

Head 194 — WATER SUPPLIES DEPARTMENT

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

Estimate 2024–25 **\$10,146.5m**

Establishment ceiling 2024–25 (notional annual mid-point salary value) representing an estimated 4 682 non-directorate posts as at 31 March 2024 reducing by 35 posts to 4 647 posts as at 31 March 2025 **\$1,995.8m**

In addition, there will be an estimated 23 directorate posts as at 31 March 2024 and as at 31 March 2025.

Commitment balance..... **\$426.6m**

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, Drainage and Slope Safety (Secretary for Development).

Detail

Programme (1): Water Supply: Planning and Distribution

	2022–23 (Actual)	2023–24 (Original)	2023–24 (Revised)	2024–25 (Estimate)
Financial provision (\$m)	8,358.2	8,758.7	8,751.5 (–0.1%)	8,997.8 (+2.8%)
				(or +2.7% on 2023–24 Original)

Aim

2 The aim is to develop water resources and to plan, design, construct, operate and maintain water supply systems in order to provide round-the-clock supplies throughout the year to meet the demands of the territory.

Brief Description

3 The Department is responsible for providing adequate supplies of water to the territory. This work involves:

Fresh water

- assessing fresh water supply requirements on the basis of providing round-the-clock supply of water throughout the year to meet the demand of the territory;
- developing fresh water resources to cope with such requirements;
- implementing the Dongjiang water supply agreement;
- planning, designing and constructing reliable and efficient fresh water supply and distribution systems to meet such requirements in good time; and
- operating and maintaining fresh water supply and distribution systems.

Flushing water

- assessing flushing water (comprising salt water and recycled water) supply requirements;
- developing flushing water resources to cope with such requirements;
- planning, designing and constructing reliable and efficient flushing water supply and distribution systems to meet such requirements in good time; and
- operating and maintaining flushing water supply and distribution systems.

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4 In 2023, the Department completed the renewal of the Dongjiang water supply agreement and continued to plan, design and construct new projects for the development of water resources and extension of water supplies to new developments and to operate and maintain water supply and distribution systems to provide adequate and uninterrupted supplies of water throughout the year. In particular, the Department commissioned the first stage of the desalination plant at Tseung Kwan O for diversifying the water supply resources and commenced the investigation and preliminary design for the second stage of desalination plant at Tseung Kwan O to further build up the resilience of water supply.

5 The key performance measures in respect of water supply are:

Targets

	Target	2022 (Actual)	2023 (Actual)	2024 (Plan)
supply pressure				
fresh water supply—maintaining normally a minimum residual head of between 15 and 30 metres in the distribution systems except at their extremities (%).....	100	100	100	100
flushing water supply—maintaining normally a minimum residual head of 15 metres in the distribution systems except at their extremities (%)	100	100	100	100

Indicators

	2022 (Actual)	2023 (Actual)	2024 (Estimate)
projects under planning	29	24	21
value of projects under planning (\$m)	16,528.4	14,693.2	5,660.7
projects under design.....	29	30	27
value of projects under design (\$m).....	34,688.8	65,659.2	72,279.3
projects under construction	43	45	43
expenditure of works under construction (\$m)	6,230.8	5,748.1	4,566.3
fresh water supplied (m ³)	1 066 000 000	1 067 900 000	1 062 640 000
salt water supplied (m ³).....	319 000 000	322 940 000	325 500 000
days on full supply	365	365	366#
total treatment works capacity (m ³ /day).....	4 621 100	4 648 100	4 648 100
total pumping plant capacity (megawatts)	348	349	351
leakage rate of water mains (%).....	14.4	14.0	13.4
education programmes / promotion campaigns on water conservation.....	7	7	10
schools joining education programmes on water conservation.....	828	870	890

2024 is a leap year.

