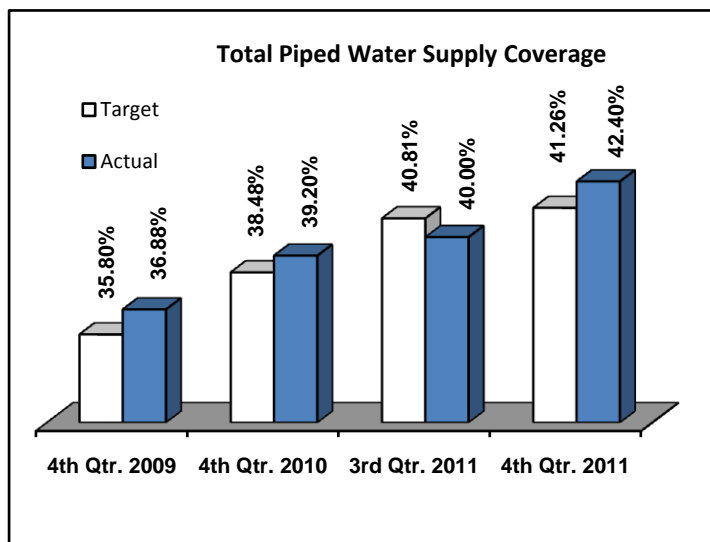


## Summary of progress status on the Corporate Action Plans as at end of 4th Quarter 2011

### Goal 1 – Increase water supply and sanitation coverage

The piped water supply connected coverage and connection details as at the end of 4<sup>th</sup> quarter 2011 are shown below:

- Total number of Water Supply Connections was 1,449,301. During the 4<sup>th</sup> quarter 2011, 26,688 new connections were provided island-wide.
- Decision was taken to compute piped WS service coverage as against piped water supply connected coverage.
- Preparation of databases on Rain water harvesting by Provincial offices and for surface water sources by AGM (SWR) continued. Monthly water quality reports of intakes will be uploaded to the SWR database.



The Capital budget allocation for 2011 was increased to Rs. 29,837.90 million from Rs. 22,962 million in 2010.

Rehabilitation and Augmentation of Kirindi Oya Water Supply Project funded by Austria, Water Treatment facilities in Moratuwa / Panadura, Ambatale and at Negombo funded by Spanish, Tsunami Affected Areas Rebuilding Project funded by ADB, KfW funded Tsunami Rehabilitation Project, IFRC funded Tsunami Rehabilitation Project, Ambalantota – Hambantota Water Supply Project funded by ADB and Thihagoda , Wagantale , Akuressa & Udugama WS Projects funded by GOSL were completed during this year. 45 Small & Medium WS projects and 24 Large scale donor funded WS Projects were being implemented in various stages of progress. These new/augmented WSSs, financially viable pipe extensions carried out using NWSDB funds and the new connections given from existing systems contributed towards the increase in water supply coverage. Piped Sewerage connected coverage and connection details as at end of 4<sup>th</sup> quarter 2011 are shown below:

- Piped sewerage coverage is 2.3 % while the target was 2.5%. The number of sewerage connections provided was not comparable with the population increase to show improvement.
- Total number of sewerage connections was about 84,668.
- A priority list for Sewerage Projects was compiled. Also, the Sanitation Development Plan was updated for 2011.

