

# MSB III Mid-Term Review

## Sector Reporting **9**

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## contents

Introduction	2
Relevance	2
Effectiveness	4
The second area of regulation is the Drinking Water Quality Monitoring	6
Relevance	6
Effectiveness	7
Conclusion	8

## figures

Figure 1: WSA perceptions of M&E within the sector	4
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## **Introduction**

KPI 12 specifies that DWAF, as the sector leader, must ensure that it reports on sector development and progress annually. This relates closely to Result Area 4 of the MSB III Financing Agreement which speaks to DWAF as the sector leader, and by implication steers the sector based on up-to-date reporting.

More specifically, the M&E Unit (Water Services Support Directorate) within DWAF outlined its approach to reporting in its “Water Sector: Monitoring, Evaluation and Reporting Process Document” (2008). The legislative framework within which Reporting operates is particularly robust and this document outlines the key components, including

The National Water Service Act (Act No 107 of 1997) which makes mention of DWAF’s M&E responsibilities;

- The National Water Act (Act No 36 of 1998) which specifies that DWAF must create an M&E system that monitors, in particular, water quantity, quality and use.
- Strategic Framework for Water Services (2003) which refers to DWAFs role as regulator, and is therefore responsible for monitoring water at all levels of government;
- The Municipal Infrastructure Grant, albeit administered by dplg nevertheless requires monitoring by the sector; and
- The nascent Government Wide Monitoring and Evaluation System (GWM&ES) which requires all government departments to report against specific indicators in order to improve the management of all service delivery by the public sector.

## **Relevance**

There is no doubt that the sector reporting process established by DWAF is directly relevant to the needs of the sector. As the leading policy maker in the sector, DWAF (as outlined above) as the appropriate policies in place that defines its mandate in terms of reporting.

The system created provides information that allows the sector to:

- Monitor the current needs of DWAF in accordance with its water sector mandate;
- Monitor the future needs of DWAF in line with its mandate; and
- Monitor regulations and compliance in line with its Regulator mandate

The M,E & R system primarily focuses on the sector targets (as defined in the Strategic Framework for Water Services) and which are aligned to the South African Government’s Medium Term Strategic Objectives and the Millennium Development Goals. In particular the system generates relevant information that allows the sector to track progress in terms of the WfG&D

With regards to DWAF's role as Regulator, Result Area 4 (EU Financing Agreement) specifies that " DWAF will be a strong capacitated leader providing policy direction, regulation and support to the water sector. MSB would support DWAF to develop an appropriate business plan and accompanying business processes and systems to facilitate its new role as a Sector Leader providing policy direction, regulation and technical support to the sector. Change management plan should be prepared". To ensure that DWAF takes the lead on regulatory provision it has taken several relevant steps, these include:

- The development of a National Water Services Regulation Strategy (Penultimate Draft).
- Development of a Regulatory Framework for Water Resource Management
  - Strategy in the process of being developed. Stakeholder workshops and discussions have been held for contribution into the strategy.
- DWAF is also considering appointing a separate DDG for regulation. There will therefore be a separation of policy and regulation functions at DDG level. The proposal has been developed and will be submitted for approval. The creation of a post at DDG level for regulation is an indication that the department is moving towards regulation and it is also serious about regulating water as the sector leader.
- Although the regulatory strategy for water services has been developed, the department is still in the process of developing reporting guidelines for regulation. It is still analyzing what should be covered in the guidelines for reporting.
  - In relation to this, the department has developed a regulation performance measurement system. The use of the performance measurement system is currently moving a bit slowly as the information for measurement is not coming in regularly.
- In order to fulfill its regulatory mandate and thus provide appropriate reports, DWAF in collaboration with WIN-SA have developed a biannual bulletin that covers issues of Water Services and Water Resources. This bulletin emerged at a time when the water sector is engaged in a process of developing a water regulation framework.

Thus the reporting system allows DWAF to provide a host of relevant reports to allow sector leadership to make decisions with current relevant information, these include:

- Quarterly water sector reports
- Annual reports
- Reports for Leadership Forums
- "Spot Checks" of water and sanitation projects
- Quality of Life Evaluations

Appropriately, and thereby fulfilling its role as Supporter, DWAF is currently implementing the M,E & R strategy in the 9 regions by the 9 M,E & R coordinators. This will ensure that all municipalities will be able to conduct their own credible M&E processes and thus ensure that robust relevant information is utilized at local level.

