

For Information

**LEGISLATIVE COUNCIL
PANEL ON PLANNING, LANDS AND WORKS**

**Deletion of Posts Upon Implementation of the
Customer Care and Billing System in the Water Supplies Department**

Purpose

This paper informs Members of the deletion of posts upon implementation of the Customer Care and Billing System (CCBS) in the Water Supplies Department (WSD).

Background

2. The CCBS is an integrated information system on billing, meter reading management, customer contact management, electronic document management and service order management. It has replaced the old Water Information and Billing System, which had been in use since 1978, and other standalone systems for supporting various customer service operations. Major functions of the CCBS were given in Enclosure I to the Finance Committee paper FCR(2000-01)78 on this project (**Attachment A**). The project was estimated to produce an annual saving of about \$100 million including staff savings of about \$83 million from deletion of 261 posts by 2006-07.

3. At the Finance Committee meeting held on 9 March 2001, while approving funds for the CCBS project, Members expressed concern about possible redundancy resulting from the estimated reduction of 261 posts. In response, the Administration advised that the staff savings would be achieved in phases from 2004-05 to 2006-07 through natural wastage, retraining and redeployment. The Administration assured Members that there would be no forced redundancy and undertook to report further progress to the Panel on Planning, Lands and Works.

Implementation of CCBS

4. Because of its scale and complexity, the CCBS was implemented in phases. Phase I on electronic document management was implemented in December 2003. Phase II, which consists of the core features of the system, was rolled out in December 2004. This phase has provided an integrated system for billing, collection of water charges and other customer service operations. Phase III was completed in February 2005, providing enhanced data management and planning. All the remaining features of the system to further enhance efficiency and customer service delivery were completed in June 2006. All the major functions of the CCBS have been fully implemented.

5. For two years now, the core functions of the CCBS have effectively supported the day-to-day operations of the Customer Accounts Section, Customer Telephone Enquiry Centre, five Customer Enquiry Centres, five Meter Reading Sub-offices and four Regional Offices of WSD.

Deletion of Posts

6. As the post reduction plan upon implementation of the CCBS was drawn up in 2001, WSD found it necessary to make some revisions in light of the actual system design, implementation experience, latest operational requirements, and the redeployment arrangements to avoid staff redundancy. The revisions are mainly confined to the breakdown of posts but not the overall savings. Whilst the more significant revisions are in the clerical grades, the updated post reduction plan has also included certain grades not in the original plan. A comparison table of the estimated post reduction plan in 2001 and the updated plan, together with the reasons for the revisions made, are at **Attachment B**.

7. The overall manpower savings achieved in the updated plan are broadly comparable to those in the original plan. All the 263 posts in the revised plan have already been deleted by 12 March 2007. No staff redundancy has arisen.

Conclusion

8. The CCBS has achieved the desired objectives of streamlining of workflow, more integration of customer service operations, better scheduling of meter reading work, greater coordination and efficiency in attendance to technical fault complaints, and elimination of duplicated and manual processes. Through reduction of 263 posts, we have achieved staff savings without leading to staff redundancy in spite of the increase in water accounts over the years.

Attachments

Attachment A : Summary of Major Functions of the CCBS

Attachment B : Estimated and Updated Post Reduction Plan

Environment, Transport and Works Bureau
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Summary of Major Functions of the Customer Care and Billing System

(Enclosure 1 to FCR(2000-01)78)

The proposed Customer Care and Billing System will provide an integrated solution to support all the customer service related operations of a typical utility organization. In summary, the functions of the new system include –

- (a) calculate charge for water consumption and issue water bills (facility is provided for issuing consolidated water bill for water consumption and other customer services such as fees for supply connection and reconnection, and meter test);
- (b) maintain meter reading records and allow downloading and up-loading of customer information and meter readings between the handheld computer and the main system automatically;
- (c) maintain customer information (some key information such as customer name and address will be maintained in bilingual forms);
- (d) keep record of payments;
- (e) maintain dispute and complaint records;
- (f) handle changes of customer details and termination of consumership;
- (g) provide on-line facility for data entry or enquiry;
- (h) maintain correspondence with customers in electronic form centrally with indexing and file tracking facilities;
- (i) process new water supply applications and handle water deposit;
- (j) assign routine and special meter reading route;
- (k) process refund of water deposit;
- (l) schedule and manage service orders;
- (m) generate management information and statistics;
- (n) provide on-line service to customers through the Internet; and
- (o) interface with the Trade Effluent Surcharge Billing System of Drainage Services Department for billing of Trade Effluent Surcharge.

**Water Supplies Department
Customer Care & Billing System
Estimated and Updated Post Reduction Plan**

| Grade | Original No. of Posts To be Deleted | Revised No. of Posts Deleted |
|-----------------------------|--|---|
| Waterworks Inspector | 21 | 22 |
| Technical Officer | 3 | 3 |
| Meter Reader | 28 | 21 |
| Clerical Officer | 97 | 87 |
| Clerical Assistant | 100 | 20 |
| Consumer Services Inspector | 0 | 10 |
| Artisan | 0 | 57 |
| Accounting Officer | 0 | 2 |
| Workman | 0 | 29 |
| Temporary Staff | 12 | 12 |
| Total | 261 | 263 |

The main reasons for the revised post reduction plan are as follows:-

(i) *Increase in water accounts*

The number of water accounts have increased by 13% from 2.3 million in 2000-2001 to over 2.6 million at present. This has led to an increase in workload for Meter Readers in handling a greater number of meter reading records and for the clerical staff in opening and closing accounts, billing, and responding to customer requests. As a result, the actual numbers of post reduction in these grades upon implementation of the CCBS are less than the original estimates.

(ii) *Increase in inputting work*

The more streamlined and automated operations of the CCBS have helped to save work in repeated data entries, manual filing and searching. To achieve this, information has to be systematically indexed and structurally entered. The bilingual feature of the new CCBS (as compared with the old system which was mainly in English) also calls for more inputting work. To ensure data accuracy and security, more checking of input data and oral/written contacts with customers are required for verification of account information.

(iii) *More sophisticated operation*

CCBS, as an integrated system to enable “one-stop shop” services, requires sophisticated system features in handling a wide range of information and system enquiries. The demand on clerical staff who make use of the system is higher than expected. More input is also required from the Meter Readers to operate more screens in the PDAs (personal data assistants) to ensure the accuracy of meter readings.

(iv) *Savings in field staff*

CCBS has refined the business process and achieved greater efficiency and better coordination in scheduling and attendance to technical fault complaints. This has resulted in savings in field staff who are now

deployed more efficiently and effectively in carrying out service orders and site visits. Upon the introduction of a one-stop on-line service, the clerical staff are able to handle a majority of enquiries and services, including booking of services and enquiry of progress on technical works, thereby reducing the amount of workload for outdoor staff such as Consumer Services Inspectors, Artisans and Workmen.

(v) *Avoiding staff redundancy*

As explained above, the increase in water accounts and the actual work flow of the CCBS operation call for retention of some clerical posts. WSD has also taken into account the establishment of serving clerical staff in WSD and the projected wastage in the coming years in working out the revised staff reduction plan. Most of the clerical posts retained are junior staff at Clerical Assistant level.