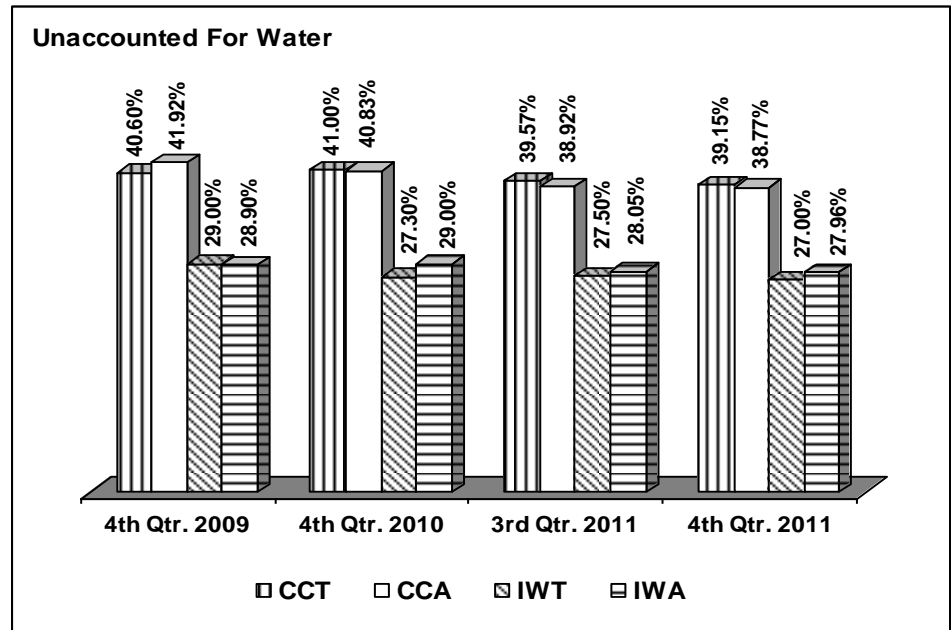
4 Large scale donor funded Sewerage Projects are being implemented which are in various stages of implementation. These new/augmented Sewerage Projects and the new connection given from existing systems contributed towards the increase in piped Sewerage coverage, but it is not significant to increase the piped sewerage coverage with the increase of the population.

## Summary of progress status on the Corporate Action Plans as at end of 4th Quarter 2011

### Goal 2 – Improve operational efficiency

Reduction of UFW / NRW is a very important strategy to improve operational efficiency. Details of UFW percentages of island-wide and Colombo City [CC] area are shown in the graph below:

- UFW island-wide has decreased by 0.09% during the quarter concerned while in Colombo City it has decreased by 0.15%.
- In addition to Colombo City, Akkaraipattu Region in the Eastern RSC has achieved the highest reduction of UFW during the 4<sup>th</sup> quarter by 1.87%.



Meanwhile, TNC region in the Western North, Eastern and Central RSCs have reduced UFW by 0.89%, 0.85%, and 0.54% respectively.

CCT = Colombo City Target      IWT = Island-wide Target  
 CCA = Colombo City Actual      IWA = Island-wide Actual

- 37,177 defective meters have been replaced island-wide up to the end of the 4<sup>th</sup> Quarter 2011.
- 1,390 illegal connections were detected in Western Central area up to the end of the 4<sup>th</sup> Quarter 2011.
- Total staff for 1,000 connections has been reduced by 3.15% island wide up to the end of the 4<sup>th</sup> Quarter 2011.
- Detailed Energy audits using instruments were carried out in 15 WS schemes during the year 2011.
- 4 new Energy Cost reduction proposals have been finalized for implementation during the quarter under review.
- Technical specifications were prepared for 5 PAC approved energy conservation projects.
- Water pollution due to Pesticide Residues and toxic metals in drinking water bodies in Sri Lanka – Report completed.
- Assessment of present situation of 3 Tier Hand Pump Maintenance System in the Central Province – The corrected version is awaited from the researcher.
- Identification of health hazards due to high Nitrate-N concentration in ground water in Jaffna peninsula with special reference to oesophageal and stomach cancers – Sampling and testing completed. Final report is awaited.
- Rain water harvesting to mitigate Chronic Kidney Disease in North Central & North Western Provinces – 130 Nos of rain water tanks were completed in selected houses.

## **Summary of progress status on the Corporate Action Plans as at end of 4th Quarter 2011**

- Investigation on contamination of Water Reservoirs in North Central Province owing to Pesticide Residues and Toxic Metals – Work completed.
- Study on identification of Algae and Cynobacteria in selected drinking & irrigation water bodies in Sri Lanka – Final sampling session is in progress.