Matters Requiring Special Attention in 2024–25

6 During 2024–25, the Department will:

- review and continue with the implementation of the total water management strategy for sustainable use of water resources with focuses on water conservation and water loss management as well as on development of new water resources;
- continue with the investigation and preliminary design for the second stage of desalination plant at Tseung Kwan O;
- continue with the establishment of the Water Intelligent Network;
- continue with the construction of infrastructure in stages for supplying reclaimed water for non-potable uses in the north-eastern part of the New Territories including Sheung Shui and Fanling, and the construction of grey water treatment plant for supplying treated grey water for non-potable uses in the Anderson Road Quarry Development;
- continue with the construction of the main works for in-situ re-provisioning of Sha Tin Water Treatment Works (South Works);
- continue with the construction of the main works for the Siu Ho Wan Water Treatment Works extension;
- continue with the construction works related to the relocation of Diamond Hill Fresh Water and Salt Water Service Reservoirs to caverns;

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- commence the construction of the risk-based improvement of large diameter water mains, stage 1A;
- commence construction works related to the improvement of fresh water supply to low-level area in Central;
- continue with the investigation and design for the Ngau Tam Mei Water Treatment Works extension;
- continue with the planning, design and construction of fresh and flushing water supply to meet the demands arising from housing developments;
- continue with the investigation and design for the relocation of Tsuen Wan No. 2 Fresh Water Service Reservoir, and Yau Tong Group Fresh Water and Salt Water Service Reservoirs to caverns;
- continue with the investigation and design for supplying reclaimed water for non-potable uses in Tin Shui Wai, Yuen Long Town and Tuen Mun – Yuen Long Corridor areas;
- continue with the feasibility study for the relocation of Tuen Mun Water Treatment Works to caverns;
- continue with the feasibility study for the relocation of Tsing Yi East Group Fresh Water and Salt Water Service Reservoirs and Shau Kei Wan Low Level Salt Water Service Reservoir to caverns;
- continue with the investigation and design for the in-situ reprovisioning of Tsuen Wan Water Treatment Works; and
- commence the investigation and design for the new submarine mains between Silver Mine Bay and Sandy Bay.

Programme (2): Water Quality Control

	2022–23 (Actual)	2023–24 (Original)	2023–24 (Revised)	2024–25 (Estimate)
Financial provision (\$m)	319.9	435.3	424.8 (–2.4%)	453.3 (+6.7%)
				(or +4.1% on 2023–24 Original)

Aim

7 The aim is to control the quality of water supplied to customers in accordance with the Hong Kong Drinking Water Standards (HKDWS) and the Department’s standards for flushing water.

Brief Description

8 The Department is responsible for ensuring the purity, wholesomeness and safety of treated fresh water supplied to customers conforming to the HKDWS in all respects and at all times. The Department is also responsible for ensuring the quality of flushing water supplied to customers conforming to the Department’s standards. This work involves:

Fresh water

- water treatment—ensuring that treated water conforms chemically, radiologically and bacteriologically to the HKDWS; and
- water quality control—ensuring that the drinking water at treatment works, service reservoirs, water tanks, connection points and consumers’ taps conforms to the HKDWS.

Flushing water

- water treatment—ensuring that the flushing water conforms chemically and bacteriologically to the Department’s standards; and
- water quality control—ensuring that the flushing water at customer ends conforms to the Department’s standards.

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9 In 2023, the Department achieved the performance targets for both drinking water and flushing water through effective control of the quality of water supplied to customers. The Department continued to maintain an effective drinking water quality monitoring regime for parameters in the HKDWS, surveillance list, watch list and aesthetic guidelines. The Department commenced the baseline radiological monitoring for the desalination plant at Tseung Kwan O. The Department also continued to take forward the Action Plan for Enhancing Drinking Water Safety in Hong Kong including:

- the implementation of the Enhanced Water Quality Monitoring Programme covering six metals, residual chlorine and *Escherichia coli*;
- the promotion of the implementation of Water Safety Plans (WSP) in private buildings and processing of applications under the Water Safety Plan Subsidy Scheme (WSPSS); and
- the preparation for proposed legislative amendments to the Waterworks Ordinance (Cap. 102) (WWO) and Waterworks Regulations (Cap. 102A) (WWR), to enhance the regulatory control of plumbing works and materials.

