

Head 194 — WATER SUPPLIES DEPARTMENT

Controlling officer: the Director of Water Supplies will account for expenditure under this Head.

Estimate 2000–01 **\$5,399.0m**

Establishment ceiling 2000–01 (notional annual mid-point salary value) representing an estimated 6 181 non-directorate posts at 31 March 2000 reducing by eight posts to 6 173 posts at 31 March 2001 **\$1,376.0m**

In addition there will be an estimated 23 directorate posts at 31 March 2000 and at 31 March 2001.

Capital Account commitment balance **\$12.0m**

Controlling Officer's Report

Programmes

Programme (1) Water Supply: Planning and Distribution
Programme (2) Water Quality Control
Programme (3) Customer Services

These programmes contribute to Policy Area 24: Water Supply (Secretary for Works).

Detail

Programme (1): Water Supply: Planning and Distribution

	1998–99 (Actual)	1999–2000 (Approved)	1999–2000 (Revised)	2000–01 (Estimate)
Financial provision (\$m)	4,388.7	4,805.3 (+9.5%)	4,654.1 (–3.1%)	4,803.5 (+3.2%)

Aim

2 The aim is to plan water resources and to design, construct, maintain and operate water supply systems in order to provide a full supply to meet the demands of the territory.

Brief Description

3 The department is responsible for providing an adequate and satisfactory supply of water to the territory. This work involves:

Fresh Water

- planning water supply requirements on the basis of providing full supply (i.e. 24 hours) of water to the territory;
- developing water resources and supply systems to cope with these requirements;
- designing and constructing reliable and efficient water supply and distribution systems to meet these requirements in good time; and
- operating and maintaining the water supply and distribution systems.

Salt Water for Flushing

- planning salt water supply requirements on the basis of providing full supply (i.e. 24 hours) to about 90% of the population;
- developing salt water supply systems to cope with these requirements;
- designing and constructing reliable and efficient salt water supply and distribution systems to meet the requirements in good time; and
- operating and maintaining the salt water supply and distribution systems.

In 1999, the department was able to plan, design and construct new projects in time for extension of fresh and salt water supplies to new developments and to operate and maintain the water supply systems to provide an adequate supply. Full supply was maintained throughout the year.

- 4 The key performance measures in respect of water supply are:

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Targets

	Target	1998 (Actual)	1999 (Actual)	2000 (Plan)
fresh water supply—normally a minimum residual head of between 15 and 30 metres is maintained in the distribution systems except at their extremities	>15–30m	100.0%	100.0%	100.0%
salt water supply—normally a minimum residual head of 15 metres is maintained in the distribution systems except at their extremities.....	>15m	100.0%	100.0%	100.0%

Indicators

	1998 (Actual)	1999 (Actual)	2000 (Estimate)
projects under planning.....	35	30	22
value of projects under planning (\$m)	2,972	3,100	3,000
projects under design	35	39	36
value of projects under design (\$m).....	3,120	2,700	2,620
projects under construction	102	93	82
expenditure of works under construction (\$m)	2,930	2,880	2,500
fresh water supplied (m ³)	916 000 000	911 000 000	928 000 000
salt water supplied (m ³).....	199 000 000	212 000 000	216 000 000
days on full supply.....	365	365	366
total treatment works capacity (m ³ /day).....	4 302 100	4 315 600	4 545 600
total pumping plant capacity (megawatts)	294.2	295.7	307.2

Matters Requiring Special Attention in 2000–01

5 During 2000–01, the department will:

- continue to plan and develop water resources and supply systems to provide full water supply to the territory;
- ensure that new waterworks projects serving urban and new town developments are completed on time;
- continue to plan, design and construct water supply systems for new town development;
- ensure that adequate and uninterrupted supplies of fresh and salt water are maintained throughout the territory in accordance with planning standards and in compliance with environmental standards;
- continue to extend metered water supply to remote villages in the New Territories;
- implement an asset management plan for improving the efficiency and conditions of the water supply facilities; and
- increase inspection of slopes and water supply pipes which may affect slopes.

Programme (2): Water Quality Control

	1998–99 (Actual)	1999–2000 (Approved)	1999–2000 (Revised)	2000–01 (Estimate)
Financial provision (\$m)	152.9	170.8 (+11.7%)	167.5 (–1.9%)	183.1 (+9.3%)

Aim

6 The aim is to control the quality of water supplied to consumers in accordance with international and Water Supplies Department standards.