### **Goal 3 – Improved services to customers and promptly attending to public complaints**

- Reviewed Customer Grievance System (CGS) module and incorporated new features as appropriate – Call centre solution is now in operation. Interactive Voice Response (IVR) solution for call centre is being implemented.
- The Enterprise-wide IT Solution – Completed implementation of the CGS module at RSCs and it is in operation.
- Categorization of customer complaints – MIS incorporated in call centre solution.
- Assigned the complaint to the responsible officer to coordinate action and to attend to it – All relevant officers are being informed of complaints through SMS.
- Facilitated consumers to obtain feedback through SMS, E-mail, telephone or letter – Communication with customer through SMS incorporated.
- Cargills Supermarkets, Abans, Singer Mega, Banks (HNB, Seylan, NSB, Commercial, Standard Chartered, Pan Asia, HSBC, Deutsche, Union, Nations Trust, City, NDB, BOC, People's Bank, DFCC Vardana Bank) and Agency Post Office etc. are now collecting payments on water bills.
- Four awareness programmes were conducted for school children in Anuradhapura District. Organized and conducted "Sethawaka Abimana" Exhibition in Hanwella during the 4<sup>th</sup> quarter 2011.
- Printed and published "Jalaya" 19<sup>th</sup> edition.

### **Goal 4 – Increase commercial viability**

- Senior Management consensus of opinion was reached on annual tariff increases as against big increases after longer durations.
- O&M budget for 2010 did not warrant a tariff increase for water. O&M budget and mid year revised budget for 2011 were prepared; they did not warrant a tariff increase for water except for the debt repayment.
- The Cabinet Paper proposing the Tariff formula was explained to the Hon. Minister. As instructed by him, the CEB was consulted as to how their tariff formula was structured. These details are to be explained to the Hon. Minister.
- Proposal to increase Sewerage Service charge was approved by the Cabinet.
- Savings have been identified for financing minor rehabilitation works using NWSDB funds. Rs. 1,638 m for Rehabilitation, Rs. 876.3m, Rs. 343.8m, Rs. 104m and Rs. 77.8m for Rehabilitation, NRW reduction, Pipe Line extension and Stores improvement have been allocated in 2011 respectively.
- Internal discussions held to identify possible new sources of income.
  - Establishment of a fully owned subsidiary company of the NWSDB
    - Bottled drinking water project
    - Water meter assembly / manufacture
- New business areas are being considered such as private sector involvement to construct water

## **Summary of progress status on the Corporate Action Plans as at end of 4th Quarter 2011**

treatment plants to supply drinking water in bulk to the NWSDB

- Estimated bills to total bills maintained at 2.83% (all Island). 0.31% increase during 4<sup>th</sup> quarter, 2011.
- Accounts Receivable from Domestic & Commercial Institutions was 55 days and 40 days for including and excluding disconnections respectively whereas it was 44 days and 37 days for including and excluding disconnections respectively for Government Institutions.
- Collection efficiency was 99% including stand post dues in December 2011.
- Debt age was 2.1 months for total arrears, 1.71 months excluding stand post dues and 1.29 months excluding stand post dues & disconnections.
- Computerization of all NWSDB cashier points – All cashier points were computerized.
- Consumers having Estimated Bills due to obstructions to the meter were made aware of the matter and were allowed a period of about three months to remove the obstruction. They were informed of possible disconnection if no action was taken.
- Issued disconnection orders regularly – Disconnection programmes were scheduled and disconnections were done according to the plan.

### **Goal 5 – Ensure greater accountability and transparency**

- Regular internal checks and controls carried out; especially, on revenue collections, new connection collections and payments.
- Evaluated the existing financial procedures and activities and identified the weak areas in financial administration; especially, loss of revenue, to prevent frauds etc. Commercial activities were evaluated and recommendations were forwarded to prevent weaknesses in internal controls.
- Checked the proper use of Commitments Register and Votes Ledger; Called for explanations on major variations from the budget.
- Several audits were carried out during the 4th quarter 2011 on Financial Administration, Commercial Operations, New Connections, Contracts/ Tenders, and Stores. Reports of the findings were submitted to the Board of Directors. Example:
  - Checked the consumption bill issued for water consumption from disconnected supplies in the billing system at Western North & Kotte,
  - Checked the Reconnections & Disconnections at Maharagama,
  - Checked the Distribution of Monthly water bills.
  - Checked the water tariff for B.O.I Projects.
  - Checked the consumer complaints on arrears in the monthly bill.
  - checked the meter readings at Regional Office, Kelaniya,
  - Checked the new connection process at Embilipitiya & Ratnapura regions and at Wadduwa.
  - Site Inspections carried out at Wadduwa, Naachchaduwa W.S.S, RSC (Uva), "Dayata Kirula" Ceremony – Anuradhapura and Eheliyagoda.
  - Checked the accounting process on payments at Manager Office – Hambantota including Water Bowser Supply, Stocks of "HDPE" water lines & accessories and inventory documents.
  - Checked stock sheets & stock verification relating to Annual stock verification – 2011.
  - Checked the accounting process of new connections granted on installment basis,
  - Checked the office quarters rent – Anuradhapura regional office,