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

Targets

	Target	2022 (Actual)	2023 (Actual)	2024 (Plan)
fresh water quality—water supplied to customers complies with the HKDWS(%)	100	100	100	100
flushing water quality—flushing water supplied to customers complies with the Department’s standards (%)^.....	97.0	98.8	99.1	97.0

^ Revised description of the previous target “flushing water quality—salt water supplied to customers complies with Water Quality Objectives set by Water Supplies Department” as from 2024. Flushing water includes salt water, and as from 2024, recycled water.

Indicators

	2022 (Actual)	2023 (Actual)	2024 (Estimate)
<i>Treated fresh water</i>			
sampling visits at treatment works, service reservoirs, water tanks, connection points and consumers’ taps.....	27 192	29 340	28 000
chemical quality satisfying standards (%).....	100	100	100
bacteriological quality satisfying standards (%)	100	100	100

Matters Requiring Special Attention in 2024–25

11 During 2024–25, the Department will carry out the following work to safeguard the drinking water quality:

- continue to encourage private building owners and property management agents to implement WSP in their buildings in order to further safeguard drinking water quality in the community, and process applications under the WSPSS;
- continue to provide necessary assistance to relevant bureaux/departments to implement WSP for their buildings;
- continue to proceed with the amendments to the WWO and WWR to safeguard the drinking water quality through enhanced regulatory control of plumbing works and materials; and
- continue with the publicity and public education on drinking water safety.

Programme (3): Customer Services

	2022–23 (Actual)	2023–24 (Original)	2023–24 (Revised)	2024–25 (Estimate)
Financial provision (\$m)	638.1	665.2	685.6 (+3.1%)	695.4 (+1.4%)
				(or +4.5% on 2023–24 Original)

Aim

12 The aim is to provide customer services and to enforce the WWO and WWR.

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Brief Description

13 The Department is responsible for the provision of efficient and effective services to customers and for enforcing the WWO and WWR. This work involves:

- ensuring efficiency and effectiveness in dealing with customer enquiries and complaints and in processing applications for water supplies;
- enforcing the WWO and WWR;
- ensuring timeliness of billing and promptness in updating customer accounts;
- monitoring closely the level of arrears of water charges; and
- coping with the growth in the number of customer accounts.

14 In 2023, the Department continued to provide efficient and effective services to customers and enforce the WWO and WWR. The Department extended the e-Application for location filming/photo-shooting/conducting activities in waterworks areas/buildings and joining the Quality Water Supply Scheme for Buildings – Fresh Water (Management System), Quality Water Supply Scheme for Buildings – Flushing Water, Water Efficiency Labelling Scheme and General Acceptance for pipes and fittings for plumbing systems. The Department continued with the preparation of legislative amendments to the WWO and WWR, with major items including the regulation of plumbing works, control of plumbing materials, safeguarding drinking water safety at consumers' taps and supply of recycled water. To better protect tenants of sub-divided units (SDU) from being overcharged for water, the Department proceeded with the relevant legislative amendment in advance of others. The Department also rolled out the Voluntary Labelling Scheme on Water Using Apparatuses to facilitate consumers to identify compliant products when making purchase decisions.

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

Targets

	Target	2022 (Actual)	2023 (Actual)	2024 (Plan)
processing application for taking up of consumership				
by post within seven working days (%).....	100	100	100	100
in person at Customer Enquiry Centres (all-purpose counter) within 15 minutes (%)	100	100	100	100
issue of final bill upon closure of account within three working days (%)	100	97.7Ψ	100	100
refund of water deposit within nine working days (%).....	100	98.5Ψ	95.1	100
processing application for meter test within eight working days (%)	100	100	100	100
processing application for autopay service (upon receipt of notification from banks) within three working days (%).....	100	99.6Ψ	100	100
proportion of accurate water meters (inaccuracy not exceeding +/- 3%)(%)...	98.0	98.6	98.6	98.0
response time for attendance to fault complaints				
within half a day for fresh water supply fault (%)	100	100	100	100
within 24 hours for others (%)	100	100	100	100
notice for planned suspension of water supply issued not less than four working days in advance (%).....	100	100	100	100
conducting publicity campaigns and seminars for promotion of combatting unauthorised water consumption	70	75	75	75
initiating an investigation after receiving a complaint on suspected unauthorised water consumption within one working day (%)	92	94	97	93

Ψ The Customer Care and Billing System (CCBS) was suspended for ten days in 2022 for system upgrade thus affecting the performance achievements in 2022.