*Key Recommendations:*

- No recommendations as defined role relevant to the role envisaged

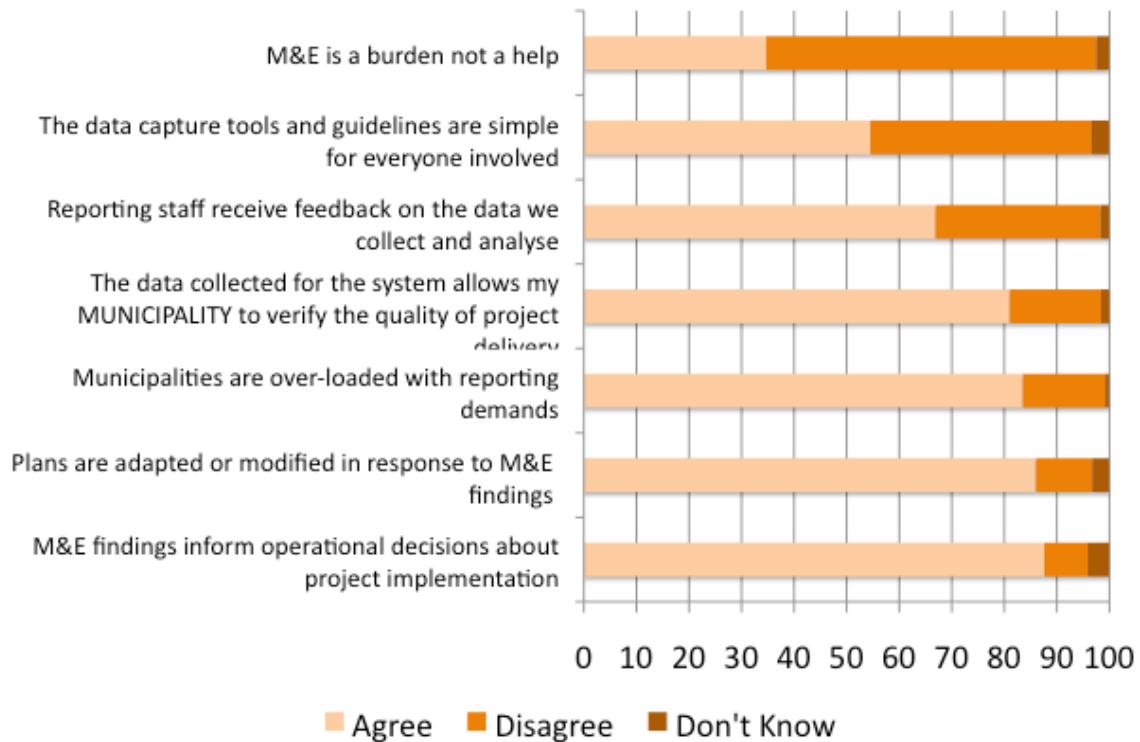


Figure 1: WSA perceptions of M&E within the sector

### Effectiveness

DWAF, in their M,E & R strategy document note two pertinent challenges facing the sector: (2008: 11)

- Having a report does not guarantee that it will be distributed, discussed and used unless people engage with it
- The commitment to using reflective processes and products comes from top management, with political will; and

