

ANNUAL REPORT - 2017



COMMERCIAL DIVISION

NATIONAL WATER SUPPLY &

DRAINAGE BOARD



Vision

Deliver the highest standard of commercial solution to the customers we serve and
Inspire public confidence in the process.

Mission

Provide our customers with as near perfect billing, as near perfect service as is
humanly possible with maximum convenience to them

Introduction

Installation of water meters to each premises commenced in early 1980's, Billing of consumption was initiated in 1984. Pricing of water is bit controversial as different person view it from different angles. The initial investment for water supply and sewerage is very high. The benefits are enjoyed for many years. Many are not aware of the cost of supply. Urban population expects 24 hour water supply and sewerage facility. The cost of service vary for different places. The tariff design should bring in sufficient revenue for financial stability of the organization. The low income house hold should be in a position to get its water requirement at affordable price. To satisfy these requirements various tariff has to be used to cross subsidies.

Domestic water sale is 74% corresponding revenue is 61%, nearly 56.5% of domestic customers use water less than 100 litres / day which is much less than the design projections. 97.6% use less than 40 units per month and 74.6% use less than 20 units per month. There are 188,000 customers whose consumption is Zero out this 36,500 are commercial connections. The consumption tariff has been kept low from the time of introduction of metering. The revision of tariff has had little impact on the consumption pattern.

There are 160,000 non domestic customers, they consume 26% of the water and bring in 39% income. Non domestic customers cross subsidies domestic customers.

The main functions of the Commercial Division are;

- The Metering, Billing , Consumer relations and collections activities within the Colombo area and Regions.
- The establishment of Standard operating and Reporting procedures for the outlying Regions.
- The collection of statistical and financial data from all regions for consolidated system-wide of all progress, statistical, and financial reporting.
- This division will be responsible for accurately reporting all system-wide billing and collection data to the financial division.
- Generation of Management of Information System Report
- Recovery of defaulted customers through legal progress.
- Formulation of Policies.

Key Performance for the year

Software development for service excellence

The “Commercial Operation Management System” developed by the IT division for the billing and collection was stabilized, over 400 reports have be developed for smooth operation and monitoring purposes. Close monitoring on reconciliation with finance division is made. New products are introduced to improve efficiency.

- a. Water Meter reading using an application for mobile phones has been successfully launched implementation island wide has began. This has brought better customer satisfaction by error free bill, Convenience for the meter reader, calculation error has reduced. In addition Mobile metering monitoring system facilitates decision makers for better performance.
- b. Customers visiting cashiers are in a position to view the current due using the “Self service App.” and make payment accordingly.
- c. Mobile application to view the current outstanding enable field staff to verify the customer outstanding prior to disconnection of service for non payment of water bill.
- d. To improve the customer satisfaction by issuing a computer generated bill for the months when physical reading not taken has become effective.
- e. Institution having offices country wide “Group Bill” was initiated to issue monthly bill for all officers as one bill, to improve collection.

“Commercial Operation Management” familiarization was done to decision makers by conducting awareness program in all 11 RSC’s. The program was conducted by the DGM and two AGM’s. Expectations use of Commercial Operation Management for decision making was emphasized. Participation in region monthly Billing and Collection meeting to share best practices, collect dues avoiding disconnection and emphasis the requirement to collect long outstanding arrears.

Productivity

In March 2017 world water day celebration, Head office Commercial Division was placed first



Figure No 1: Recognition Plaque

under the category “ Implementation of 5s in Head office & Surrounding Office Evaluation”

Tariff Revision

Once in three years the tariff revision is proposed accordingly the process on revision of tariff was initiated. Deep analysis was made into historical consumption pattern and revenue pattern to arrive at a tariff proposal which will harmonize the existing discrepancy in cross subsidy, proposal has been prepared, formal approval procedure for implementation is in progress. This is the first time the tariff proposal has been prepared solely by the Commercial Division for the GM appointed committee review and guidance. A gazette notification was issued, implementation is held back pending amendments. The last tariff revision was done in 2012. Continuous effort was made for revision.

Water bill payment

Water bill payments are collected by the cashiers, banks and agents. The head office cashiers serve 10,900 customers and collect 48 million for a month. Banks serve around 82,300 customers and collect 134 million in comparison with last year payment made in banks has increased, the super markets play a bigger role they serve 224,000 customers and collect 50% of total collection. Now the customers are in a position to settle their monthly bills from any payment collection centre's.



Figure 2: Launching of Payment collection by Postal Department

Postal Department commenced water bill collection through its 4,700 Post Office and Sub Post Office. This gave convenience to another segment of customers, continuous increase in customer patronizing Post office payment is seen, this has reached third largest customer serving place 71,800/ month.

