

Performance Assessment Systems for Urban Water Supply and Sanitation in Gujarat and Maharashtra 2009-14

Access to water and sanitation services in Urban India is widespread, but little is known about the quality and level of service, and coverage of the poor households. For new investments in the sector to be effective, it is important to assess the performance of the existing system and ensure its sustainability and reach for the poor and unserved.

CEPT University has received a major grant from the Bill & Melinda Gates Foundation to research urban water and sanitation issues. The aim of this programme is to develop better information on water and sanitation performance at the local level. This in turn will be used by the state and local governments for extending services to all, strive for financial viability and improve reliability and quality of services. The research will focus on the use of performance indicators and benchmarks to facilitate consistent reporting, monitoring, planning, budgeting, and investing in water and sanitation services in all urban areas of Gujarat and Maharashtra states. Lessons from the project will be disseminated to other states and at the national level. The Urban Management Centre (UMC) and the All India Institute of Local Self Government (AIILSG) are key partners of CEPT University for this project.

CEPT University with its partners will work with state and local governments to develop a reliable and sustainable **Performance Assessment System (PAS)** for urban water and sanitation services. The PAS envisaged in this project includes: **Performance Measurement, Performance Monitoring, and Performance Improvement.**

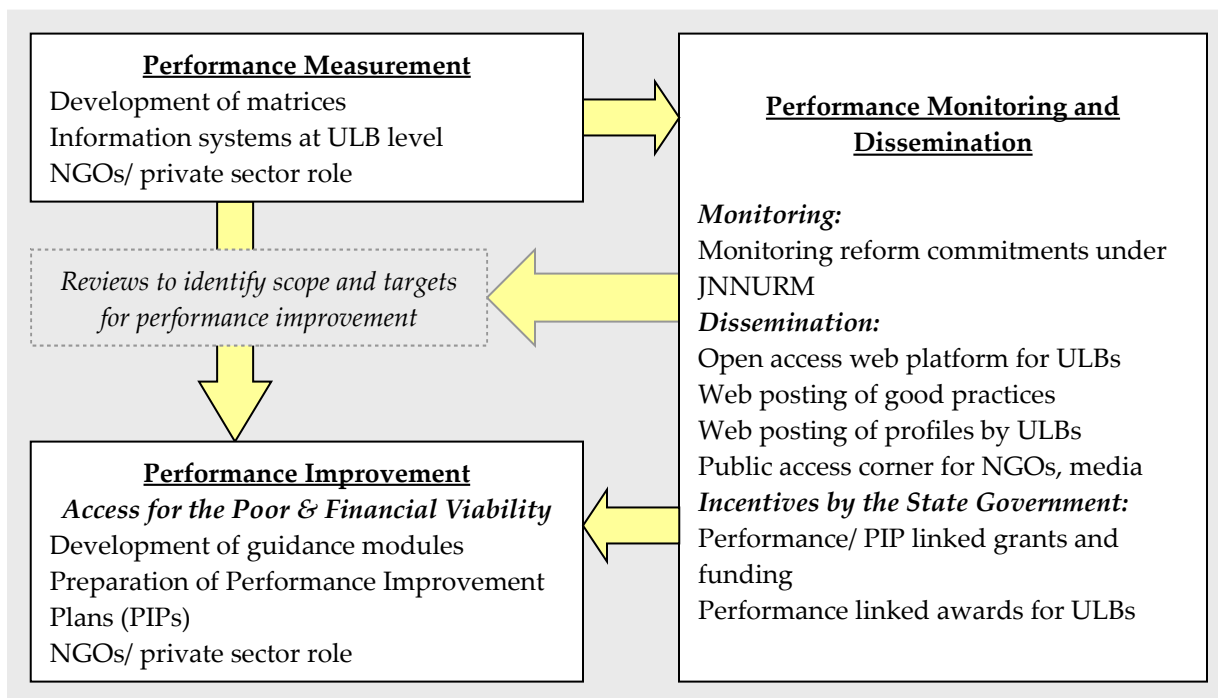
The key project objectives of the **five year project** are:

- **Objective 1:** To develop and implement a **performance measurement system** for regular and reliable UWSS information
- **Objective 2:** To design and share results with ULBs, state government agencies, other stakeholders and media through **performance monitoring and dissemination system** for use in decision making, providing incentives and influencing demand
- **Objective 3:** To facilitate development of **performance improvement plans** by urban local bodies with support from state government, NGOs and the private sector

The performance measurement refers to development and implementation of measurement metrics. According to official information, 90% of households in urban India have “access” to water and

70% households have “access” to sanitation.¹ However, there is no reliable information on quality and level of services. It is also not known whether the urban poor households have adequate WSS coverage. Some studies² suggest that in slum settlements both the access and quality of service are very low, especially for sanitation. Information on intra-city distribution of services, quality of water, non-revenue water, costs of service provision, service level and functionality of metering, etc. is also not available on a regular basis. Such information is critical for allocation of public resources, improving efficiency of service delivery and increasing access for the urban poor communities.

