

Water Services Authority Capacity Building

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This chapter focuses on building the water services authority (WSA) capacity of municipalities that have the water and sanitation powers and functions.

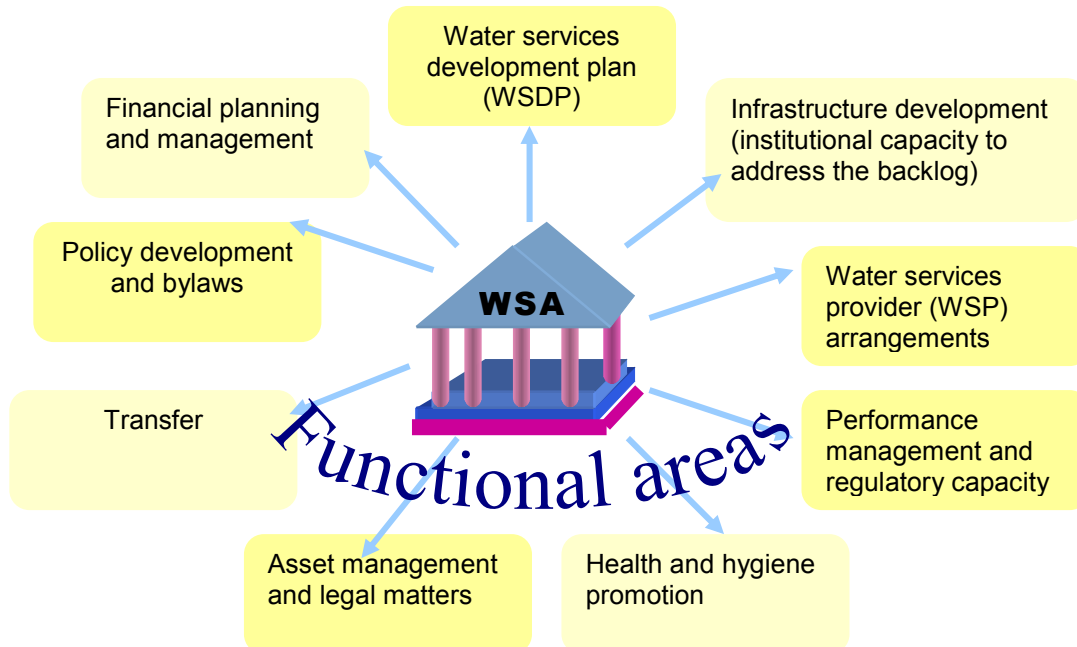
Overall goal for WSA capacity building: Municipalities that are WSAs are able to effectively and efficiently fulfil their WSA role and responsibilities as outlined in the Water Services Act.

What is water services authority capacity?

“Water services authority capacity is the ability of a municipality to fulfil its constitutional duties and perform its powers and functions in terms of water supply and sanitation services. This means that the municipality must have the capacity to fulfil the following duties:

- ✓ ensure access to efficient, affordable, economical and sustainable water services
- ✓ make bylaws
- ✓ prepare a water services development plan
- ✓ perform the functions of a water services provider, or contract a water services provider

Within these duties there is a range of functional areas which a WSA must address in order to efficiently and effectively fulfil its duty as a WSA.



Transfer is not a functional area as such. However, since many municipalities are taking transfer of water services works from the Department of Water Affairs and Forestry (DWAF), this is also a focus area for capacity building support.

Towards ensuring a more focussed approach to WSA capacity building, the following key performance indicators have been identified for each functional area. Those

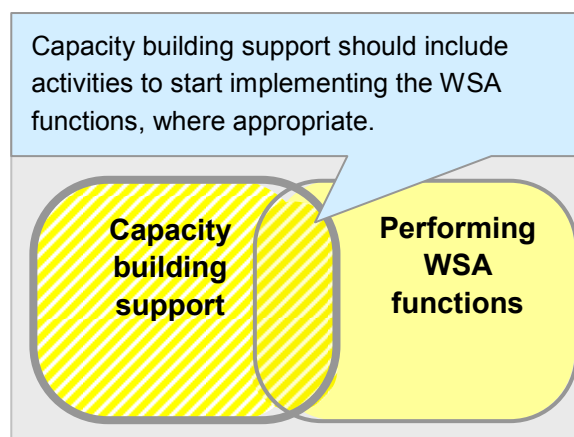
KPIs that are regulatory requirements or required in terms of an Act are marked with a tick (✓).