Brief Description

7 The department is responsible for ensuring that the purity, wholesomeness and safety of treated water are conforming to international standards, such as the World Health Organisation guidelines, in all respects and at all times. This work involves:

Fresh Water

- water treatment—ensuring that the treated water conforms chemically and bacteriologically to international standards for drinking water recommended by the World Health Organisation; and

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- water quality control—ensuring that test samples taken from treatment works, service reservoirs, connection points, consumers' taps, etc. conform to the World Health Organisation standards.

Salt Water for Flushing

- water treatment—ensuring that the water supplied conforms chemically and bacteriologically to Water Supplies Department standards; and
- water quality control—ensuring that test samples taken from pumping stations, service reservoirs, connection points, etc. conform to Water Supplies Department standards.

In 1999, the department was able to achieve the set quality standards in the treatment of water and maintain effective measures in monitoring and controlling the quality of the water it supplies to consumers.

- 8 The key performance measures in respect of water quality control are:

Targets

	Target	1998 (Actual)	1999 (Actual)	2000 (Plan)
fresh water quality—water supplied to customers at the connection points complies with the World Health Organisation guideline standards (%).....	100	100.0	100.0	100.0
salt water quality—93% of water supplied to customers at the connection points complies with Water Quality Objectives set by Water Supplies Department (%).....	100	100.0	100.0	100.0

Indicators

	1998 (Actual)	1999 (Actual)	2000 (Estimate)
samples taken from treatment works, service reservoirs and consumers' taps.....	23 449	25 771	25 000
chemical quality satisfying standards (%).....	100.0	100.0	100.0
bacteriological quality satisfying standards (%).....	100.0	100.0	100.0

Matters Requiring Special Attention in 2000–01

- 9 During 2000–01, the department will:
- continue to ensure the quality of treated water supplied to consumers conforms to current international standards;
 - continue with the regular water quality surveys and monitoring at all source points, in various treatment stages and throughout the entire supply and distribution system; and
 - continue to monitor radiation levels in raw and treated water at radiation screening centres.

Programme (3): Customer Services

	1998–99 (Actual)	1999–2000 (Approved)	1999–2000 (Revised)	2000–01 (Estimate)
Financial provision (\$m)	387.4	401.6 (+3.7%)	397.5 (–1.0%)	412.4 (+3.7%)

Aim

- 10 The aims are to provide customer services and to enforce the Waterworks Ordinance and Regulations.

Brief Description

11 The department is responsible for the provision of efficient and effective services to water consumers and for taking enforcement action on offences under the Waterworks Ordinance and Regulations. This work involves:

- improving efficiency and effectiveness in dealing with customer enquiries and complaints;
- enforcing the Waterworks Ordinance and Regulations;
- ensuring timeliness of billing and promptness in updating consumer accounts;
- monitoring closely the level of arrears of water charges; and

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- coping with the growth in the number of consumer accounts.

Despite the continued growth in the number of consumer accounts in 1999, the department was able to attain a high achievement rate for its customer service targets. Satisfactory enforcement of the Waterworks Ordinance and Regulations was maintained.

12 The key performance measures in respect of customer services are:

Targets

	Target	1998 (Actual)	1999 (Actual)	2000 (Plan)
take up of consumership				
by post.....	seven days	99.8%	99.8%	99.8%
in person at Customer Enquiry Centres				
(All-purpose counter)#.....	20 mins	99.8%	99.8%	99.8%
give up of consumership by post.....	eight days	99.2%	99.2%	99.2%
refund of water deposit	12 days	99.5%	99.6%	99.6%
application for meter test	nine days	99.8%	100.0%	100.0%
application for autopay service (excluding one month process time by bank).....	three days	99.5%	99.5%	99.5%
accuracy of water meters.....	inaccuracy not exceeding +/-3%	90.0%	90.7%	91.1%
response time for attendance to fault complaints				
fresh water supply fault.....	within half a day	99.7%	99.5%	100.0%
others.....	within 24 hours	98.5%	99.9%	100.0%
notice for planned suspension of water supply	three days in advance	100.0%	99.7%	100.0%

Target has been improved from 30 minutes to 20 minutes as from 1.4.1999. The 1998 figure of this target is related to the previous target.

Indicators

	1998 (Actual)	1999 (Actual)	2000 (Estimate)
number of consumer accounts.....	2 246 236	2 328 768	2 407 000
fees, water charges and deposits demanded (\$m)	2,807	2,750	2,740
arrears of water charges at year end in terms of number of days of water charges demanded	2.6	2.4	2.5
prosecutions	246	287	250
finances imposed (\$)	528,400	481,400	500,000
house service inspections due to irregular consumption.....	12 097	12 610	12 000
public enquiries and requests for services.....	897 878	968 644	979 000
disputes and complaints handled.....	50 572	40 019	28 500

Matters Requiring Special Attention in 2000-01

13 During 2000-01, the department will:

- continue to conduct the annual review of water tariffs and other waterworks fees and charges, to process new applications for metered supplies, to improve services to consumers to meet their increased expectations and to review and adjust regularly the water deposits;
- publicise regularly through the mass media the various customer services provided by the department and the responsibilities of consumers under the Waterworks Ordinance and distribute information leaflets to consumers; and
- review the systems and procedures and the information technology in use to ensure cost-effectiveness in delivering customer services.