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Indicators

	2022 (Actual)	2023 (Actual)	2024 (Estimate)
no. of customer accounts.....	3 190 000	3 220 000	3 260 000
fees, water charges and deposits demanded (\$m).....	2,390	2,370	2,830
arrears of water charges at year end in terms of no. of days of water charges demanded	1.3	1.3	1.3
prosecutions.....	120	135	170
finer imposed (\$).....	172,350	225,100	300,000
house service inspections due to irregular consumption.....	6 725	5 637	5 800
public enquiries and requests for services.....	1 284 084	1 215 160	1 215 678
disputes and complaints handled.....	13 689	13 182	13 423

Matters Requiring Special Attention in 2024–25

16 During 2024–25, the Department will:

- continue to streamline and enhance the efficiency of the approval process of applications for water supplies by developing the proposed Digital Water Supply Application Management System;
- continue to strengthen regulatory control on inside service leakage to minimise water loss in inside services;
- continue to implement smart water meters for suitable new developments;
- continue to proceed with the remaining legislative amendments to the WWO and WWR;
- continue to step up prosecution and inspections against overcharging for water in SDU with strengthened law enforcement power after the enactment of Waterworks (Amendment) Bill 2023;
- continue to provide necessary technical advice and support to building owners and property management agents and render assistance to the market in developing capacity to deal with inside service leakage;
- continue to support and maintain the information technology systems and pursue innovative technologies such as artificial intelligence and smart data analytics to enhance the customer service experience of the public; and
- commence a technical study on CCBS to optimise and refine the system further in the longer term.

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ANALYSIS OF FINANCIAL PROVISION

	2022–23 (Actual) (\$m)	2023–24 (Original) (\$m)	2023–24 (Revised) (\$m)	2024–25 (Estimate) (\$m)
Programme				
(1) Water Supply: Planning and Distribution	8,358.2	8,758.7	8,751.5	8,997.8
(2) Water Quality Control	319.9	435.3	424.8	453.3
(3) Customer Services	638.1	665.2	685.6	695.4
	9,316.2	9,859.2	9,861.9 (—)	10,146.5 (+2.9%)
				(or +2.9% on 2023–24 Original)

Analysis of Financial and Staffing Provision

Programme (1)

Provision for 2024–25 is \$246.3 million (2.8%) higher than the revised estimate for 2023–24. This is mainly due to the increased provisions for purchase of water, hire of services and professional fees for the first stage operation of the Tseung Kwan O Desalination Plant and other operating expenses, partly offset by the decreased provision for light and power. There will be a net decrease of 31 posts.

Programme (2)

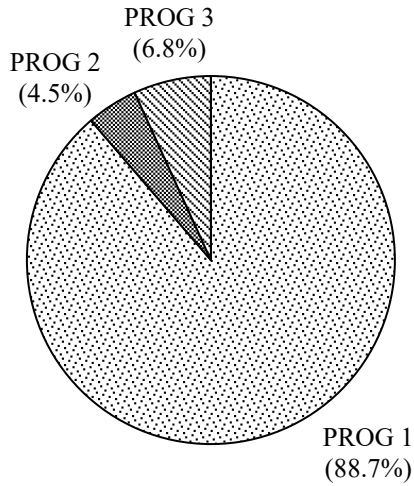
Provision for 2024–25 is \$28.5 million (6.7%) higher than the revised estimate for 2023–24. This is mainly due to the increased cash flow requirement for implementation of the WSPSS, partly offset by the decreased provision for specialist supplies and equipment. There will be a net decrease of two posts.