At the Head Office water bill payment are accepted at the cashier, the building was refurbished to improve customer satisfaction is named as “Customer Care Centre”. The customer are in a position to verify his balance due prior to settlement of bill, any verification or complaints could be made at the customer care desk.

Table 1: Customer Payment Option

	Cashier Head office	Banks	Super Market	Electronic Cash	Web Payment	Dep. Post
No of Payment/month	10,900	82,300	224,000	103.8	683	71,800
Average Collection (Rs. m)/month	48.1	134.5	345.4	129.9	1.4	66

Group Bill

There are many institutions that have offices all over the country, monthly water bill is paid centrally. Facility was introduced to issue Group Bill to institutions that have many branches and where water bill is paid centrally. In addition to the bill given at site, group bill will be sent to the head office to effect the payment without delay and avoids inconvenience by disconnection. There are five institutions having 569 connections have come into Group Billing, monthly billing is around Rs.12.4 m/month. Some of them are government institutions.

Revenue Collection Pattern

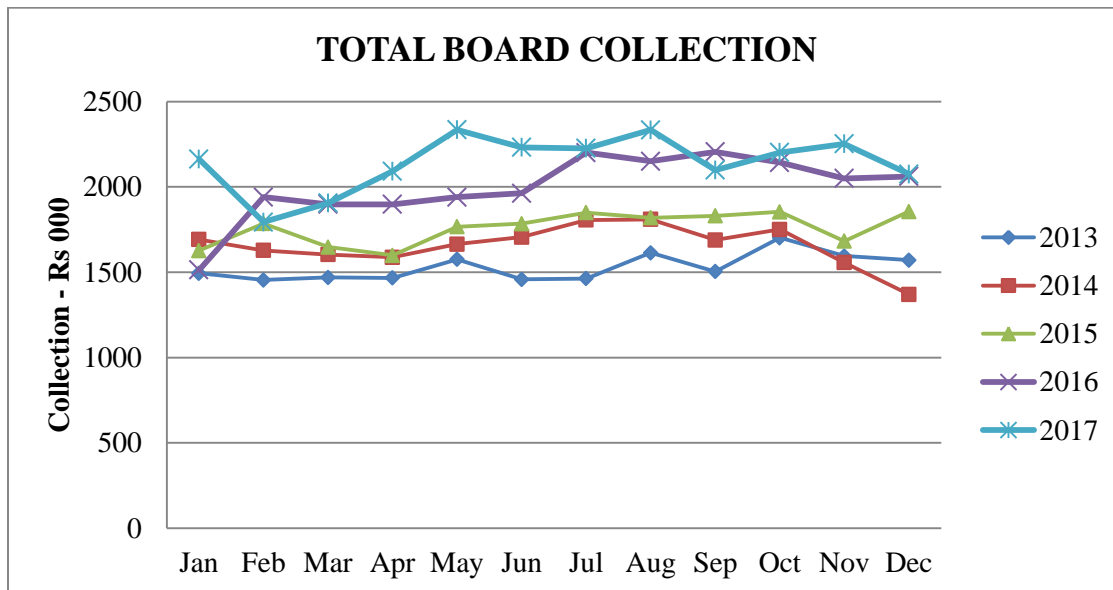


Figure 3: Monthly Board collection

Revenue collection followed a pattern similar to the previous years. The Commercial Division had a important task to bring in more revenue in absence of proposed tariff revision being delayed in implementation.

The collection graph shows significant increase in collection during the year 2016 and a huge deviation from the past years. In 2017 the pattern has continued.

Arrears Recovery

Revenue generation of the board had to be increased. Additional effort was made to collect the long standing arrears from disconnected premises. Special program was initiated to concentrate on over Rs 100,000/= and Rs 200,000/= arrears collection this resulted in bring in Rs. 7.34m. Special meeting was initiated with Colombo area DIG this initiation paved the way for collection of current outstanding arrears and the long outstanding arrears, Details have been given to government institution (police & Army) to the value of Rs 25m to enable them to make arrangements to settle the dues already Rs. 6.3m has been collected. This year 1,661 customers have settled arrears and the collection is around Rs. 65.0 million. It is note worthy that very old arrears since 2003 also had been collected. Another large arrears of Rs 10.1 million is being collected on installment basis.

Demand letters 1044 and 978 Notices and Certificates were sent as initiation of legal process. The Attorney General case initiation documents were prepared for 79 cases and 11 cases were filed. After finalization 2,676 files have been sent back to the regions. In the regions more emphasis was initiated towards collection of arrears. This has resulted in 1,688 files being received to take legal process. All the regional offices played a key role in adopting different strategies to collect additional revenue from disconnected customers.