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ANALYSIS OF FINANCIAL PROVISION

Programme	1998–99 (Actual) (\$m)	1999–2000 (Approved) (\$m)	1999–2000 (Revised) (\$m)	2000–01 (Estimate) (\$m)
(1) Water Supply: Planning and Distribution....	4,388.7	4,805.3	4,654.1	4,803.5
(2) Water Quality Control.....	152.9	170.8	167.5	183.1
(3) Customer Services.....	387.4	401.6	397.5	412.4
	4,929.0	5,377.7 (+9.1%)	5,219.1 (–2.9%)	5,399.0 (+3.4%)

Analysis of Financial and Staffing Provision

Programme (1)

Provision for 2000–01 is \$149.4 million (3.2%) higher than the revised estimate for 1999–2000. This reflects the increased provision for operating and maintaining additional waterworks installations as well as improving the supply and distribution systems. The increase also reflects the additional cost of slope maintenance and stabilisation.

Programme (2)

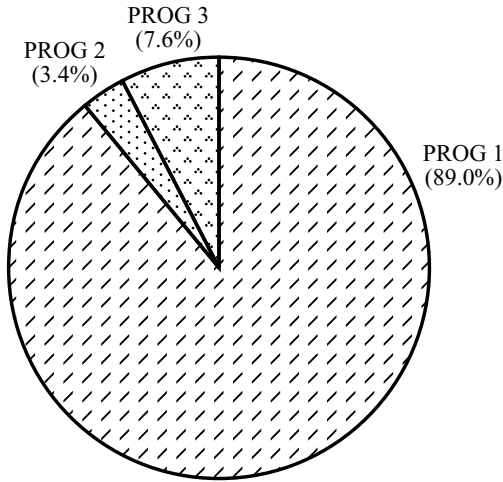
Provision for 2000–01 is \$15.6 million (9.3%) higher than the revised estimate for 1999–2000. This reflects the additional provision for enhancement of laboratory facilities and purchase of chlorine valves for preventive maintenance.

Programme (3)

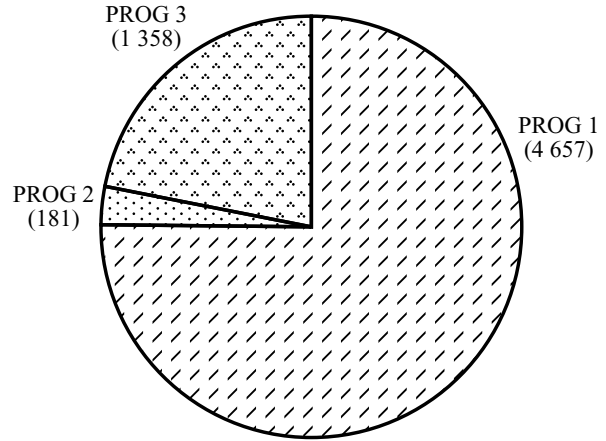
Provision for 2000–01 is \$14.9 million (3.7%) higher than the revised estimate for 1999–2000. This reflects the additional provision required to meet the growth of customer accounts. There will be a net deletion of eight posts as a result of employment of non-civil service contract staff to enhance customer service.