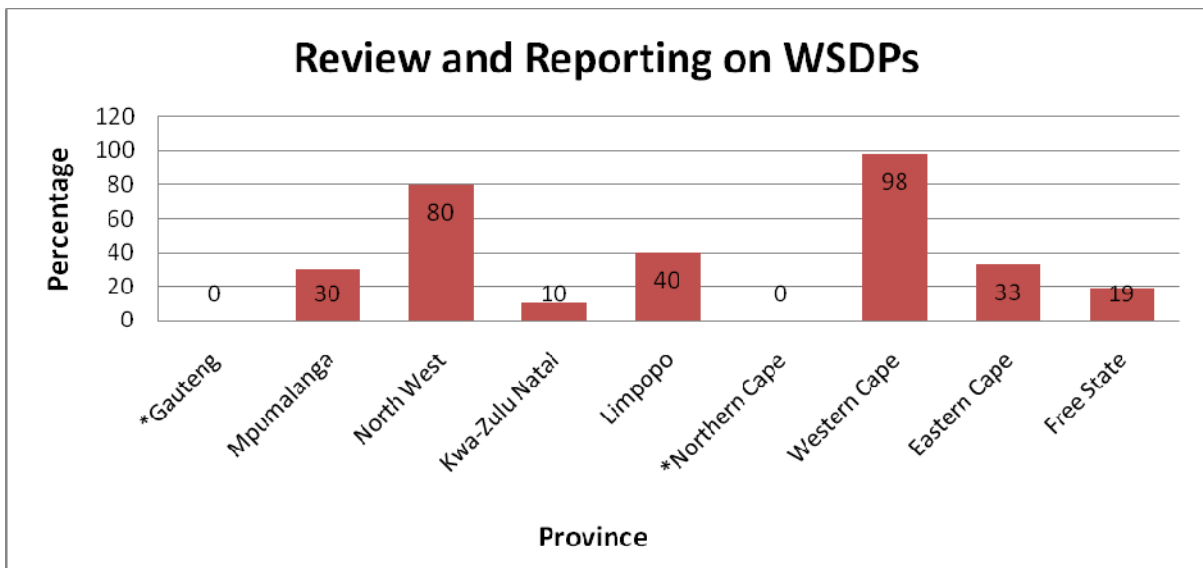
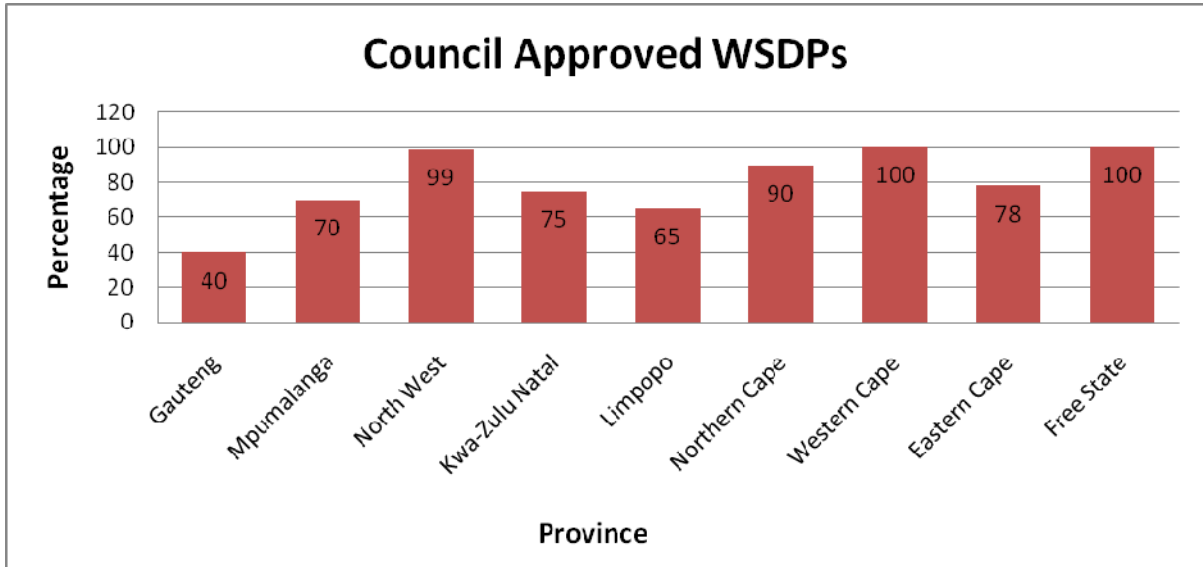
Figure 1 indicates there is a strong sense that at the local level the information that the M,E & R system is generating is being engaged with, which is a very positive finding (88% of WSAs agreed with this statement). Encouragingly more than 4 out of 5 WSAs agreed with the concept that plans were modified as a result of M&E information (86% of WSAs agreed with this), and used the information to assess the quality of projects delivered (81% of WSA agreed with this).

However, certain warning signs can also be seen in the table below. For instance, a third of WSAs (34%) agreed with the statement that “M&E is a burden not a help”, a third (30% of WSAs) were of the opinion that they never received any feedback on the data they fed into the system, and more than 4 out of 5 (82% of WSAs) agreed with the view that they are over-burdened with reporting demands. There is therefore a very real concern that WSAs (often the key cog in providing data to the system) are not always able to provide sufficient resources to ensuring the validity and the reliability of the data.

Thus whilst WSAs are largely satisfied with the system, it does highlight a critical concern of the M&E Unit within DWAF, namely that much of data which they report on is not actually gathered by DWAF. DWAF, as sector leader are expected to drive the reporting process within the sector, yet much of the data they report on is not actually directly under their control. The M&E Unit, who do an “impressive job” in compiling the reports are woefully under-resourced and are simply not in a position to validate the data coming in. It is, for instance, well known in the sector that there have been occasions when different departments have reported on ostensibly the same issue, over the same period of time, very different data. Whilst a commission, which is using the expertise of National Treasury and Stats SA, is currently looking at means to reconcile different data sources, it does highlight the challenges faced by the M&E Unit within DWAF in trying to provide continuous up-to-date data for the sector. This point is further emphasized by the following (DWAF, Consolidated WS Report, 2008: 203):

*“The capacity of WSA’s and DWAF Regional offices to conduct monitoring, evaluation and reporting functions are limited. The need of M&E&R was reiterated across all spheres of government. In avoidance of duplication of effort, M&E&R practitioners and processes must ensure the optimal utilization of the electronic monitoring and evaluation systems....reporting time frames of the various sector departments vary. For example, the Department of Health only publishes information on an annual basis and the DPLG MIG information is published three months after the reporting quarter. Sector-wide reporting is still fragmented”*