The indicators for performance measurement will be developed through studies and stakeholder consultations at state level. Indicators for access and coverage, quality of services, efficiency, financial viability, customer orientation, and equity have been developed. Unlike previous attempts that have been one-off studies in a few cities, this project intends to cover all urban areas in the two states. It will develop a system of measurement that is more frequent and ‘in-sync’ with other data collection processes at local and state level. It also focuses on a process that will have active participation of all stakeholders to generate ‘ownership’ and ‘buy-in’ at the state and local level. Pilot studies will be done in selected cities before finalizing the indicators and data checklists. Over the five year period, the project will enable direct self-assessment by urban local bodies through training support.



¹ WHO/UNICEF Joint Monitoring Programme, 2004. “Meeting the MDG drinking water and sanitation target: a mid-term assessment of progress.” WHO and United Nations Children’s Fund.

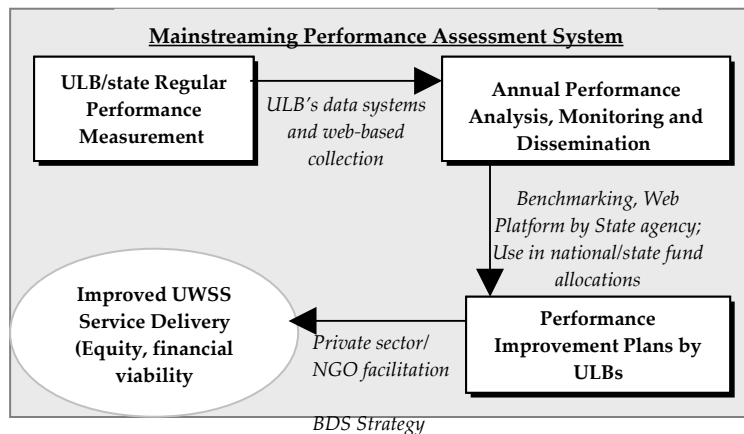
² See for example analysis using information from the Census of India and NSS in Mehta S 2008 “Poverty in Urban Slums of Gujarat.”. Presentation at CEPT. Mimeo.

The performance monitoring will include setting up appropriate systems at state level, where annual and real-time information will be available, and detailed analysis of indicators, developing benchmarks, and documenting good practices will be done. A dedicated web platform will be set up in each state to host this information with access by Urban Local Bodies (ULBs) and other stakeholders. Comparative analysis will be made available to all ULBs to enable them to track their performance with peers. The performance monitoring will be also linked to the performance linked grants, monitoring performance on reform commitments under the JNNURM and possible rewards for better performing local governments.

The performance improvement relates to the use of performance indicators to improve service levels. The project will provide support to local governments to develop performance improvement plans for reaching the poor and unserved, and increasing financial viability (from reduction of costs, tariff reforms and increased collection of dues).

The PAS will be mainstreamed in state and local government administration by aligning the information collection, analysis and use in the ULB and state government systems, and through 'self-assessment' of performance measurement in later years of the project. Use of PAS by private sector and civil society groups will be encouraged. The impact of PAS on improved service delivery will be measured in terms of improved equity (e.g. better coverage for urban poor), efficiency (e.g. reduced costs) and financial sustainability (e.g. better operating ratio).

Results and learning from the project will also be disseminated nationally and internationally. The information can be potentially integrated within international utility benchmarking frameworks (e.g. IB-NET), to raise the quality of urban utility benchmarking, particularly related to service delivery for the poor.



The project is being implemented by CEPT University (CEPT), with the Urban Management Centre (UMC) and the All India Institute of Local Self Governments (AIILSG). CEPT will coordinate the project, with UMC carrying out activities in Gujarat and AIILSG in Maharashtra. The project has been assured support of the State governments of Maharashtra and Gujarat.