## Summary of progress status on the Corporate Action Plans as at end of 4th Quarter 2011

- Checked the special advances & supply advances at RSC Sabaragamuwa, Manager office Dehiwala
- Checked the cashier counter at Kegalle Regional office.
- Checked the payment vouchers, Cash Book & Bank reconciliations for the period of February 2011 at the Finance Branch.
- Checked the E.P.F. & E.T.F records.
- Checked the recoveries from employees who resigned, died or were transferred.
- Checked the substance payments at the Ground Water Section at Wariyapola.
- Checked the balance sheet items at regional office – Ratnapura.
- Checked the fixing the chlorinator in treatment plant site at Kadawatha.
- Planning guidelines issued; Project prioritization and planning to be based on population density, expected connections per km of distribution pipelines, Investment per connection, Water Treatment Plant cost per cubic meter, Number of Samurdhi beneficiaries among potential customers; Number of potential customers having electricity connections etc.
- Guidelines were being drafted for streamlining the procurement procedures related to un-solicited proposals.
- Activities and levels of decentralization were identified under the ADB TA and they are being reviewed regularly to decide how to proceed thereafter.
- Provincial DGMs were requested to improve customer service. Key Performance Indicators would be monitored to assess improvement in customer services.
- The methodology of asset management planning was demonstrated by taking one WSS in every Province by the ADB TA. A computerized system for Asset Management has been developed.
- Internal Monitoring procedure established; set of forms and guidelines issued to Provincial DGMs.
- Land Acquisition officer has been entrusted with the regularization of legal ownership of properties belonging to the NWSDB. 20 lands were formally purchased and 24 lands were formally accepted under section 44 certification during this year.
- The Business Plans prepared under the ADB TA identify the necessary investments to maintain assets. These values were further refined with respect to the year 2011 and the minimum requirement included in the O&M Budget for the year.
- Discussion held with the Treasury Secretary to reduce the interest rate for debt repayment. The General Treasury has approved to reduce interest rate to 6%. Loan repayment commitment schedule has been re-computed accordingly.

### **Goal 6 – Promote Institutional Development**

- Provided opportunities to the employees of many divisions to follow training programs on 5S concept and to implement it in their offices. Work Improvement Teams promoted to practice 5S, 6S concepts and attitude changing and team building programmes in Provincial Offices. Example:
  - Conducted training programmes on the usage of the commitment Register, office Management, Computer training programme, safety method for chlorinators, HR Development and disciplinary procedures, conflict resolution in the workplace, job training for Accounts clerks & CR clerks, training programme for new employees and skills improvement programme in every RSCs and Regional Offices during the 4<sup>th</sup> quarter 2011.

