

Executive Summary

The Guidelines are intended to encourage the local authorities to benchmark their activities with their peers with a view to delivering water and sanitation services in a more effective and efficient manner.

Benchmarking has two components. The first is that of measuring performance against indicators that are precisely defined so that they may be compared with others. This is known as metric benchmarking. A value that is reasonably achievable is known as the benchmark for that activity. The next phase, which is performance benchmarking, is to identify other organisations that carry out the same activity in a better manner. They can then compare their results and ways that they took to achieve them so that the best methods can be identified. The remaining step is to incorporate the new ideas into the organisation and to re-measure the performance and mark the improvement.

There are a number of success stories from commercial and public enterprises resulting from benchmarking, which is essentially borrowing good ideas from other organisations.

Performance indicators are proposed covering all aspects of the local authority involvement in water supply and sanitation. These cover not only the technical aspects, but also the financial, human relations and, most importantly, customer expectations. They have been based mainly upon those adopted by the South African Association of Water Utilities which, in turn, have much in common with the indicators for water supply developed by the task group of the International Water Association. The indicators for sanitation owe a measure to the benchmarking activities of the Six Cities of Scandinavia.

Performance benchmarking follows a distinct cycle of determining what to benchmark, then identifying the benchmark partners, selecting the people from the organisation to carry out the exercise, planning what to ask and discuss with the benchmark partners, contacting and interviewing them. Finally, the information that has been obtained must be analysed and the conclusions drawn up for further action. The most important stage is to incorporate the new ideas and methods of working into the organisation and measuring the improvement. There are areas in the operation that must be watched in order to be more certain of success.

South African legislation has created a climate that encourages benchmarking. Performance in the delivery of water and sanitation services must be reported to the Department of Water Affairs and Forestry in terms of the Water Services Act, Act No. 108 of 1997. The Municipal Systems Bill requires all local authorities to measure performance in terms of standard indicators.

A centralised database will be needed which can be accessed by all who wish to identify potential benchmark partners and to assess whether they are performing in an acceptable manner and reaching or exceeding the benchmark for any particular activity. The host for the database has yet to be determined, as well as the nature of the database. The guidelines make proposals in this regard.

Reference is made in the Guidelines to overseas literature and the successes that have been made in the aero industry, the manufacture of cartridges and in the creation of the first motor assembly line.

There is intense interest in benchmarking in the water sector overseas and initiatives by the World Bank and the African Utilities Partnership are mentioned. Work is being carried out in the USA, the United Kingdom, Australia, Scandinavia, and internationally generally by the International Water Association.

Benchmarking offers a route to more effective and efficient service delivery.