1	Policy development and bylaws	
1.1	Tariff policy which adequately addresses indigents, free basic services and service levels in terms of water services, based on a medium term analysis of operating costs	✓
1.2	Debt collection and credit control policy which adequately addresses indigents, free basic services and service levels in terms of water services	✓
1.3	Credit control and debt collection bylaws which give effect to water services tariff and credit control policies are promulgated	✓
1.4	Water services bylaws which give effect to water services tariff policy and comply with section 21 of the Water Services Act are promulgated	✓
2	Financial planning and management	
2.1	Water services budget identifies tariffs and subsidies required for financial sustainability	✓
2.2	Tariffs determined in keeping with tariff policy and water services budget and approved by Council	✓
2.3	Financial statements for water services are up to date	
3	Water services development plan (WSDP)	
3.1	Draft WSDP is developed (includes status quo data - qualify)	
3.2	WSDP that identifies future targets and infrastructure projects and complies with the requirements of the Water Services Act is adopted by Council	✓
3.3	Water services audit in accordance with DWAF regulations relating to compulsory national standards and measures to conserve water (No. 22355) is completed and submitted to DWAF	✓
4	Infrastructure development (institutional capacity to address the backlog)	
4.1	Mechanism in place to review and approve water services (water supply and sanitation) capital project business plans	
4.2	Procurement procedures in place for appointment of Implementing Agents (where WSA does not fulfil this function itself)	
4.3	Mechanism in place to manage capital programme implementation	
4.4	Projects within WSDP are implemented according to timeframes	
5	Water services provider (WSP) arrangements	
5.1	Municipal Systems Act Section 78 <u>Internal</u> Assessment completed and adopted by Council	✓
5.2	Municipal Systems Act Section 78 <u>External</u> Assessment completed and adopted by Council	✓
5.3	Service delivery agreements (contracts), that conform to DWAF's section 19 regulations, in place for all WSPs within the WSAs area of jurisdiction (including agreements necessitated by transfer)	✓
5.4	Contracts with Support Services Agents in place (if applicable)	✓
6	Performance management and regulatory capacity	
6.1	Key performance indicators for measuring WSP performance including outcomes and impact are set	✓
6.2	Mechanism in place to monitor WSPs that includes early warning indicator of under-performance (describe mechanism)	✓
6.3	Performance of WSPs is measured and reviewed at least once per year	✓
7	Health and hygiene promotion	
7.1	Health and hygiene promotion programme is established	✓
8	Asset management and legal matters	
8.1	Asset registers for all water services infrastructure are up-to-date	✓
8.2	Records for insurance of water services assets are up-to-date (assets may be insured either by WSA or WSPs)	
8.3	Operational manuals for all water services infrastructure (as appropriate)	

8.4	All the necessary permits, licenses, exemptions, permissions and approvals in respect of the provisioning of water services in the WSA area of jurisdiction have been obtained	✓
9 Transfer		
9.1	Transfer Agreement which addresses infrastructure, financial, personnel and capacity support issues is entered into with DWAF	✓
9.2	WSP(s) identified for schemes to be transferred (as part of section 78 assessment processes)	✓
9.3	DWAF staff as appropriate transferred to selected WSP (municipality or appointed WSP)	✓
9.4	Assets transferred to WSA	✓
10 WSA Structural and Organisational Issues		
10.1	WSA function provided for within the municipal organogram	
10.2	WSA functional areas addressed in job descriptions	

Some capacity building principles

- The strategy used by the WSA to address its capacity building requirements should ensure that the municipality does not become dependent on ongoing outside support.
- When making use of consultants or external expertise, the WSA must ensure that it has sufficient capacity within the municipality to adequately *manage, absorb and institutionalise the support*.
- Where municipalities lack sufficient capacity to fulfil all the WSA functions, an incremental approach is advised where initially only the priority areas are addressed.
- Often the most effective approach to establishing and developing WSA institutional capacity is to start implementing the WSA function. For example WSDP support will not be effective if it is limited to putting systems in place without engaging with the actual WSDP that needs to be developed.
- WSA capacity building requirements should be addressed within the water services development planning process, as WSA institutional capacity is a critical part of water services capacity.
- Many of the WSA functions are functions that apply to other municipal services, for example bylaws, development planning, budgeting, determining tariffs, performance monitoring, assessing service delivery mechanisms, contracting service providers, regulating, reporting, and so on. For this reason the municipality should consider establishing an authority for all its municipal services rather than a separate WSA structure. In municipalities where there is very little capacity, the establishment of a WSA structure may be a means to kick start capacity that can ultimately be developed for a range of municipal services.



For more information:

- DWAF Water Services Capacity Building Policy – www.dwaf.gov.za.

- On capacity support to municipalities – Alana Potter, The Mvula Trust (e-mail alana@mvula.co.za / phone 011 – 403 3425).