Programme (3)

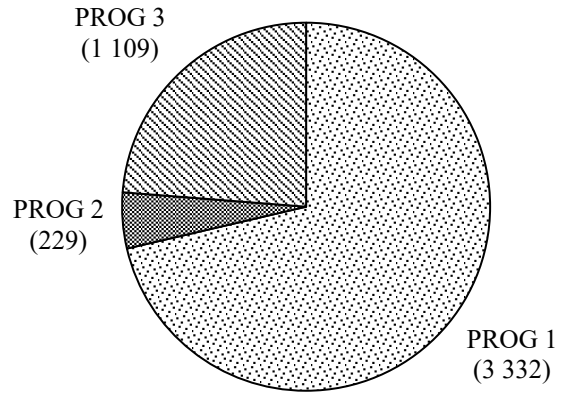
Provision for 2024–25 is \$9.8 million (1.4%) higher than the revised estimate for 2023–24. This is mainly due to the increased provisions for salary increments and filling of vacancies, partly offset by the decreased provision for other operating expenses. There will be a net decrease of two posts.

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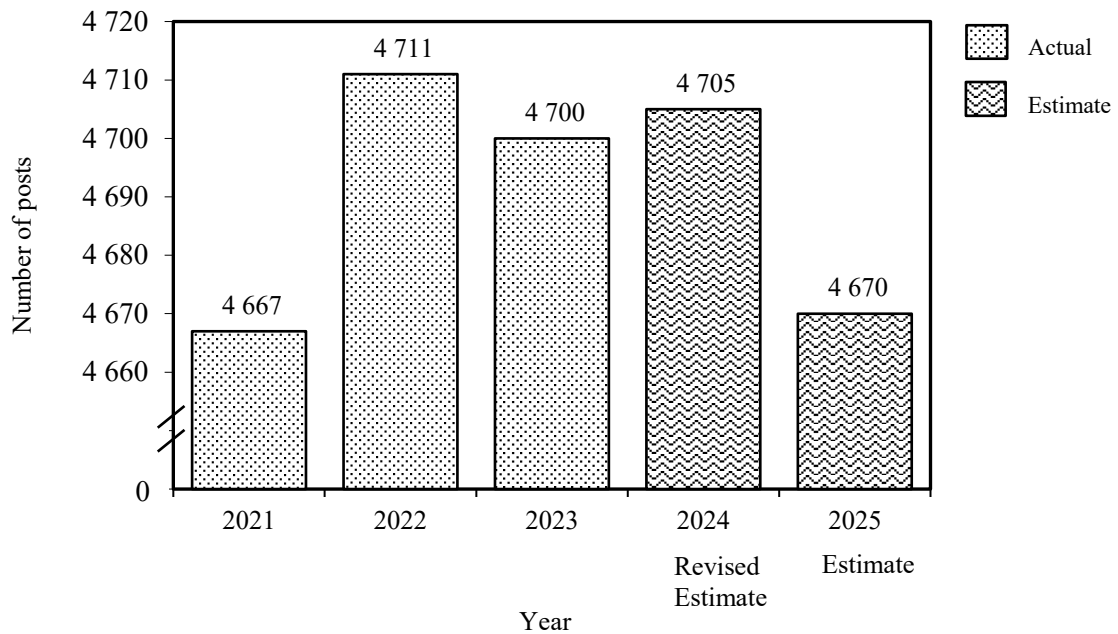
*Allocation of provision
to programmes
(2024-25)*



*Staff by programme
(as at 31 March 2025)*



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



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Sub-head (Code)		Actual expenditure 2022-23	Approved estimate 2023-24	Revised estimate 2023-24	Estimate 2024-25
		\$'000	\$'000	\$'000	\$'000
Operating Account					
Recurrent					
000	Operational expenses	4,341,888	4,753,143	4,787,863	4,893,483
223	Purchase of water	4,959,347	5,054,164	5,038,103	5,158,560
	Total, Recurrent.....	<u>9,301,235</u>	<u>9,807,307</u>	<u>9,825,966</u>	10,052,043
Non-Recurrent					
700	General non-recurrent	1,576	39,000	24,800	65,700
	Total, Non-Recurrent.....	<u>1,576</u>	<u>39,000</u>	<u>24,800</u>	65,700
	Total, Operating Account	<u>9,302,811</u>	<u>9,846,307</u>	<u>9,850,766</u>	10,117,743
Capital Account					
Plant, Equipment and Works					
603	Plant, vehicles and equipment.....	—	—	—	1,750
661	Minor plant, vehicles and equipment (block vote).....	13,423	12,848	11,170	27,017
	Total, Plant, Equipment and Works.....	<u>13,423</u>	<u>12,848</u>	<u>11,170</u>	28,767
	Total, Capital Account.....	<u>13,423</u>	<u>12,848</u>	<u>11,170</u>	28,767
	Total Expenditure	<u><u>9,316,234</u></u>	<u><u>9,859,155</u></u>	<u><u>9,861,936</u></u>	<u>10,146,510</u>

