives have been undertaken in the past years. Details are set out below –

Initiative	Target	Present Position
To educate school students on the importance of saving water <i>(Water Supplies Department (WSD))</i>	To conduct ten exhibitions in schools in 2001 <i>(2000)</i>	Ten exhibitions were conducted. <i>(Action Completed)</i>
To introduce a new and monolingual format of water and sewage charge bill with detailed billing calculations under the tiered charging structure <i>(WSD)</i>	To implement the new format by 2001 <i>(2000)</i>	The new format of water and sewage charge bill was introduced in January 2001. <i>(Action Completed)</i>
To conduct customer opinion surveys on the services provided in the Customer Telephone Enquiry Centre and Customer Enquiry Centres <i>(WSD)</i>	To complete the surveys in 2001 <i>(2000)</i>	Two surveys were completed in February 2001. <i>(Action Completed)</i>
To improve IT systems and implement business process re-engineering for Customer Service Programme <i>(WSD)</i>	Implementation to start by 2000 and complete by 2003 <i>(1999)</i>	Preparation of tender documents for the implementation of the Customer Care and Billing System has commenced. <i>(Action in Progress: On Schedule)</i>

7

Improve overall efficiency and reduce cost

To achieve results in this area, various initiatives have been undertaken in the past years. Details are set out below –

Initiative	Target	Present Position
To implement a pilot scheme for automatic reading of water meters <i>(Water Supplies Department (WSD))</i>	To complete the technical feasibility and financial viability study of automatic meter reading by 2002 <i>(2000)</i>	Installation work for the pilot scheme is in progress. <i>(Action in Progress: On Schedule)</i>
To improve efficiency and productivity <i>(WSD)</i>	To achieve significant overall savings in operation and maintenance expenditure without lowering service level over the next three years <i>(2000)</i>	Savings exceeding the Enhanced Productivity Programme target (1%) have been achieved for 2001-2002. <i>(Action in Progress: On Schedule)</i>
To draw up a long-term strategy for efficiency improvement, including organisational change where appropriate <i>(Works Bureau)</i>	To decide on the broad strategy by early 2000 <i>(1999)</i>	WSD has drawn up a major programme of reforms and efficiency improvements under which the Enhanced Productivity Programme will be extended and the cost saving targets will be raised to 10% to be achieved by 2003. <i>(Action Completed)</i>

Initiative	Target	Present Position
<p>To improve the management of energy costs (WSD)</p>	<ul style="list-style-type: none"> ● To re-schedule the pumping pattern and make use of the lower electricity tariffs during off-peak periods to reduce costs by end-2000 ● To conduct an energy audit for major waterworks installations by 2002 (1999) 	<ul style="list-style-type: none"> ● The re-scheduling of the pumping patterns was completed in December 2000. <i>(Action Completed)</i> ● Stage I audit was completed in November 1999. Stages II and III audits were 50% completed. <i>(Action in Progress: On Schedule)</i>