In terms of whether DWAF is being effective as a regulator, there is a sense that DWAF is making important progress, but challenges remain. Reporting by the municipalities on the WSDPs varies. Nevertheless, it should be noted that the WSDP reporting has been enhanced to include other information, which was not there before, e.g. reporting on water services audit information. This information is passed on to the regulator to feed into the regulation performance management system. The information below indicates the number of WSAs that have Council Approved WSDPs per province as well as WSA that are reviewing and report on their WSDPs per province. It should however be noted some of these reviews and reporting does not include reporting on WS audit information.



\*Information not submitted

**The second area of regulation is the Drinking Water Quality Monitoring**

**Relevance**

Drinking water quality (DWQ) is a high profile issue because it has a direct effect on the health, and sometimes lives, of consumers. Failures to provide adequate drinking water quality also attract media attention. In this context, DWAF has put an emphasis on ensuring adequate DWQ. The WSA survey found water quality to be the most commonly

cited area in which WSA managers believed their organisations to be regulated, and the area in which they believed they were most compliant.

DWQ monitoring is conducted in most municipalities and most WSAs are reporting on DWQ using the electronic water quality management system (eWQMS). While sampling and reporting on DWQ is largely taking place, the following challenges exist:

Not all WSAs have the laboratory capacity to test DWQ samples. Testing, which is costly, must then be contracted out;

In the cases of poor results, appropriate steps and actions are not necessarily taken. This seems to be the result of the following: lack of capacity; confusion over who is responsible; and/or lack of cooperation and communication within these WSAs;

Also related is the quality of raw water: sewage effluent is often not monitored and/or there are waste water treatment works with severe problems.

DWAF has noted the challenges related to drinking water quality and identified the following relevant responses for dealing with WSAs that do not ensure adequate DWQ: investigate the options for taking over water services functions when a quick response is required; take action against non-performers; use Water Boards where appropriate; implement urgent recruitment and training programmes; and investigate ways to incentivise sufficient budgeting for DWQ management and monitoring (An Immediate Response to the Challenges Facing the Water Sector (June 2008)).

## **Effectiveness**

Ensuring safe drinking water at scheme level is a critical area for support. The *management of DWQ* emerged as the most commonly cited area of *support required* that WSA managers identified independently during the WSA survey conducted as part of this mid-term review. Additionally, 42% of those surveyed agreed that providing good quality water is a challenge.

DWAF's Water Services Regulatory Management System (WSRMS) tracks 11 KPIs, including DWQ. DWQ is one of 3 of these KPIs that is rated as non-compliant (WSRMS, online, March 2009). In October 2008, it was recorded that 3,538 sites were monitored nationally: 236 sites were non-compliant and posed health related DWQ threats (Quarterly Report: Consolidated report Oct – Dec 2008). DWQ has been identified as one of top 3 KPAs in the WSP Support Implementation Plan (February 2008). The roll-out of this plan is critical for various areas. If effectively implemented, it could be instrumental in improving the management of drinking water quality, as well as in improving operations and maintenance overall.

**Key Recommendations:**

Fulfilling its role re reporting, but with little input from key stakeholders – so no real data verification – data verification needed

Onerous reporting requirements, which are developed largely by DWAF with little input from stakeholders – better guidelines/ M&E training required/ ownership needs to be reinstated

Feedback is not always a two way process, needs to be fed down the system just as it is fed up the system

Current information is vital to the success of a SWAP to steer the sector, it is critical that the unit is strengthened in order to perform the functions the framework requires of it.

**Conclusion**

The framework is largely appropriate to ensure the reporting needs of the sector. However, the means to achieve this have yet to be fully realized. In particular, there is insufficient capacity to achieve these means, and thus it is critical for the remainder of MSB III the M, E & R unit is strengthened.

DWAF itself is certainly conversant with these findings, and thus it is appropriate to end this section with what they have identified as the means to strengthen M,E & R within the sector (DWAF, Consolidated WS Report, 2008: 203-204):

Sector collaboration on M&E&R is not “mainstreamed” and should be promoted to facilitate cooperative development of M&E&R frameworks between sector departments. M&E&R systems must be designed to ensure consistent and accurate measurement of KPIs, regular information flow, and common definition of indicators. M&E&R co-ordinators to be deployed to DWAF regions. Staff needs to be appropriately trained in the regions and dedicated to monitor, evaluate and report on water and sanitation project implementation...There must be greater alignment between the reporting on the DWAF Strategic Plan, Regional Operation Plans and Provincial Water Sector Plans.