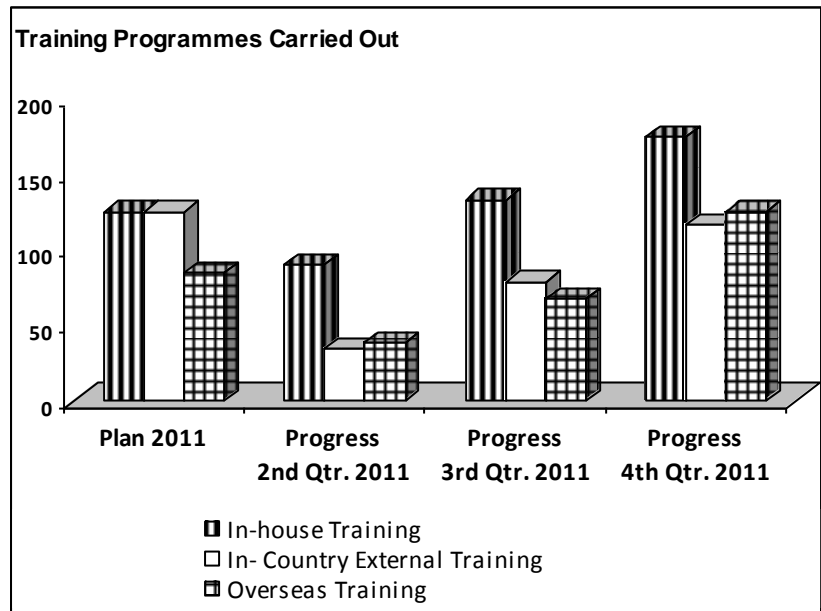
## Summary of progress status on the Corporate Action Plans as at end of 4th Quarter 2011

- Shramadana Campaigns were conducted in Provincial Offices to clean the environment and office rooms, colour wash and attend to minor repairs in buildings.

- Refurbished Manager (O&M) Office Hambantota and improved the condition of the stores in the RSC (Southern).

- Several motivational activities and Training programmes were conducted in Provincial/ Regional offices under IDP / WIT activities.

- Conducted training programmes on Institutional Development, Report writing for executive staff, Stores management in RSC(S), RSC(C) and Bandarawela Region offices.



- 350 email addresses are operative. There is a requirement to increase it up to 400.
- All offices up to Area Engineer level have been provided with ADSL facilities.
- Arrangements are being made to test the automated Water Meter Reading Technology with the assistance of an outside agency. Water meter reading using SMS will be tested for 100 customers.
- Comments on the draft HRD Policy have been received from Addl. GMs. It was decided to appoint a committee to review the comments and suggest appropriate changes to the draft policy.
- A constitution was prepared to establish a common Welfare Society. Follow-up activities are being carried out.
- A committee was appointed to improve the physical appearance of the NWSDB Head Office. Short term (6 months) programmes and Long term (2 years) programmes were worked out.
- Revised the new connections charges and issue a circular as the problem of new connections charges are not regular.

### **Goal 7 – Provide facilities and service support to rural and marginalized communities.**

- ERD and Cabinet approval has been obtained for AUSAID project and the grant agreement was signed for rural water supply project funded by Japan poverty reduction for Northern Province.
- PAC and Board approval has been obtained for project proposal for rural water supply in Southern Province.
- PAC approval has been obtained for rural water supply proposal for Puttalam district and sent for Board approval.
- Assistance and guidance provided for the preparation of RWS project proposals on demand by the RWS units – ERD and Cabinet approval have been obtained and Grant agreement is to be signed; Water source investigation and village selection is in progress.

## **Summary of progress status on the Corporate Action Plans as at end of 4th Quarter 2011**

- 19 number of district RWS units have been established and support services to CBOs and other sector partners are being provided.
- RWS units strengthening programme – Training equipment provided for Anuradapura and Matara RWS units under UNICEF funds. Funds already allocated for the purchase of laboratory equipment for Puttalm laboratory under UNICEF funds
- Project implementation manuals were being prepared to include community participation for pipe laying and latrine construction under AUSAID project.
- Identified worthy areas (such as CKD affected) and provided bowser supplies for drinking and cooking purposes – Program already initiated in North Central Province.
- Access for RWS data base already available for all RWS units in the NWSDB.
- Translation of documents into Sinhala and Tamil was completed and Leaflet for RWS (Sinhala version) has been printed and distributed.
- Manuals for the construction of latrines and shallow dug well construction have been printed and distributed on request.
- Strengthening of the Provincial Coordination Committee (PCC) meetings for the establishment of By Laws and development funds – PCCs established in seven Provinces and PCC meetings are held once in two months.
- Water supply, sanitation and Hygiene stakeholders identified and WSSCC coordination meetings are being held regularly.