To reduce cost and get the legal collection process expedited another letter was initiated to be sent to the defaulters under the Deputy General Manager's signature explaining the future course of actions that would be taken in the event of failure to honor the water bill dues.

Customer Help Desk

On average there were 1,700 customers visiting the customer care desk per month the areas where more clarification were sought are about the outstanding water bill amount, Obtaining new connection procedure, Meter shifting procedure. Now the customers are in a position to access the "self help kiosk" to get information about the amount due to pay.

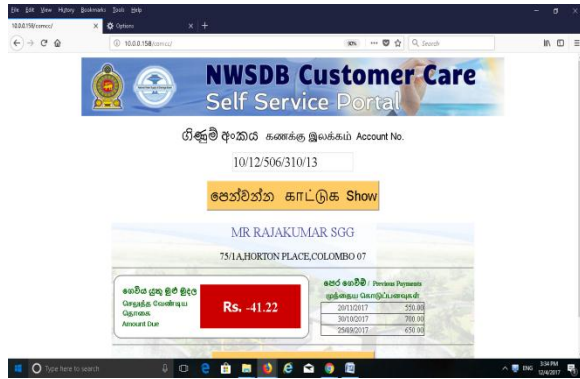


Figure 4: Self help kiosk screen display

Reconciliation Report

There are two reconciliation reports, billing reconciliation, collection reconciliation, these two reports are prepared to match the Finance Division figures any discrepancy needs to be resolved. These reports are prepared in addition to the bank reconciliation report further region wise collection reports are prepared. Close monitoring was done to reduce mis-match and corrective action initiated this resulted in reduction of mismatches.

To increase productivity and reduce unwanted and less productive approach in preparation of these reports software has been developed with the assistance of the IT Department. This has improved performance and early confirmation/ updating to Finance Division.

Management information reports

Monthly Billing Operational Meeting is conducted by General Manager, Management Information System (MIS) report are submitted to review the progress on predetermined targets. The monitoring methodology was revised to suit the current requirement. Emphasis was made on billing being done on 30days, significant improvement was observed where improvement was made from 34% to 59% in some regions, this contributed to increase income plus reduces NRW (administrative losses). New connection monitoring resulted in higher percentage of connections being provided. Updating of customer information emphasizes made with intention electronic communication could be initiated in future. The Billing and Collection performance report reviews the set targets monthly the debt age has reduced to less than one, it has reached a level of 0.67.

Addl GM (Sewerage) conducts Sewerage Operations meeting monthly, necessary reports are prepared to show the revenue generated and the connections given.

Quarterly reports are sent to Corporate Plan Division for reporting to the management on the progress and status.

Journal Vouchers Preparation

Physical cash is received by the cashiers at Head Office and other regions, money deposited by other banks to BOC on account of water bill payment information is received, Journal Vouchers are prepared to inform the Finance Division with the other billing and collection figures after bill processing.

Regular Meetings

There are regular meetings held a. Monthly Progress Meeting with staff b. Monthly All Island Commercial Managers meeting and once in six months sub section staff meeting. All these meeting focus on enhancement of performance. The staff are allowed to discuss the hindrance in performance and solutions were given. In comparison with previous years significant improvement had been made in revenue collection, reduction of debtage closer to 0.67, disconnected arrears collection, reliable information transformation to Finance Division.

Conducive Environment

Serving Customers Better

There are over 2000 customers visiting the Head Office Cashier Collection centre to pay water bill or seek assistance to customer complaints. A Unique Name was identified to be used around the country as the “Customer Care Centre” where customers could pay their water bills and find solutions to the customer issues. Since large number of customers wish to get updated information about the amount to pay “ Self Service” kiosk has been installed. Customers are served in an air-conditioned customer friendly environment with Queue Management System, TV entertainment, adequate seating arrangement, drinking water.