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Details of Expenditure by Subhead

The estimate of the amount required in 2024–25 for the salaries and expenses of the Water Supplies Department is \$10,146,510,000. This represents an increase of \$284,574,000 over the revised estimate for 2023–24 and \$830,276,000 over the actual expenditure in 2022–23.

Operating Account

Recurrent

2 Provision of \$4,893,483,000 under *Subhead 000 Operational expenses* is for the salaries, allowances and other operating expenses of the Water Supplies Department.

3 The establishment as at 31 March 2024 will be 4 705 posts. It is expected that there will be a net decrease of 35 posts in 2024–25. Subject to certain conditions, the controlling officer may under delegated power create or delete non-directorate posts during 2024–25, but the notional annual mid-point salary value of all such posts must not exceed \$1,995,801,000.

4 An analysis of the financial provision under *Subhead 000 Operational expenses* is as follows:

	2022–23 (Actual) (\$'000)	2023–24 (Original) (\$'000)	2023–24 (Revised) (\$'000)	2024–25 (Estimate) (\$'000)
Personal Emoluments				
- Salaries	1,897,124	1,947,684	1,983,560	2,048,264
- Allowances	173,242	163,758	171,913	172,313
- Job-related allowances.....	14,952	14,779	14,712	14,712
Personnel Related Expenses				
- Mandatory Provident Fund contribution	13,836	15,203	13,876	14,522
- Civil Service Provident Fund contribution	131,691	160,000	154,511	187,378
Departmental Expenses				
- Light and power.....	960,853	1,159,389	1,142,316	1,058,900
- Hire of services and professional fees	168,480	240,783	253,190	301,984
- Fuel and lubricating oil.....	211	390	382	382
- Specialist supplies and equipment.....	125,573	179,153	162,022	141,942
- Maintenance materials.....	53,232	50,014	49,034	52,295
- Contract maintenance	567,860	546,161	584,774	605,095
- General departmental expenses	234,834	275,829	257,573	295,696
	4,341,888	4,753,143	4,787,863	4,893,483

5 Provision of \$5,158,560,000 under *Subhead 223 Purchase of water* is for the purchase of water from Guangdong.

Capital Account

Plant, Equipment and Works

6 Provision of \$27,017,000 under *Subhead 661 Minor plant, vehicles and equipment (block vote)* represents an increase of \$15,847,000 (141.9%) over the revised estimate of 2023–24. This is mainly due to the increased requirements for the acquisition and replacement of plant and equipment in 2024–25.

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Commitments

Sub-head (Code)	Item (Code)	Ambit	Approved commitment	Accumulated expenditure to 31.3.2023	Revised estimated expenditure for 2023–24	Balance
			\$'000	\$'000	\$'000	\$'000
<i>Operating Account</i>						
700		<i>General non-recurrent</i>				
	802	Water Safety Plan Subsidy Scheme	440,000	6,069	24,800	409,131
			<u>440,000</u>	<u>6,069</u>	<u>24,800</u>	<u>409,131</u>
<i>Capital Account</i>						
603		<i>Plant, vehicles and equipment</i>				
	803	Replacement of one launch for assisting water quality monitoring and sampling in the High Island Reservoirβ.....	17,500β	—	—	17,500
			<u>17,500</u>	<u>—</u>	<u>—</u>	<u>17,500</u>
	Total		<u>457,500</u>	<u>6,069</u>	<u>24,800</u>	<u>426,631</u>

β This is a new item, funding for which is sought in the context of the Appropriation Bill 2024.