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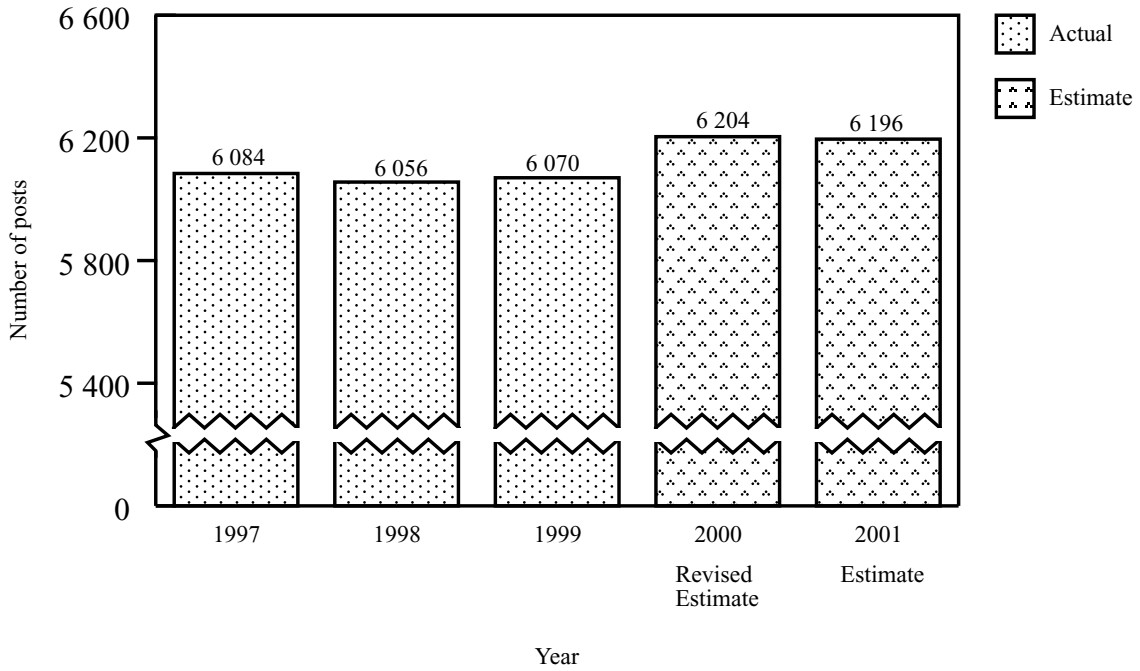
Allocation of provision to programmes (2000-01)



Staff by programme (as at 31 March 2001)



Changes in the size of the establishment (as at 31 March)



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Sub-head (Code)	Actual expenditure 1998-99	Approved estimate 1999-2000	Revised estimate 1999-2000	Estimate 2000-01	
	\$'000	\$'000	\$'000	\$'000	
Recurrent Account					
I — Personal Emoluments					
001	Salaries	1,430,736	1,467,906	1,450,112	1,488,890
002	Allowances	140,602	154,737	141,592	135,601
007	Job-related allowances	6,697	7,759	7,488	8,417
	Total, Personal Emoluments	1,578,035	1,630,402	1,599,192	1,632,908
III — Departmental Expenses					
104	Light and power	514,819	591,960	506,016	559,225
111	Hire of services and professional fees	55,062	69,457	67,102	83,839
115	Fuel and lubricating oil	570	581	571	556
119	Specialist supplies and equipment.....	96,508	111,561	98,513	100,443
120	Maintenance materials	52,526	58,064	63,064	69,901
121	Contract maintenance.....	307,713	387,219	385,219	417,290
149	General departmental expenses	74,522	91,011	97,981	119,185
	Total, Departmental Expenses	1,101,720	1,309,853	1,218,466	1,350,439
IV — Other Charges					
223	Purchase of water	2,231,491	2,424,256	2,386,875	2,405,838*
	Total, Other Charges	2,231,491	2,424,256	2,386,875	2,405,838
	Total, Recurrent Account.....	4,911,246	5,364,511	5,204,533	5,389,185
Capital Account					
I — Plant, Equipment and Works					
603	Plant, vehicles and equipment.....	36	6,700	6,100	4,290
661	Minor plant, vehicles and equipment (block vote).....	9,150	5,196	5,148	4,820
	Total, Plant, Equipment and Works	9,186	11,896	11,248	9,110
II — Other Non-Recurrent					
700	General other non-recurrent	8,610	1,300	3,300	700
	Total, Other Non-Recurrent	8,610	1,300	3,300	700
	Total, Capital Account	17,796	13,196	14,548	9,810
	Total Expenditure	4,929,042	5,377,707	5,219,081	5,398,995

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Details of Expenditure by Subhead

The estimate of the amount required in 2000–01 for the salaries and expenses of the Water Supplies Department is \$5,398,995,000. This represents an increase of \$179,914,000 over the revised estimate for 1999–2000 and of \$469,953,000 on actual expenditure in 1998–99.

Recurrent Account

Personal Emoluments

2 Provision of \$1,632,908,000 for personal emoluments represents an increase of \$33,716,000 over the revised estimate for 1999–2000.

3 The establishment at 31 March 2000 will be 6 204 permanent posts. It is expected that a net eight permanent posts will be deleted in 2000–01.

4 Subject to certain conditions, the controlling officer may under delegated powers create or delete non-directorate posts during 2000–01, but the notional annual mid-point salary value of all such posts must not exceed \$1,376,017,000.