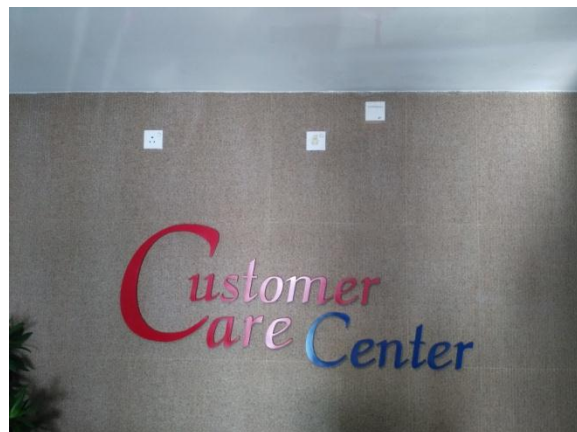
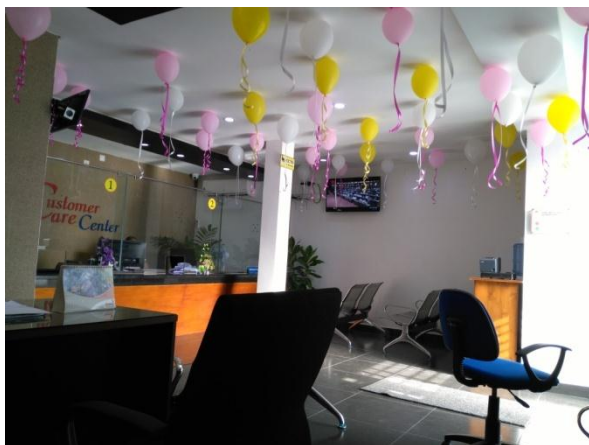


Figure 5: Customer Care Centre

Productivity Improvement

In March 2017 Small group meetings were conducted with cross section of staff to identify the areas that needed attention to improve productivity. Suggestions given by the work team was discussed and approach and facilities were made to improve their skills by training/ access to knowledgeable persons. Knowledge sharing enabled to overcome many issues. As the section is heavily depended on computer trivial computer issues were identified as hindrance for performance. Many trainees come to this section from universities their observations and suggestions to improve the process using latest technology, different work approach was encouraged. Participatory management was encouraged in all activities, where all staff contributed to any common activity and their views were given due recognition.

Staff Training

This year saw many training being conducted to focus groups to improve their skills. The training was for all categories of the staff in overall 86 sessions had been given on average 2.5 sessions had been given for each staff. Some of them are

- a. Creating and Delivering an Effective Multimedia Presentation - all commercial officers. (January 2017)
- b. Workshop on Customer Service Excellence
- c. Disciplinary Procedures
- d. Positive thinking boosting Productivity

All the staff at the division were taken for an outbound training to Kandana Water treatment plant. In addition to improving the skills in team work, it gave a good opportunity for the staff to interact with each other. Also the plant visit gave an opportunity to have a better understanding of the capital intensive treatment process. All the staff wore the same tee shirt as a symbol of common identity.



Figure 6: Training Secession

Ranaviru Apparel on site Learning

The apparel is managed by the Sri Lankan Army, where disabled soldiers involve in the production line. This apparel has achieved many awards for productivity. This is one of the recommended places to visit to improve productivity and learn about the systems. All the staff visited on 28th December 2017.

Capacity Improvement for all the Commercial Officers

The training needs of the commercial officers are identified and to suite that programs are developed through training centre. This year saw many special program being initiated. Those are

- Positive Thinking to Serve Better - Prof. Sarath Wijesooriya (Need of positive Thinking, Dr. Prbath Karunanayake, (Success is an attitude), Prof. S. Degamboda. (Customer service through positive thinking)
- Workshop on Customer Service Excellence – Mr. Laleen Katagodage
- “ Towards Service Excellence: Managing Customer Relationships in Public Sector Organization” – Mr. Dilan Ratnayake
- Creating and Delivering an Effective Multimedia Presentation
- Budget Preparation
- Awareness on Commercial Circulars
- Continuous updation on “commercial Operation Management”

Commercial Operation Management for Decision Makers and NRW reduction

“**Commercial Operation Management**” awareness program was carried out by visiting to all the 11 Regional Support Centre’s, The target participants were all Engineers, Commercial Officers, Audit staff and Finance Staff. This encouraged the decision makers to use the program for effective decision making.

Training Identification

The training division has been intimated on the training that has to be carried for different level of commercial staff in the board. The type of training and the identified in-house resource

persons has been given. Accordingly training had been carried out to staff in different regional support centre's.

On top of that different level of staff has to be trained to upkeep with the trends identifying those training needs has been identified and informed to training centre for incorporation for 2018. The category of staff include commercial officers, commercial Assistants, commercial clerks, Management Assistants, Divers, Peons etc.

Customer Awareness

At the exhibition “Thirasara Ugayake Haritha Udanaya” (“ ;srir hq.hl yrs; Wodkh “) a stall was allocated to NWSDB. Staff of commercial division educated general public about the treatment process, cost of water and formulation of water tariff



Figure 7: Exhibition area

Community Service

Vesak day the head office compound were decorated with lights, lanterns and models. The general public were served with coffee by the commercial Staff.