5 Provision of \$135,601,000 under *Subhead 002 Allowances* is for standard allowances and the following non-standard allowance—

	<i>Rate</i>
post allowances for Survey Officers and Senior Survey Officers in the land and engineering streams	monthly allowance equal to the officer's next increment.

The decrease of \$5,991,000 (4.2%) against the revised estimate for 1999–2000 is mainly due to savings achieved under the Enhanced Productivity Programme.

6 Provision of \$8,417,000 under *Subhead 007 Job-related allowances* is for standard job-related allowances. The increase of \$929,000 (12.4%) over the revised estimate for 1999–2000 is mainly due to increased requirement for payment of hardship allowance and shift duty allowance.

Departmental Expenses

7 Provision of \$559,225,000 under *Subhead 104 Light and power* includes provision for electricity for filtration and pumping plant and waterworks premises. The increase of \$53,209,000 (10.5%) over the revised estimate for 1999–2000 is mainly due to commissioning of the Ngau Tam Mei water treatment plant.

8 Provision of \$83,839,000 under *Subhead 111 Hire of services and professional fees* includes provision for contract works for installing fire hydrants, hiring water wagons and security services, engaging consultants for inspection of reservoirs and for connection works for new developments. The increase of \$16,737,000 (24.9%) over the revised estimate for 1999–2000 is mainly due to increased expenditure on hiring of services for cleansing and security, a study on the water treatment process and inspection of reservoirs.

9 Provision of \$556,000 under *Subhead 115 Fuel and lubricating oil* is for diesel oil for the pumping stations.

10 Provision of \$100,443,000 under *Subhead 119 Specialist supplies and equipment* includes provision for purchasing water meters, chemicals for filtration works, laboratory equipment for water examination and fire hydrants.

11 Provision of \$69,901,000 under *Subhead 120 Maintenance materials* includes provision for procurement of materials for maintaining waterworks buildings, reservoirs, water mains, filtration and pumping plant and for emergency repairs resulting from typhoon and rainstorm damage. The increase of \$6,837,000 (10.8%) over the revised estimate for 1999–2000 is mainly due to an increase in maintenance requirements resulting from expanding the water supply system to meet an increase in demand.

12 Provision of \$417,290,000 under *Subhead 121 Contract maintenance* includes provision for maintaining waterworks buildings, reservoirs, water mains, filtration and pumping plant and for emergency repairs resulting from typhoon and rainstorm damage. The increase of \$32,071,000 (8.3%) over the revised estimate for 1999–2000 is mainly due to increase in slope stabilisation work and growth in maintenance requirement.

13 Provision of \$119,185,000 under *Subhead 149 General departmental expenses* represents an increase of \$21,204,000 (21.6%) over the revised estimate for 1999–2000. This is mainly due to redeployment of resources from personal emoluments to employ non-civil service contract staff and purchasing office equipment and computers to meet the general growth in activities.

Other Charges

14 Provision of \$2,405,838,000 under *Subhead 223 Purchase of water* is for the purchase of water from Guangdong in accordance with the agreement with the Guangdong authorities.

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Capital Account

Plant, Equipment and Works

15 Provision of \$4,820,000 under *Subhead 661 Minor plant, vehicles and equipment (block vote)* represents a decrease of \$328,000 (6.4%) against the revised estimate for 1999–2000. This is mainly due to a reduced requirement for the procurement of minor plant and equipment.

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Capital Account

Commitments

Sub-head (Code)	Item (Code)	Ambit	Approved commitment	Accumulated expenditure to 31.3.99	Revised estimated expenditure for 1999–2000	Balance
			\$'000	\$'000	\$'000	\$'000
603		<i>Plant, vehicles and equipment</i>				
	311	Replacement of two sets of 280 kW each air-cooled package chiller unit for Hong Kong & Island Regional Office	5,640	—	3,900	1,740
	312	Replacement of one fresh water pumpset and accessories for Elliot Fresh Water Pumping Station	2,100	—	—	2,100
	313	Replacement of the air-conditioning system at Sha Tin Treatment Works ..	2,350	—	—	2,350
			<u>10,090</u>	<u>—</u>	<u>3,900</u>	<u>6,190</u>
700		<i>General other non-recurrent</i>				
	507	Consultancy on Underground Asset Management.....	30,000	23,668	3,300	3,032
	508	Consultancy for the surface asset management study	2,810	—	—	2,810
			<u>32,810</u>	<u>23,668</u>	<u>3,300</u>	<u>5,842</u>
		Total	<u><u>42,900</u></u>	<u><u>23,668</u></u>	<u><u>7,200</u></u>	<u><u>12,032</u></u>